The Association for Diplomatic Studies and Training
Foreign Affairs Oral History Program
Foreign Assistance Series

JOSEPH C. WHEELER

Interviewed by W. Haven North
Initial interview date: June 17, 1998

TABLE OF CONTENTS

KEY WORDS

agricultural engineering
Agriculture University
Bangladesh
Central Treaty Organization
Consultative Group for International Agricultural Research (CGIAR)
contraceptives
counterpart
cyclone shelters
Cyprus
democracy
Development Assistance Committee (DAC)
disasters situations
energy use
family planning
fertility surveys
fertilizer strategy
fragile ecosystems
Gandhi
Greece
Harold Stassen
Harry Truman
India
Indus river
International Cooperation Agency (ICA)
International Development Cooperation Agency (IDCA)
institutes of technology
iodine
Iran
irrigation
Israel
Jordan
Jordan Valley
Keban Dam
lead poisoning
life expectancy
logical framework
low cost preventive health care
Marshall Plan
medical school
Mutual Security Agency (MSA)
Nepal

INTERVIEW

Q: Today is June 17, 1998. The interview is with Joseph C. Wheeler, who served with AID [Agency for International Development] for how many years?

WHEELER: That depends on how you count it, beginning in 1951 and ending in 1982, and then again from 1985 to 1990 as DAC [Development Assistance Committee] chairman.

Q: We'll want to cover that as well. Let's just start off with something about where you grew up, your early education, your work experience and what may have influenced you

to go into international development.

Early years and education

WHEELER: I was born here in Concord, Massachusetts, by coincidence on the farm where Henry David Thoreau was born. My parents called it Thoreau Farm.

Q: Explain who he is.

WHEELER: Henry David Thoreau was a Concord Transcendentalist, poet, naturalist and author of Walden and Civil Disobedience. In Concord we pronounce it "Thorough" rather than Thoreau as the French might speak it. That was back in 1926. It was a dairy farm. I was the fourth of five boys. I went to public schools. I was very active in the 4H Club. The farming experience was an important influence on me. This included, of course, the war years. I was particularly aware of international issues with one older brother a pacifist, another with the American Field Service in the Middle East and North Africa and a third killed in action over Hungary. I was given a “scholarship” by my oldest brother, the Quaker-pacific, after my freshman year in high school to attend a Quaker seminar at a retreat on Shawnee-on-the- Delaware. At that seminar, I met Harris Wofford. Harris became well known later on when he was a Senator from Pennsylvania, but he had an interesting earlier career. The story goes that one night when he was in high school he was taking a bath and the rule in his house was you never touch the radio if you're in the water. So, he was forced to listen to an interview with Clare Booth Luce, who was talking about federal union. At that time, it was federal union with Britain, and then federal union with democracies in Europe. He got interested in this and started something called "student federal unionists" or "student federalists" and he asked me if I didn't want to start a chapter here in Concord. So, I found myself meeting in a storefront down in the middle of town on Sunday afternoons talking about world federation. I stayed in touch with that group. I went off to Bowdoin College in Brunswick, Maine after my junior year in high school, accelerated like a lot of people did in those days because of the war, and then went off to the Army. After seven months in the Army Air Corps I was let out and returned to college.

Q: Did you serve overseas?

WHEELER: No, I never served overseas. It was 1945 and the war was finishing so I never got further than Texas and Colorado. Then I finished college and went on to a year in Geneva. At college, I had a bright idea one day. Bowdoin College was a fraternity college in those days. It's given them up now. The idea was that each fraternity could provide free room and board to one foreign student and the college could provide free tuition. Nobody had to put up any cash. Under this plan the college brought in about a dozen foreign students. This became known as the Bowdoin Plan. I got a certain amount of notoriety out of that, taking the idea to the National Student Association, where I had represented Bowdoin at its founding convention. One thing led to another. I got scholarships from Rotary International and the Boston Globe to go to Geneva for a year at the Graduate Institute of International Studies, which in that particular year, was

virtually an all English program with kids on the GI Bill. I studied international economics at Geneva and parlayed that into admission to the Littauer School of the Harvard School of Public Administration for the years 1949/50 and 1950/51. I got a master's in public administration and a master's of art after two years.

Q: Was there any special focus in these studies?

WHEELER: It was economics that was the biggest focus. There was agricultural economics. I also took political theory, constitutional law. But the main concentration was economics with Smithees. He was the Kenysian who taught us the conventional wisdom of the time.

Q: Was there any development economics?

WHEELER: Really it was before development economics, but the dean of the school was David Bell. Of course, he became famous first for his interest in economic development in Pakistan, where he was head of a team and advised them. That was an interesting contact. I suppose it also contributed to my interest in international development. Coming back to Harris Wofford, when I went to Europe, I attended a world conference of world federalists in Amsterdam and another one for students held in Hastings, England. I suddenly found myself Chairman of World Student Federalists. That gave me interesting contacts, particularly with the people who became European federalists. It was that group who moved Europe toward its Common Market and European Union. I had a chance to meet with people. I was part of a group audience with the Pope and so forth. It was a very interesting time for me.

Q: Were the developing countries involved in this at all or was it just Western countries?

WHEELER: Mostly Western countries. In terms of the organization in Europe, it was still mostly the Western countries. There were very few independent developing countries.

Q: This was what year now?

WHEELER: India had just become independent in '47 and this was 1948/49. So, we were just beginning to identify developing countries as a subject of national interest. I came back from my European studies and felt the need for much more economics and went to the Littauer School. I took the famous Junior Management Intern Examination. That was an examination that was a little bit on the subjective side. Some people did very badly and some people did very well. I did well the second time I took it and went down to Washington and went to the Point 4 program, the Technical Cooperation Administration of the Department of State and said, "Here I am. I'm looking for a job."

Joined the Point 4 program, the Technical Cooperation Administration - 1951

Q: Why did you go to Point 4? Where did you hear about this place?

WHEELER: I heard about this in the course of my studies. The Marshall Plan was started when I was in college. When I was in Geneva, Harry Truman was elected President and he gave his inaugural address with its four foreign policy points. I thought Point 4 was an idealist's dream: technical cooperation with developing countries. So, I went there. The secretary said, "I'm sorry, but we don't have any spaces." I said that I had come all the way down from Harvard just because I was interested. Something about Harvard interested her enough to get me into see the Personnel officer and damned if they didn't hire me.

Q: This was a Civil Service position?

WHEELER: A Civil Service position, yes. It was part of the Department of State.

Q: And what year was this?

WHEELER: That was 1951. I went to work on July 5, 1951. I worked in something called Education and Technical Training. That was headed by a Truman political appointee named Malcolm Morrow from Annandale, Virginia. The deputy in that office was David Scull, who became a bit famous in the Thompson's Restaurant case. He took Negroes into Thompson's Restaurant and asked to be served and wasn't served. This went to the Supreme Court and it was decided that you had to serve people who came to your restaurant if you were in business. So, that was a very important moment. The relationship with him had a certain influence on me, too, getting me interested in civil rights issues.

Q: What was the situation? What was your understanding of the TCA organization at that time?

WHEELER: I think Harry Truman had a theory. Harry Truman had been a farmer himself and he had the theory that if some of those Midwestern farmers would just go over to these developing countries and tell them how to do it, that all of a sudden they would be producing much more food and life would be much better. It was simplistic. It was technical assistance oriented. It was doing it on the cheap. But step by step the program became more sophisticated. First we realized the need for institution building and then we began to realize that there was going to be a need for some money transfers. A good deal of the focus was in Asia. These were the first countries to get their independence. Since we supported the decolonialization process it was important to us that they succeed. There was a lot of interest in Asia, particularly India, at that time. So, we were running participant training programs and programs sending faculty from U.S. universities to Asian countries. It was on a very light basis, not significant enough to have a mammoth impact on those societies.

It wasn’t long before the next election took place and Harold Stassen became the head of something called the Mutual Security Agency. Harold Stassen got permission from Congress to hire into the new agency only those he wanted to from the so-called

predecessor agencies. He gave everybody the same examination that I had taken to get into the Civil Service and took it himself. This was the third or fourth time I had taken the exam, so I was pretty well practiced in it. I got what was the highest score of anybody whom he retained. He fired (or did not hire for the new agency) two people with the higher scores because they were considered to be of questionable policy orientation. I suppose they weren't civil servants like I was. One of those was Gus Papanek, who became very well known at Harvard with the Harvard development group and then later with Boston University's economics department. He was an expert on Pakistan, one of my later interests.

In this new organization, I was on the tail end of the Marshall Plan. I was picked to work with a fellow who was in charge of recruiting consultants to go to Europe. What I learned in this process was, if you really want to, you can get things done. Our office was asked to send specialists for the productivity program to Europe with only a few days notice. My boss would develop a personal services contract and he would give it to me. I would take it to get clearance from the lawyers, the auditors, the controller, etc. I would sit outside their offices until they cleared it, sometimes for hours, but the embarrassment of having someone waiting for clearance moved these papers with enormous rapidity. I thought it was a very labor intensive system, being the labor, but it was a useful lesson that if you really want to, you can get things done, even in the government bureaucracy.

After a year or so, I then got invited to be assistant Italy desk officer. Here, I was working for one of those Chicago economists, Evelyn Ripps. Evelyn was known as a very hard person to work for. She was considered to be so bright that nobody understood exactly what it was she meant. It was my job to keep track of the balance of payments. We kept track on a daily basis. We came up with an equation at the end of each month. It was that balance of payments bottom line that largely influenced the amount of money we gave to Italy the following month. Italy was one of the poorer countries. So, the program was larger toward the end than those of some of the other countries where the recovery had been very rapid. We were also working on the Southern region of Italy, the Mezzogiorno, which was really an underdeveloped region comparable to what we would later find in the so-called developing world. So, it was a very interesting experience for me.

I did that for a year or so and then I went to work for Marjorie Belcher, working on European technical assistance. This was the phasing out. The Regional Assistant Administrator for Europe was Stuart Van Dyke. Stuart had been involved in the German program early on when the United States was virtually the government of Germany before the currency reform and shortly thereafter. So, I had a lot to learn from these people who had some years of experience running economies. I also had something to learn from Stuart. My job was to cut back on technical assistance expenditures. We were phasing out. So, I did an analysis based on very objective criteria to determine who should be terminated next. I would come in with a list. Stuart would say, "Well, you know, this fellow has a problem. He's got a sick wife and I really don't want to press too hard on him at this point." He taught me that in government or in administration, you have to have in mind the human factors.

Q: This was the phase out of the "productivity program?"

WHEELER: Yes. I found that process very interesting. At this time, I was living in Springfield, Virginia. I was married and bringing up children. I was very active in the Springfield Civic Association. It occurred to me that it might be fun to bring a "productivity team" out to Springfield to see the civic association and how it operated vis-a-vis the Fairfax County government. Productivity teams consisted of Europeans brought to the United States for exposure to American industrial methods. Springfield was a new community. We didn't have a library. We didn't have a fire department. We didn't have trees lining the street. There were so many things that we didn't have. So, we as a civic association took the initiative to raise quite a bit of money to provide first year funding for programs with the understanding that the County would carry the future costs. It worked! We got a branch of the library. These people from Europe were absolutely astounded. They said that the functions we were contributing to were the job of government. They felt we should just be demanding our rights. You shouldn't be out there raising money for the beginning expenditures of services in Springfield, Virginia. I found that the dialogue was a very interesting one. It sort of goes back to the de Tocqueville style of doing things. We came to realize the wide differences in attitude that existed between Americans and Europeans.

Q: In the role of civil society that people talk about today so much.

WHEELER: Yes. In this respect there were important differences in culture. Anyway, after a year with Marjorie Belcher, I decided that I should make the classic career move of the day, which was, if you want to go places in government, you should get hired by the Budget Bureau, now OMB. So, I talked to them and actually worked out a deal where I would go to work in a temporary agency that they managed. It was called the Baby Hoover Commission. I think it was the second time that Hoover had been brought in on a government reorganization effort. I was going to go to work on a Monday morning. Friday afternoon at about three o'clock, I got a telephone call from the person I was going to work for saying, "Joe, terribly sorry, but the job has been eliminated because we have a budget crunch." A few minutes later, I had a call from his deputy, a civil servant who was seconded from OMB to the Baby Hoover Commission. He said, "Joe, you have problems with your security file. I don't know what they are worried about, but I just want you to know that there is a problem and that's the real reason that you got the call a few minutes ago." I was obviously very upset. So, I had a friend out of the Federalist Group, who was working in the Eisenhower White House. I called him up and said, "Can you find out what the trouble is? I can't imagine what it might be."

I found out later that there were two things in my file that had raised questions. One was that I belonged to the American Veterans Committee, a liberal veterans group which the communists had tried to take over. I might have been one of the communists trying to take it over. Of course, the fact was that I was not one of those communists; I was on the other side of that issue. The other charge against me was that my address was "Thoreau Farm" and that might be a socialist community. I learned something out of that experience. I asked my friends at the Littauer School at Harvard what they thought my

next move should be and they said, "You should quit government," which I found rather extraordinary since they existed to train people for government careers. I didn't take that advice. I stayed with what became AID and had the most wonderful career I can imagine. But it was sort of a rocky start.

Q: Those things were cleared up, I guess, rather quickly.

WHEELER: The same information never bothered anybody in AID security. It was a question of interpretation by the particular agency that was hiring you.

Growing interest in India's development - 1957

I had developed an interest in India.

Q: Where did that come from?

WHEELER: Actually, it came partly from Harris Wofford, who had written a book about India; partly from meeting an Indian in Geneva. I suppose also there was the fact that, in those days, it was Gandhi that we were thinking about and Gandhi was also influenced by Henry David Thoreau with his Civil Disobedience. So, a number of things sparked my interest in India. I campaigned to get on the India Desk. I got a job there as Assistant India Desk officer, working for Al White, who was the desk officer, and for Clarence Gulick, who was the division chief. I was put in charge of the technical assistance program, which fit in with my previous experience. It meant that I was very much involved in the further programming of various grants we made to India for bringing in land- grant college groups. I have heard Indians say that the mammoth technical assistance effort in which we helped build land-grant type agricultural universities and agricultural research systems and got communication going between agricultural research, extension and education was really one of the great contributions that we made to the development of India.

There was one new project that I was involved in at Uttar Pradesh Agriculture University. This was a new university. We were doing a lot of work also in Ludiana in the Punjab. I went out to India and went all over the country and saw these teams working. It was a fantastic experience for a young man.

Q: This was just at the beginning of that program or had it already started?

WHEELER: Many of them had already started, but some new ones were still coming in. There was always the question of how long and what shape and how much? The Agriculture Division Chief, Frank Parker, took me in hand and saw this young assistant desk officer and figured out that this was someone who really needed to get educated up on just what was going on out there. Frank Parker had a very personal relationship with the Minister of Agriculture. Ty Wood, the Mission Director, had a personal relationship with Nehru. It was a time of fantastically open and generous attitudes.

Q: The people in the government were very receptive to this type of assistance?

WHEELER: Yes, and in the United States, there was a lot of interest. I suppose interest follows money. If there were 10 universities in India, there were 10 centers of Asian studies going on in the United States with language training and so forth. It was a period when land-grant colleges still had very significant departments of agriculture. As fewer and fewer people were involved in agriculture in the United States, the agriculture emphasis in land grant institutions went down, but we caught it at the crest so that hundreds of Indians got their Ph.D.s at American universities, most of them doing their Ph.D. thesis on a subject back home and with an understanding that they would stay in their country. They usually did, but not always.

Q: What were some of the issues that you observed in institution building in that process? It obviously didn't all go smoothly; what were some of the dilemmas that people faced in the process of creating these universities? Anything in particular or was it all really straightforward?

WHEELER: I guess, from the point of view of the universities, they certainly weren't straightforward. There were lots of problems. They tended to be human problems. This was sort of pre-Green Revolution, so we didn't have the simple formulas for increasing production. We were looking for them. We tended to be achieving only marginal increases in productivity, which were not so decisive that they would spread rapidly. I think that it was a challenge to come upon the formulas that would get the mammoth increases in productivity that spread rapidly because farmers could see the dramatic changes. That characterized the Green Revolution of the 1960s and '70s.

Q: One of the criticisms of the technical assistance at that time, as you know so well, was when you mentioned that the program was simplistic, that there was too much Western technology trying to be implanted and not enough local learning. How did you find that?

WHEELER: There were examples of that. There was the famous case of the Ph.D. student who went to the University of Tennessee and picked as his subject how to change the sex of a chicken from male to female, which is pretty esoteric and not very relevant to development. So, there were issues of that sort. I can recall in Nepal, in a separate contract later on, the home economics group bringing in washing machines and inapplicable technology of that sort.

Q: Did you find the American university people trying to understand the Indian situation?

WHEELER: Yes. You had the inevitable problems of adjustments, not only to living, but adjustments in the way of looking at things. But I thought that these groups were pretty good. There was enough experience in each of these universities working in India so that they learned pretty fast. By the time I came along, many of the projects had been established. The steepest part of the learning curve was past. I think the biggest issue that I was dealing with was how long the contracts should continue.

Q: What were the criteria that you were trying to apply?

WHEELER: I think that the idea was that once we got a certain number of Ph.D.s trained up and on the faculties or in significant positions in the research institutions, that we should phase out. We tended to phase out faster than we should have.

Q: What kind of time frame were you thinking about?

WHEELER: After 10 years, there was pressure among us Washington bureaucrats to move on to other things. That pressure had its wisdom, but in its application, I think, we often times were too impatient. We would suddenly cut off all relationships between the American and Indian universities. The old Indian sort of authoritarian culture would take over, which was not what the American university was trying to get across. They were trying to get across the idea of communication and partnerships among members of the faculty, cross fertilization. Those kinds of things take a long time.

Q: Was there a conflict between the U.S. university style and the Indian style of administration and teaching and student relationships and all that?

WHEELER: Yes. I think that the clash of cultures, of course, is part of the technical assistance process, isn't it? It was a very interesting experience for me. I worked on Indian technical assistance for three years. Later on the U.S. became part of the Green Revolution success story, but this was in the 1960s – after by India Desk experience. Of course the later success built on the institution building we had been supporting in the 1950s.

Q: Were there other major technical assistance projects?

WHEELER: Yes. India had a program of building steel mills. Basically, we didn't believe in public sector steel mills. On the other hand, where there were public sector steel mills already in place, we believed in making them work. The American steel industry, helped by our financing, sponsored a huge program of training to get the operational level of the steel mills up to international standards. I don't think we ever succeeded, but we certainly saw them improve considerably. We turned down an opportunity to build an American style public sector steel mill, a new one.

The other thing about which we were very proud was our MIT-led consortium of American universities. The Indians were interested in setting up five institutes of technology. Their idea was to let a number of flowers bloom, so to speak, and to get the Russians to sponsor one, and the Germans to sponsor one, and get the Americans to sponsor one. We took on the Kanpur Institute of Technology and had a consortium to strengthen the faculty. It turned out to be one of our particularly successful projects. We also worked a lot in the field of public administration. We worked closely with the Ford Foundation in various experiments in agriculture. We were working in the field of health. There were the early experiments in the field of family planning.

Q: What were we doing in health?

WHEELER: There was an experiment on getting locally available quite low cost, preventive health oriented measures in a number of villages in the Punjab. Carl Taylor was the person who was responsible for that. It was a study area. We were trying to find out what combinations of things worked most effectively.

Q: Do you think they found out?

WHEELER: They reached conclusions. I won't say that they found out. The American medical profession wanted to associate family planning with the medical program. It was clinic oriented. It's quite true that if you put in enough resources with a quality clinical program, you can really make magnificent improvements in health and in family planning practice. But we did not find formulas that were easily replicable on a national basis because they tended to be so expensive.

Q: You were still working out of Washington?

WHEELER: I was still working out of Washington, that's right.

Q: That was a big responsibility, a massive program.

WHEELER: Yes.

Q: What were the others doing if you were handling this major program?

WHEELER: Al White was working on economic programs and PL480. By that time, we had developed a major aid effort. He handled the big money. I handled the smaller amounts.

Q: That must have been fairly substantial though. Do you remember anything about the magnitude of the technical assistance programs?

WHEELER: No. I think we must have been in the $20 million a year range or something like that. It was a lot of money.

Q: Maybe we can come back to the Indian experience as we move on. After this India experience, where did you move to?

Desk officer for Greece - 1960-196l

WHEELER: I became the Greece desk officer. By that time, Greece was getting rather small amounts of assistance. But you remember, the Greece program started with the Greek/Turkey AID program, which predated the Marshall Plan. This had begun in 1947. We were concerned that the communists were going to take over these countries. I was

Desk Officer at the tail end of a huge program. So, I was in sort of a wrap up stage. On the other hand, in these tail end programs, you still have political relationships. There was an interest in continuing to be helpful to the Greeks. So, we were looking at a few projects. Mostly, we were phasing out.

Q: How do we phase out graduate countries and programs such as in Greece? What are the techniques? Was there anything special you were thinking about as a way of maintaining the relationship but not continue the program?

WHEELER: We thought that we would do one or two more significant programs that would take a few years to complete. There was a dam project. I went out to Greece, traveled around the country and visited some of the several activities still going on. That was an extraordinary experience from both personal and professional points of view. In Washington we worked with the Embassy on cleaning up loose ends from the Marshall Plan. There was a very effective person in the Embassy, Aristotelis Sismonides, who was going to make sure that Greece did not lose a single penny against all those letters of credit that had been issued for import programs in earlier years. He would take any residuals and put them together and we would wrap them up. But it was a pretty routine business. It wasn't very development oriented because that wasn't the mandate of the desk.

I had become very active in civic affairs in Fairfax County and this was the year when I was President of the Fairfax County Federation of Citizens Association. My supervisors were understanding about the time this took. In this situation my secretary, Mary Wampler, proved well able to handle most of the Greece Desk work. She was one of a number of Marshall Plan-period secretaries who went on to successful professional careers in AID. Virginia Hancock, with whom I worked on the India Desk, was another.

Q: Having a chance to look at the program when it was ending, what kind of impression do you have of the impact of the program over the years? Did you see anything that would suggest that it really had an impact on Greece?

WHEELER: Oh, yes. It had an enormous impact on Greece.

Q: How would you characterize that?

WHEELER: We had both military assistance and economic assistance. I'm sure we saved Greece from communism. There was the civil war, which in the end, the good guys won. It was a pleasure working with many of the Greeks. They were a very able group of civil servants. Again, there were certainly cultural differences. And political problems. They weren't always as compromising among themselves as they needed to be in an effective democracy. Governments coming and going. I think that, as with other Marshall Plan countries, there was no question that this was an enormously successful program.

Q: This was largely providing economic resources and so on without too much technical support?

WHEELER: Well, there had been a fair amount of technical assistance. By my time, it was pretty much finished.

Q: Did you see evidence of that, results of our work?

WHEELER: Yes. At that time, we still had the Greece Consortium. The Greece Consortium and the Turkey Consortium were two consortia run not by the World Bank, but rather by the OECD in Paris. The OECD hired a chairperson. In this case, it was Ambassador Cochran, a venerable former ambassador to Indonesia. He was independently wealthy and he settled himself down at the Ritz Hotel in Paris. Once a year we had a consortium meeting. So, there was a policy dialogue. But the aid program was pretty much phased out. Our influence on the Greeks was marginal at that point.

Q: Was there any effort to establish some sort of a continuing relationship? Sometimes, when they close programs, people try to establish some sort of a linkage.

WHEELER: There were some linkages built in with regional training institutions. For example, there was the American Farm School near Salonika, that had some political support in the United States and we continued to make grants. They provided vocational training to farm boys. But it seemed to me, in retrospect, that that was more of a political anomaly rather than a serious effort at maintaining a long-term relationship. We really didn't make a serious effort to keep the program going.

We did have an interesting issue in the Greece program involving excess drachma. There was one Senator who in a Senate speech said, "I don't care what you do with those counterpart funds. You can go up to the Parthenon and throw them down to the people of Athens, but you've got to use them." In order to counter inflationary tendencies in the economy much of the proceeds from the sale of American goods into the economy, called "counterpart funds," were "frozen." As an inflation control measure they were put in a separate account in the Treasury that could only be drawn upon when the economic managers felt it would not add too much inflationary purchasing power in the economy.

Q: Did we freeze them or did the Greeks freeze them?

WHEELER: They were frozen by agreement but at our insistence. We were still concerned about inflationary pressures. So, the only way the frozen counterpart could be "used" was by agreement with the government that they would forego spending their own money, in effect, "freezing" some of their own funds or avoiding a certain amount of deficit financing that might otherwise have been consistent with a sound fiscal policy.

Q: It was country owned or U.S. owned?

WHEELER: It was country owned. We did have sort of a flap as we were pressed by Congress to do something constructive with the counterpart, not recognizing that it did not represent an addition of resources to the country.

Q: Right. That issue spread to many places including India.

WHEELER: It did indeed. It raises the question of whether it's a good idea to sponsor mythology. If you create things like counterpart, then you have to live with them afterwards. It would have been better not to create the counterpart in the first place. But in Europe, we found the counterpart very useful for administrative reasons. A certain percentage of it (I think, five percent) was kept for "U.S. uses" in Paris. Alas, I believe, the DAC chairman's house where I lived later was bought with "five percent counterpart" from the French program. These funds never went through a budget. The Marshall Plan administrators had a wonderful time spending them.

Q: But the five percent counterpart was U.S. owned.

WHEELER: That was U.S. owned and didn't go through an appropriation process. It was just administratively spent. I don't think anyone can advocate this. On the other hand, it was very convenient at the time.

Q: After the Greece experience, then what?

Turkey Desk Officer - 1960-196l

WHEELER: Then I got a job as the Turkey Desk officer.

Q: What year was this?

WHEELER: This was the next year, so that was 1960. The Turkey program had developed into a major development effort. Stuart Van Dyke by this time was the Mission Director. We were engaged in a number of interesting things.

Q: What was our main mission in Turkey?

WHEELER: We were building infrastructure, including training infrastructure, so that we were putting money into Robert College, into the Middle East Technical University, and other training institutions. There was the Ataturk Agriculture University in Erzurum. We had a most fantastic program with the Bureau of Roads to, in effect, train up and establish a road maintenance system.

Q: Why were we doing this?

WHEELER: It was just very important in the development of Turkey to get an effective road system going.

Q: Was it related to our political security interests?

WHEELER: I'm sure that somewhere in the decision making process our security

interests were involved in that.

Q: That was the overall rationale for the program, I guess.

WHEELER: Yes. They were a member of NATO. Furthermore, they were blood brothers in the way that they reacted to the Korean conflict. They went in there and fought very vigorously. They were very much appreciated by the U.S. military for their solidarity.

Q: Why do you think they made that decision? Korea is very far from Turkey's interests, I would guess.

WHEELER: There was a tremendous legacy from Ataturk, who basically saw Turkey as a secular society related to Europe. So, when there was a NATO effort, the government wanted to participate.

Q: To be part of the Western community.

WHEELER: To be part of the Western community. My own feeling is that it is unfortunate that Turkey has not been more welcomed into the European orbit. Even though one understands arguments about human rights and so forth, it's in my mind very important for Turkey to become part of Europe and be welcomed by it, but there are cultural differences, religious differences, and so forth that operate there. Greek-Americans argued against out Turkey effort. But from the point of view of the relationship with the United States, it was a very close relationship, a very easy relationship. The Turks seemed to think like us in many respects. That doesn't mean there weren't issues. I'm sure there were many issues. We felt we had a very effective program and that the Turks really tried to utilize our money well. They tended perhaps to be more interested in things like steel mills and so forth than we were.

If I can jump over a couple of years and go on to the period when I was Office Director for Greece, Turkey, Iran, Cyprus, and Central Treaty Organization Affairs. (I think that gave me the record for the longest title of anybody in AID.) Jim Grant had become the Mission Director in Turkey by that time. He felt strongly that from a development point of view, there was a need to shift focus from major infrastructure. We had been working on electricity grids and generation capacity and all those kinds of things. We needed to shift priorities toward agriculture. In the early stages of our program, Turkey had some very good crop years. They became one of the world's significant exporters of wheat. Of course, from a balance of payments point of view, we wanted to encourage this. So, we built grain storage facilities in Mersin on the south coast. They were basically for receiving wheat from the Turkish farmers and putting the wheat on ships, to be sold in other countries. Then, having built this grain storage project, Turkey for many, many years did not export any more wheat. They had a growing wheat deficit. Turkey was experiencing very rapid population growth. Agricultural technology was not keeping up and the policy framework was poor.

Q: Were we responsible for a lot of that increase in wheat production?

WHEELER: Jim Grant felt that we needed to develop a program which would, in effect, double wheat production. This was just at the time when the short straw varieties were coming out of Mexico and being applied particularly in India. But he figured that because we were dealing with dry land rather than irrigated agriculture, there were a lot of issues that went beyond the simple fertilizer and seed and water combination that you could use on the subcontinent. There were important issues of marketing, equipment, the role of the private sector, etc. So, he just set his whole mission to work and said, "I want all of you to work together with me in developing a strategy." He brought in the Turks, who were, of course, a central part of this. He held a retreat in Izmir. I came from Washington. Jim came up with a project paper. It addressed what had to happen in terms of price policy, in terms of services and markets, etc. It was an integrated plan. Jim was hated by his staff because he had absolutely no concern about Sundays off and staff being able to be with their families. He was just driven to come up by a certain deadline with a good project. He did. He persuaded the Turkish Prime Minister to appoint somebody to be the coordinator from the Turkish side, in effect, to break the logjam on the decision making process. The Prime Minister appointed an engineer named Turgut Ozal who later became the President of Turkey. Every week, Turgut Ozal had an appointment with the Prime Minister. He made recommendations, said, "We're having a problem over here. We're having a problem over there." The Prime Minister would make the appropriate telephone calls and break the logjam. The program worked and wheat production went up remarkably. In a way, it was an example of setting a very specific target and figuring out all the things that had to happen in order to achieve it and having the target so bold that it would get the attention of the Prime Minister and thus, in effect, break through the decision making process.

By creating a separate entity?

WHEELER: Well, it wasn't a separate entity so much as it was a coordination of existing entities, but they all bought into it. When you buy into something like that, you don't necessarily mean it. It's only when the Prime Minister calls up and says "You're behind by a week" that you realize that you've bought into something that was a little more important than you had thought.

Q: Was there a considerable amount of U.S. technical assistance and agricultural assistance involved?

WHEELER: Yes, agricultural engineering, for example, was a big element. But there was also a lot of policy involved in it. I think that it became a formula that got applied around the world. When Jim went on to become, in effect, the manager of the Vietnam program, working from Washington, he decided that we were going to increase the rice crop in Vietnam. During that war, he did the same thing and we increased the rice crop in Vietnam. He was always trying to get something significant out of the political process that he was operating with.

Q: That was very important.

WHEELER: He was often criticized for being too single minded and maybe not thinking of all of the ramifications of things outside of the particular program he was working on. But that's a subject we can come back to.

Q: That's interesting. So, from your point of view, that was of major significance to the Turkey situation?

WHEELER: Yes. It was a very exciting thing. One of the things I was involved in as Office Director was the negotiation of the financing for the Keban Dam project. Keban Dam was the first big dam on the Euphrates River to provide both electricity and a measure of water control for downstream irrigation, but particularly electricity. Our thought was that this was a project that should be done with international competitive bidding and the people who were likely to get part of the business should be making contributions toward the concessional financing package. We had in mind particularly the French, the Germans and the Italians. We developed a little mini consortium for the Keban Dam and held a negotiation involving also the World Bank. We had a very hard time because each of the donors wanted to be sure that their money was spent in their own country, whereas what we wanted was international competitive bidding with untied procurement. So, we decided that a country's firms could only participate in the bidding if its government was putting in some money. Then we developed notions of how much each country should put up. We bargained about this over quite a long period of time.

Q: The U.S. was prepared to accept untied procurement?

WHEELER: The U.S. was prepared to do that, yes. We didn't have much doubt that we would do all right in the procurement. So, I think that we didn't feel the risk was too great. We negotiated that. I worked on the negotiation with Kemal Siber, who was the aid person for Turkey in Washington. We used to go to lunch at a very inexpensive place and we always did it on a Dutch treat basis. It was a very businesslike process in which the Turks were very full participants. We pulled it off.

Q: You were successful getting the other countries to contribute?

WHEELER: We got the other countries to contribute. We had a system of procurement that made sense from Turkey's point of view, international competitive bidding. The dam got built. There were problems because it was a limestone area and it turned out that the drilling for the feasibility study had not uncovered the extent of the cavities below. A tremendous amount of grout had to go into it. Later on, when I was Mission Director in Jordan, I went over to the dedication at the invitation of Jim Grant.

Q: This had a major impact on the economy in that area?

WHEELER: No, it had an impact on the economy countrywide. There was a lot of electricity. We also provided some very high voltage transmission. We were on the cutting edge of the technology.

Q: It was a major power source for the country.

WHEELER: Yes. As I said, I was Office Director for, among other things, the Central Treaty Organization. You may remember that this grew out of something called the Baghdad Pact. In effect, the idea was that a few hundred millions of dollars spread around appropriately would bring countries together in their opposition to the neighbor to the north. Then The Baghdad Pact died when Iraq pulled out of it. So, it became the Central Treaty Organization. We sent people around to give away money. It was run out of the State Department with very little regard from an AID point of view to the development significance of the particular projects that were being promised. One of the projects was a microwave [communications] system between Islamabad, Tehran, and Ankara. We built these great big microwave dishes across the three countries. Secretary Rusk went out to the dedication and they told him to push the button and nothing happened. Eventually it did work. I guess it was considered to be a useful project.

Another one that we did was a railroad from Lake Van to the Iranian border. We in AID did the project paper and we concluded that it was uneconomic. We forced the State Department to sign the paper, in effect, saying, "We are going ahead with this project because it is politically important even though AID thinks it's uneconomic". We built this railroad, which picked up off of a ferry that carried rail cars across Lake Van. Later on, we discovered that it was one of the more economic projects we had ever built. There was tremendous traffic in the area. It goes to show you how uncertain project analysis can be. But it also goes to show you that AID in those days had its principles and we were really trying to do the right thing.

Q: Do the right analysis.

WHEELER: Yes.

Q: What was the purpose of these kinds of projects, to integrate the region somehow?

WHEELER: Yes. They all had some relationship among the countries. The theory was that they were projects that would not have been approved simply on the basis of their economic benefits. They needed external benefits to be justified – including the political benefits of solidarity.

Q: What was your impression of the effectiveness of CENTO?

WHEELER: I think politics of that sort have a very short political life. Obviously, they're welcomed at the time that they're done. I don't think that projects of that sort have lasting political benefits and often they become "troubled projects" because the country involved can't afford to maintain them.

Q: We weren't talking about economic integration or anything of that sort?

WHEELER: No. The trade among these countries was not enormous. They were mostly connected to other parts of the world rather than to each other. In Pakistan, we built a cardiovascular institute. When I went to Pakistan years later as Mission Director, this was one of the big projects on the auditor's list of projects that never got finished. It was one of the projects that auditors complained to Congress about and that I had to do something about. I did, as a matter of fact, and it did become a very distinguished institution. It came out all right in the end, but you ask yourself, if the money had been spent in some other way, might it have had a much greater benefit from an economic development point of view? I'm not in favor of this kind of diplomacy.

Q: Politically driven projects, where the development impact is less. It appears to be important, but it's not.

WHEELER: Yes. This was something very close to Mr. Dulles' heart. Because we were hiring him to run our diplomacy in those days, it was his judgement that this was the right thing to do. I don't really mean to second guess it, but from an AID point of view I wondered whether it was a wise thing to do.

Q: Did CENTO serve its purpose for that time from a political side? We rarely evaluate the political significance of what we were supporting.

WHEELER: I think CENTO probably had a very marginal importance. I think that basically our relationships with these countries were bilateral. If we were having a political influence on them, it was through our military assistance and the volume of our economic assistance. But conceptually, it had a nice ring to it to bring these three countries together and get them working together, having meetings together, and so forth.

Q: Keep the dialogue open. Well, you had some other countries under your responsibility at that time.

WHEELER: Cyprus was another one. Actually, I went to Cyprus when I was Greece Desk Officer, before it became independent, and then afterwards when Joe Toner was the Mission Director there. That was before the division of the country that exists today. We intended to help the country remain integrated. The country was born with a constitution guaranteed by the United States, Britain, Greece, and Turkey. It was one of those constitutions that built in an ethnic identity, so to speak. The 18% who were Turkish and the 80% who were Greek were represented in the Cabinet in accordance with a formula. Everything was balanced. I guess from my point of view, I have trouble with these kinds of things. They don't seem to last. The way the formulas get set up creates problems that they're intended to solve. But in the end, the Cyprus division came because of the outside concerns, the continuing difficulties between Greece and Turkey, the internal political situation in Greece.

Q: What was our role and what were we trying to do?

WHEELER: We were trying to support this fledgling country. We did it with some

technical assistance in a number of projects. We were interested in port development and water development and things of that sort. We were dealing with development efforts throughout the country. The key thing about Cyprus is that there really isn't any river in Cyprus that flows all year round. Water is an enormously scarce commodity and so the use of water becomes very important. We had projects that dealt in this area. We had a number of other projects of general technical assistance for institutional development. Being a new country, they had to develop a lot of things that other countries didn't have to deal with. It was a rather interesting program. I think that we had a very good relationship. It's interesting that Mr. Clerides, the person that Joe Toner dealt with, is still there all these years later.

The other country at that time was Iran. Of course, the Shah was there. In AID, we had a growing feeling that Iran was a place where we probably should not be having a major aid program because they had discovered oil and were exporting it. I found myself in a confrontation with the Iran desk officer in AID working for me, who would not sign a memorandum recommending to the Assistant Administrator, Bill Macomber, that the time had come when we should be announcing a phase out of aid.

Q: This would be what year?

WHEELER: This was 1963-1965. There was an assistant desk officer, an economist, who had done the analysis that led me to agree that this was the time to move. As a matter of fact, Bill Macomber, who had come out of the State Department, working as a personal assistant to Mr. Dulles, but who had stayed on in this administration, was rather shocked at the recommendation but came to agree with it.

Q: Was it just because of oil?

WHEELER: Yes. There was the situation where a senior official in the ICA organization, Dr. Fitzgerald, used to drive down Massachusetts Avenue past the new Iranian embassy being built. That Iranian embassy was a very expensive building. He went down to the office and was handed a paper to sign for more aid. He tried to stop the aid but failed. We came into a period when political interests could no longer be supported by economic realities.

Q: How important for our political relations was it to continue or not continue the program?

WHEELER: Eventually we were permitted to drop our economic assistance and support our political relationship with our military assistance. You just couldn't with a straight face go to Congress and continue to ask for money for Iran when they were making so much on oil.

Q: We had a massive technical assistance program?

WHEELER: Yes. We had a basic notion that we wanted to see Iran bring the fruits of

development to all of the people. The Iran mission had been organized with regional offices. I think that there were differences of view within the political community as to what was happening in Iran, a feeling that the Shah was not as much loved as American diplomats felt him to be. Of course, the alternative views turned out to be right in the longer run.

Q: But did we feel that the development job that we could do was largely done?

WHEELER: The transfer of large amounts of money was largely done, yes. I guess the problem is that when you stop transferring large amounts of money, you lose the framework within which to run an extensive technical assistance program. In the end, everything depends upon the leadership of the country. It is interesting that in Iran the Shah in a way was doing a lot of the right things. He was supporting programs that would improve the livelihood of people. He was very interested in education. A lot of things were being done right. But there was also, at the same time, enormous political control. I think that the Shah didn't understand how to deal with the currents in his society.

Q: How much feel did we have for what subsequently developed in Iran?

WHEELER: I think we in AID had a greater sense of the problems there than perhaps the political side did simply because, as an aid agency, we had contacts throughout the country. The Deputy Mission Director was Maury Williams. I visited him in Iran. I also visited Iran with Bill Gaud, who became the Assistant Administrator. There was an earthquake in Qazvin. I recall flying into Qazvin and landing on a road there in a little crop dusting plane. Bill Gaud was not particularly happy about that having been involved during the war in flying over the Hump in Burma. He thought that he had had enough of that kind of flying. But it was an interesting experience.

Q: Did we respond to the earthquake?

WHEELER: We responded as we often do in disaster situations. We responded very well. I learned that what you don't do in disaster situations is go in and start housing programs. What you do is get income to the people and let them run their own housing programs. They know how to build houses better than outsiders do.

Q: We were trying to build houses?

WHEELER: That sort of thing, yes. We ended up doing it in a sensible way. It's just that disaster situations are an opportunity from an economic development point of view and from a political point of view. They are a way of showing solidarity. So, it was important politically to respond well. I felt that we did in that situation.

Q: You were talking about phasing out the program. Did you have any conclusions about the residual impact of our aid to Iran, what was left?

WHEELER: I don't feel that I'm in a particularly good position to make judgments about

that. I think it would be interesting now that a few decades have gone by to look at it retrospectively and evaluate what sort of impact we had. My guess is that it was probably very important. It is one of those odd things that Americans, at the same time, can be so hated by Iranian governments, but also appreciated. Part of that appreciation comes from the memory of the kinds of contacts we had in the old AID days, including the University of Pennsylvania Medical School down in Shiraz and so forth. That was a case where we did some long term institutional relationship financing at the end of our program. Those contacts were on a human scale very warm and productive, I think. We also had a lot of influence with the macro economists at the Central Bank and the Ministry of Finance. But so many of them are now in the United States or somewhere else that I'm not sure that you can say that the residual impact is so great.

Q: Was there any particular strategy for phasing out the program? You were recommending that we bring it to an end. Was there any particular process or approach to that?

WHEELER: I recommended that we talk to the Iranians about it and get them to understand why it was we were asking Congress for less money. In the end, in a situation where you can't expect the government to agree with you that you ought to be phasing out, there is no completely happy way of doing it. But you try to get them to understand that in our process we have to justify our expenditures and we don't do it on the basis of political whim, so to speak, but rather in terms of economic justification.

Q: Did the State Department resist this. Were they insisting that you continue?

WHEELER: I think for a while. They participated in our Congressional Presentations and understood what Congress feels about these things. So, I think that they came to feel that our recommendation was a sensible one.

Q: And there wasn't any effort to have some sort of a continuing linkage or relationship?

WHEELER: We really phased out our program.

Q: Just closed up the mission?

WHEELER: Yes.

Q: Well, have you covered all the countries that you were responsible for?

WHEELER: Right. We skipped over a couple of years. I don't know if you would like to talk now about the Peace Corps.

Assignment with the Peace Corps - 1961-1963

Q: Yes, sure, by all means. How did you get into that?

WHEELER: I had been on the Turkey Desk. You may recall that the Peace Corps was set up by Sergeant Shriver, the President's brother-in-law. Harris Wofford had become very closely associated with Sergeant Shriver in the campaign. In fact, it was Harris Wofford who made the recommendation to Sergeant Shriver to recommend to his brother-in-law that he call Mrs. Martin Luther King at a time when Martin Luther King had been put in jail. The call was a symbolic gesture to show solidarity. This was a critical element in the Illinois campaign and the whole election hinged on Illinois in the end. So, Harris was very much appreciated. He had gone into the White House as a civil rights advisor for a while. Then he came over and worked with Sergeant Shriver in setting up the Peace Corps, which was established in March of 1961. Harris called me up and said, "Would you be interested in working in this?" I said, "Yes," having done the Turkey desk officer job for a year. So, I went over and worked on the programs related to South Asia and actually went out to India before Sergeant Shriver made his first trip to India, where he talked to Nehru and reached an agreement that, yes, we would have Peace Corps volunteers in India. I went up and down through the Punjab with Roger Ernst, who was the person seconded by AID's Mission Director, Ty Wood, to work on the Peace Corps.

Q: What was your understanding of how the Peace Corps got started? Where did the idea come from?

WHEELER: Good ideas have many authors. I think that many people believe that Hubert Humphrey had the idea and then it got articulated in the campaign. So, after the election, they had to take an initiative to set it up.

Q: Did you follow any AID connection with it in the early days?

WHEELER: No, I think that in AID we thought it was not a very important initiative. It was only after it was established that we realized that this was something good to be associated with and then we developed agreements with the Peace Corps for cooperation. On the other side, the Peace Corps felt that AID did things the wrong way. They didn't like the fact that AID staff had diplomatic immunity and that we had allowances and different allowances for poor countries where living conditions were difficult. So, there was a big anti-AID spirit in the Peace Corps at that time, except for a few people like me and for some people in the field. In the field, the relationship often got to be very close. First of all, AID staff liked Peace Corps Volunteers. Often times, their children were back home and these were new, fresh kids in their 20s. The kids needed a place where they could go when they got to Delhi or other capital cities. AID people visited them in the field and the Volunteers reciprocated. Then there was what I call "milking the AID cow." In India, the relationship in the poultry business, for example, was very close. One of the people in the Agriculture Division of AID had written a book about poultry keeping that was applicable to developing countries and this was devoured and a summary was translated into Punjabi by the Volunteers. Actually, the relationship got to be very close in some countries. In other countries, there was that sort of pride in Peace Corps hair-shirt style and a desire to keep a separation and not be associated with AID people.

Q: What was your view of the Peace Corps philosophy of what it was all about, what it

was trying to do, what it would do, what it shouldn't do?

WHEELER: The interesting thing for me is that we were, in effect, creating the philosophy as we went along. It was the first two years. Every day, there was a new issue. We had to deal with "important" matters like whether it would be all right for Peace Corps Volunteer boys to grow beards or whether it would be all right for Peace Corps Volunteers to marry each other. We had to deal with the standard of living that we should be sponsoring. In Asia, where I had the most influence, we took a very austere attitude that we should really get the volunteers to live as close to the level of their counterparts as possible. A typical placement for a volunteer would be at a "village level worker training center" where we wanted the volunteers to live at a standard similar to fellow instructors. Then we had the question of whether or not we should give them refrigerators even if the counterpart didn't have a refrigerator? Should we let them have jeeps? We decided no jeeps. We went for the motorbike. We decided yes on small refrigerators and, yes, they could have screening on the porch to keep the mosquitoes out. But they had to travel third class on the train or bus or what have you. They had to scrounge.

We realized that we were not going to develop India with the Peace Corps. We were going to have a marginal impact. I think we realized that we were, on the other hand, training up the volunteer to be a much better person for AID later on (A lot of these got hired into AID, of course) and a better person throughout our society. My feeling, looking back on Peace Corps, is that it's been enormously successful in training up Americans to be better in whatever they do. It's been very important in relationships between the United States and the countries involved. It's also had - I won't say a significant - but an important contribution as teachers, as extenders of ideas. We got chicken projects going with farmers in the Punjab so that they got some supplementary income and so forth.

Q: How did you find the volunteers as technical people?

WHEELER: It depended. We were trying to relate them to specific jobs. We tended to get some fairly well trained people. The first project was in the Punjab. Two of our volunteers in the Punjab group were the Sherper twins, who played an enormously important role later on in AID, became mission directors and so forth, one of them Counselor for the Agency. They went right to the top, so to speak. They were farm boys from Minnesota who had gotten their M.A.s from the University of Minnesota and had practical experience in agriculture. So, they had something to say when they got to India.

Q: What kind of reception do you think the country had for Peace Corps volunteers?

WHEELER: I think that we had a good reception from the people the volunteers worked with. The governmental attitudes changed with the overall political relationships between the United States and India. The Indians, like the Pakistanis, felt that we had failed them at the time of the 1965 war. Shortly after that, they decided that they didn't want Peace Corps Volunteers anymore. As soon as the government attitudes toward the United States changed, our volunteers were charged with being agents of the CIA and so forth.

Although the Peace Corps turned somersaults to make sure that they were never used by the CIA (and weren't used by the CIA), there was always that potential for irresponsible charges once the overall political relationship soured. But it is interesting that those Peace Corps groups have an association so that volunteers keep in touch with each other and they go back to India, visit their villages or their institutions. Some of them have done business there. They have developed other kinds of relationships. It's a group of people who really were taken by India and its culture.

Q: People think of the Peace Corps as relatively successful and a good idea and everybody supports it, as opposed to foreign assistance generally. Why do you think the Peace Corps gets a more positive reaction than other development assistance work?

WHEELER: The Peace Corps doesn't have projects in which it fails and they don't depend a lot on the host country's administrative capacities to carry out what it is that they're there to do. If they're going to be a teacher, well, yes, they depend upon a school being there. But in the end, the Peace Corps Volunteer, if the school teaching situation isn't working too successfully, goes out and finds something else to do and, after a couple of years, goes home having had a constructive engagement with their society. They never run into a situation where the project doesn't work at the other end.

The volunteers, of course, are sort of self-selected. The staff was, too. There were some very interesting people. I was going through my files and found that I had a very warm letter upon my leaving the Peace Corps after two years from Bill Moyers, who became quite famous after. He had been well known, of course, working in the Johnson White House earlier. There was Frank Mankiewicz and Charlie Peters, who runs "The Washington Monthly" and Jim Moody and Messrs. Ottinger and Tsongas, who became Congressmen later on. So, there were a lot of interesting people. Harris Wofford went out and ran the Ethiopia program, which was a project of lawyers including the future Senator Dodd. The volunteers have found their way into American society, into important positions of leadership, partly because they were go-getters, but partly because the experience of being a Peace Corps volunteer just fired them up and got them going on an ambitious career path that ended up doing influential things.

Q: Did you find that a number of Peace Corps volunteers didn't work out?

WHEELER: Yes, some didn't work out. I'd say we had very good luck. After a couple of years, I think, only one volunteer had been sent home from India and that was on medical grounds. Obviously, we didn't have that kind of experience in the long run. There were more that went home. We didn't have the same experience in every country.

Q: Does that suggest a certain rigor in the selection process?

WHEELER: Yes. Of course we made mistakes but we tried to be tough.

In AID I had been impressed by the severe limitations on management imposed by government procedures. From Sergeant Shriver I learned that there are lots of things you

can do that most government officials didn't think you could do, like fire people. He would hire people. He had a very vigorous interview process. He looked for the macho kinds of people for his staff. He went after mountain climbers. The Peace Corps representative, Charlie Houston, in India was a mountain climber doctor. Bob Bates was a mountain climber in Pakistan. Willie Unsold, who became the first person to traverse Everest, was the Deputy Peace Corps Representative in Nepal. Shriver developed a training course down in Puerto Rico that was really designed on Outward Bound principles. He had staff go through the same course, swinging on ropes and climbing on rocks and so forth. He wanted to teach people that they have resources that they didn't know they had which they could reach for in difficult circumstances. He gave a lot of emphasis to training and to attitude development so that when people went abroad, they would have that training to fall back on. I think it worked pretty well.

Q: Was there much emphasis on cultural issues?

WHEELER: Yes. It was very fashionable in those days to read a book about adjustment overseas. What I discovered was that for the volunteers, there were also real issues about nonadjustment overseas. I ended up writing a little article for a book on training that got published. One example I used was of a Peace Corps nurse helping a doctor in an operation. The doctor dropped something on the floor that was supposed to be inserted into the body of the patient and he said, "Would you pick that up and hand it to me" and she says, "That's not sterile anymore and I just professionally cannot do it." I asked whether or not she did the right thing in resisting this and making an issue of it or should she have accepted the local culture, so to speak? Well, in the end, the doctor picked the thing up, put it in and the person gets an infection and dies. But in the meantime, there has been a brouhaha at the facility and maybe something got learned out of that process. What I discovered was that there were a lot of issues like that. My advice to the volunteers was, yes, you do adjust. You make wise decisions about living conditions and so forth and how they will affect your communication with your counterparts and you really think about this a lot. But you also have to take your own cultural training with you. You don't drop your religion, you don't drop your attitudes toward corruption, and you don't drop your attitudes toward health standards. I just found that the debate that went on was a very lively and exciting one as the Peace Corps was developing its policy.

Q: This was at the same time that you were having the policy that they should live as much like the people as possible?

WHEELER: Yes. In the training program, what we tried to do was get them to confront a whole lot of possible issues and see that the answers are not always obvious. I remember one Peace Corps volunteer in training that we decided not to send, who came up with the right answer on everything. The person was so ideological that she just couldn't think in ways which would make it possible for her to survive.

Q: She was too culturally empathetic?

WHEELER: She went overboard. You have to have some distance between you and your

fellow human beings. You have to strike the right balance.

Q: While we're on this point, did you get a sense that any of this was done in the AID world?

WHEELER: I don't think we did a particularly good job at it. We talked about it. When AID started out we provided what I call "retail" technical assistance, where we actually dealt with farmers, etc. We sent the salt of the earth, the people from the farms of the Midwest, men and women. They were people who came with attitudes that helped them get along very nicely. Yes, they had to make their adjustments and so forth, but they made friends very easily. But the AID programs changed. We sent people over who didn't really deal at the retail level. They weren't out in the field. They were dealing with policy issues and design and program issues in capital cities. For these "wholesalers" the way they dealt with people on a day to day basis was still important, but not so important. In the Peace Corps, these issues will always be fundamental.

Q: Is there more on the Peace Corps that you wish to emphasize?

WHEELER: No. But the Peace Corps experience was very important to me in my later assignments.

Q: How did that experience affect you?

WHEELER: As I mentioned earlier, I found myself in confrontation with some of the staff partly because they didn't think from a development point of view or because they were just incompetent. I had learned in my earliest days in the bureaucracy that there was nothing you could do about it. You just have to bend with the wind and sort of find a way around. I discovered in the Peace Corps that if I took a position that a person was really not competent and I reflected it honestly in the efficiency ratings and I called them in and I said, "You are not the person for me. Go find yourself another job. Leave the Agency," that, in fact, they usually would. It gave me the confidence to deal with a little bit more leverage with staff. In my career, one of the things that characterized my administration was a certain impatience to get things done and to do them sensibly and well. I think that it helped a lot to be taught by the President's brother-in-law.

Q: What about the Peace Corps philosophy? How did that rub off on you? You were exposed to it obviously very intensely. How do you see that having affected you?

WHEELER: The primary impact was in my personal development. I became more confident. For about five months I served as acting Peace Corps Representative in India where John Kenneth Galbraith was Ambassador. This gave met a better feel for overseas operations. Such a tremendous variety of experiences.

Assignment as USAID/Director to Jordan - 1965

Q: Let's move on from the Peace Corps. You left the Peace Corps in 1963. Why did you

leave?

WHEELER: The Peace Corps by its philosophy was meant to be a temporary place of employment. I realized that I had gained what I could out of it and that I should be on the lookout for opportunities. Carter Ide was the Deputy Assistant Administrator for Near East and South Asia and invited me to come back as Office Director. I very much appreciated the opportunity. After I had been Office Director for a couple of years for Greece, Turkey, Iran, Cyprus, and Central Treaty Organization Affairs, I was invited by Bill Macomber (who had become Assistant Administrator after Bill Gaud) to go out to Jordan as Mission Director. This was a terrific opportunity. I was still under 40 and was given this opportunity to go out and head what was a very significant AID mission. So, I picked up my wife and five children and got on the airplane and went off to Jordan.

Q: Did he select you, did you have any say about going to Jordan?

WHEELER: He selected me. Actually, I had a very difficult relationship with Bill Macomber. Most people did, as a matter of fact. Bill was very intense. It was said that there were two people who worked in his Bureau that he gave the most hell to and I was one of them. But somehow or other, Bill Macomber and I had an equation. He came to respect me for my independence of judgment, I suppose, and the fact that from time to time I did take him on, as in the Iran aid case. So, I felt it was a great compliment and a wonderful opportunity.

Q: What was the situation in Jordan at that time?

WHEELER: This was 1965. Ten years earlier, we had taken over from the British in subsidizing this desert kingdom. We had developed a major program there. When I arrived, we were providing major budget support. We went down to the Ministry of Finance once a month and handed over a check. Then we had a fair amount of technical assistance. We opened the door to some other capital projects.

Q: How did you define what you thought you were supposed to be accomplishing?

WHEELER: There were a number of aspects to it. On the technical assistance side, my instruction from Bill Macomber was to clean up all those messes out there that we kept hearing about from the auditors. He really wanted me to tackle these and make them work - to get rid of any excess equipment and so forth that wasn't being used. So, I saw that as one of my first tasks. Then we had a major agriculture project going in the East Ghor Canal area of the Jordan Valley. We were looking for revenue increasing projects, so we programmed something in tourism, which was not very popular under that name back in Washington, where it was felt that somehow tourism wasn't really development. But, of course, that was wrong. Tourism was real development and a very important income earner in a great many countries, including Jordan. We had been working for a long time in the field of education. I think AID did more for education in Jordan than we did for any other country in the world.

Q: All levels?

WHEELER: Primary education, yes, secondary education, tertiary education, teacher training, textbook development, school building, everything. We had opportunities to continue some of this work, but most of it was done before my time. I have always felt that AID was wrong in not being willing to engage seriously in education. AID had a feeling that the American education system was not really very good, so why should we be taking it around the world?

Q: We had nothing to offer?

WHEELER: That was the attitude. Furthermore, it was local currency intensive and we wanted to export American goods, etc., etc. But Jordan was the exception because no one expected that Jordan would ever be able to be "viable". Really, it was going to be a subsidy case for a long time to come and it wasn't going to be able to earn money. It turned out, of course, that education was one of the great things in Jordan's balance of payments. Jordan exported educated people to the Gulf and other places and they sent back their remittances.

On the tourism side, we brought in the National Park Service. Stuart Udall, the Secretary of the Interior, took a personal interest in the project. I discovered how very professional the National Park Service is. They developed plans for each site including site museums, interpretation and careful preservation. They showed how to take tourists through in such a way that they would not destroy the thing they had come to see. They planned for adequate parking spaces. They planned for restaurant facilities and places to go to the bathroom and all the rest.

At the end of my time there was the '67 War. By the time of the '67 War, there was a whole plan for taking tourists through Qumran, the place where the Dead Sea Scrolls were found. The Israelis just took the plans developed by Jordan with the help of the Park Service and implemented them immediately and opened them for their own tourists. The Israelis had always felt confined to their own small country and welcomed the chance to go into these areas on the West Bank.

Q: So, they're the ones that profited from this.

WHEELER: Yes, on the West Bank. But they proved the value of the Park Service kind of planning. One of my exciting moments in Jordan was flying Secretary Udall in a helicopter below sea level over to Qumran. I took him to Cave Four, one of the Dead Sea Scroll discovery places.

Q: Did you find that the education system in Jordan became very Westernized, very Americanized?

WHEELER: I think that they maintained their own values, but they certainly picked up a lot of our techniques. They moved to a much more participatory system and less of a rote

system of education. They educated girls. The Palestinians, who represented a majority of Jordan's population even before the Six Day War, seemed to have a cultural bias favoring education. So, it fit naturally into this particular Arab country to concentrate on education.

Q: You didn't have issues of their thinking that "education is our subject and we don't want outside influences affecting our culture, our education."

WHEELER: I think they protected themselves as far as this was concerned. I'm sure this was an issue for them, but it was not an issue that prevented them from taking our assistance. When you're putting out a textbook, it doesn't really matter what the cultural attitudes are back in America. You're going to put out your own textbooks written in Arabic by your own people. But the ability to publish them is very important.

Q: Were there any major institutions that were created?

WHEELER: Yes. The teacher training institutions were very important. We also made contributions to the University of Jordan, but our major concentration was at the lower levels, which I think was interesting and unusual. In other countries, we tended to deal at the university level much more.

There was one interesting coincidence. The Israelis had a potash project in the Dead Sea and the Jordanians felt that this would be a good thing for them to do, too. So, we agreed to work on feasibility studies and looked for private sector partners who would come in and build a project. In order to do the feasibility study, they had to go back into the history of the various levels of the Dead Sea and so forth. It was out of the brine of the Dead Sea that the potash was going to come. It turns out that a great uncle of mine participated in an 1848 expedition to study the Jordan River, the Dead Sea, and the origins of that water system up in the hills of Syria and Lebanon. He did the cartography. He was the artist of the expedition. He was the deputy head of it. He drew maps of the Dead Sea where they did soundings all over. He then proceeded to get sick and die and be buried in Beirut. A book was published on this, which I have, which was known to people in Jordan. It was one of those interesting coincidences.

We were groping for foreign exchange earners. If tourism was one, potash would be another. Phosphates was another and we had helped them some on that. Another export earner was the vegetables and fruits grown in the East Ghor Canal area in the Jordan Valley. The canal ran parallel to the Jordan River. It was desert-like but with controlled water the land became very valuable. The Jordanians had given great care to the land tenure system. We worked on it from the technical end. We were involved in land leveling, soil nutrients, marketing and in farmer education. In this last area I had one especially interesting experience. The Prime Minister one day decided that a certain school bus that we had provided under our technical assistance program to bring farmers into a training center would be better used at the radio station. I told the Jordanians that, unfortunately, this was going to get me into trouble with my auditors and I couldn't have it. There had been an agreement that this bus was to be used for the farmers. They said,

"But the Prime Minister did this." I said, "Well, it doesn't really matter to me who did it. I'm only telling you that I can't continue to sign agreements if earlier agreements are not being carried out." This was an example of Joe Wheeler carrying things to extremes. In the end, the ambassador talked to the Prime Minister and said, "As a personal favor, do you think you could do something about a small problem in the assistance program?" He said, "What's the problem?" The Ambassador (Findlay Burns) said, "You transferred this bus to the radio station which had been provided by AID to carry farmers to training." He said, "Well, nobody told me." So, he gave the instruction. The school bus went back. After that, I had no problems getting adherence to our agreements so that I could stand up to audit. After all, you provide assistance. It's supposed to be used for the purpose for which it's provided. I felt that that lesson in discipline was very important. It was a small item, so it didn't make that much difference. It's the sort of thing, I suppose, we could have absorbed with the auditors, but by being tough on this little issue, I really got them to understand our need for discipline.

Later on, the Prime Minister asked us if we could help in the rebuilding of a small airport in Jerusalem. This airstrip was not quite long enough for the Caravelles that were in vogue at that time. There was also a dip in the runway so that it really was a very difficult landing to make. The bigger the plane the more difficult it was. There was a need to straighten that out. We talked to the Jordanians about critical path systems and we laid it all out. We said, "The Prime Minister has said that he wants this job done between Easter and Christmas so that you can use the airport for the tourist business in both of those seasons. In order to do this, these are the decisions you will have to make." I included a number of things that they didn't usually do, like delegating authority to a group that they would send to Washington to select the contractor and so forth. Later I was very pleased by the fact that when the Six Day War took place, the project was under construction and was two days ahead of schedule. Of course, the airport was abandoned by the Israelis. But the school bus discipline had proved useful in running this project. The Prime Minister had a very precise goal. Critical path planning, that had recently come into vogue, brought a discipline to the project implementation process and that worked well both for us and the government. It was a very positive experience.

Q: How did you find working with the Jordanians?

WHEELER: The Jordanians have the reputation of being one of the best users of aid in the business. They are a very able people and they care about results. The Jordanians had about the fastest growth rate of any country in the world – over 10%.

Q: Professionally and administratively?

WHEELER: Yes, they did quite well. That doesn't mean we had no problems, but I think we had a very constructive relationship with them. It was a pleasure working with them.

Q: We were the major donor, I suppose?

WHEELER: We were the major donor, yes. Every week, we had a meeting with a group

from the Planning Commission that was headed by the Prime Minister. While the Prime Minister did not usually attend, in principle, it was his meeting with me. The Prime Minister delegated his authority so both sides could make decisions in these meetings. This made for a very crisp process.

Q: Do you remember what level of resources we were providing at that time and how it compared to their own budget situation?

WHEELER: We were providing, I suppose, $40-50 million a year, which on a per capita basis was tremendous – about $20 per capita.

Q: In relation to their budget also.

WHEELER: In relation to their budget. Every month when I went down with my check, I had an agenda of things to talk about and they duly took notes. They didn't always accept what I had to say, but they always heard it.

Q: Why did we do this monthly rather than annually or more?

WHEELER: I think that, it being budget support, it was felt that it ought to be disbursed at a pace consistent with expenditure rates in the government budget.

Q: We must have had a considerable capacity to analyze what was going on.

WHEELER: I always had a top economist there putting out papers that we could share. Everything was done in a very open way. We recognized that we were operating in a situation where our assistance had a very strong political content. Our idea was that the way to get it well used was for them to understand why it was in their interest to do the things that we were suggesting. They were receptive to that kind of dialogue.

Q: How were your relations with the Embassy apart from the one reference to the ambassador? Obviously, you had a very prominent role in the relationship with the government.

WHEELER: My experience in AID was that I always had trouble with the economic counselor, who felt that he was really the one who ought to be running economic assistance. Then there would be the issues that would come up on differing economic analysis. The economic counselor operated with a political concern and I operated with a development concern. The ambassador had to choose between us, but since I had the money I usually won. I had a very positive relationship with the political officer, Dick Murphy, who later became Assistant Secretary of State for the Near East and ambassador to six or eight countries. He was very professional. I guess, in general, the Ambassador found me a little bit fussy, the school bus incident being an example of it. But he was very supportive.

Q: Who was the ambassador?

WHEELER: First was a fellow named Barnes and then Findlay Burns. Findlay Burns was out of the administrative cone in State. I liked him very much. I thought he was very sensible. I had a little tussle with his deputy about drafting messages. I tended to want to use English. Sometimes I put articles in the cables to make them readable, which was not fashionable in those days. I decided that it was improper for the DCM to go through my cables crossing out words since I had to communicate effectively to my bosses and I felt it should be for me to judge how many words to use. I won that one, too.

Q: Maybe we can come back to that later. Apart from the short- term impact, obviously, you had a great rapport with the governments and good cooperation. How did you view any long-term consequences of our effort at that time?

WHEELER: There's something I'd say before I answer that. We had the '67 War, which meant that half of the AID effort was left on the other side of the border across the Jordan River.

Q: Explain that a little bit.

WHEELER: We had a lot of projects on the West Bank tourism projects, for example, some agriculture, and education. We were supporting a boys school, and the college at Birzeit, and so forth. So, we lost those projects to the Israeli side. But we gained a responsibility for new refugees. We had a couple hundred thousand refugees come across the river in a few days. We ordered all of the "Ted Williams" tents from Sears Roebuck from all over the United States to be gathered together and sent to Jordan to take care of these refugees. It was quite a program. Nobody knew how to put those aluminum poles together and we found ourselves doing that in a very hands-on way. It was obviously a time of tense relationships between the United States and Jordan. I think that the AID relationship remained very positive in those circumstances. They sort of helped to carry us through in a time when we were perceived as being backers of Israel.

Then there were some interesting things that came up. There was a need to develop an exchange rate between the shekel and the dinar. It happened that the Jordanian dinar was one of the hardest currencies in the world, 100% backed by gold. So, we weren't dealing with something to be taken lightly. I found myself being the intermediary between the Central Bank in Jordan and the Central Bank in Israel in the establishment of an exchange rate.

Then we had questions about water management. The U.S. had been very much involved in development of water schemes with the Johnson Plan in the '50s. I picked up from there and analyzed the water situation, trying to help people in the United States government understand how many cubic meters of water we were talking about and from what sources. There is a tendency for a lot of mythology in this area.

There was the question of how to deal with the off-take for the East Ghor Canal in a situation where the Israelis were now occupying the other bank of the Yarmuk River

where the water was taken for the canal. So, I got involved in those discussions, which were done professionally and at technical levels. It was important that I had earlier established good relationships with the Jordanian officials.

Q: You were dealing with the Israelis and the Jordanians together?

WHEELER: No, I carried messages back and forth. This was an interesting time for Joe Wheeler.

Q: Were you able to work out solutions for that process?

WHEELER: Yes, we did. I think there's been a remarkable amount of restraint and a sensible pragmatic dealing with ticklish issues.

Q: On the refugees, it became a permanent situation.

WHEELER: It had already been a permanent situation in the UNWRA. I must say that I gained a feeling that we had handled UNWRA badly. You go into a situation too often thinking, "Well, this is just for a year or two and then everything will be sorted out," and then it goes on and on. It turned out that we were paying the biggest part of the bill in our UNWRA contribution for the refugee schools and food distributions in Lebanon, Syria, and Jordan. The education that was being given there was very radical. Every morning, the children were learning about how "We're going to chase the Israelis into the sea. They have no right" and so forth and so on. We were, in effect, training for people to go to war with the Israel that we were determined was going to continue to exist. There was a contradiction here. It seemed to me that prior to the ’67 War we just continued supporting the refugees without thinking through what we were doing.

Q: What would have been the alternative?

WHEELER: The alternative would have been to declare that the refugees in each of the three countries from our point of view, were citizens of the countries where they resided. If the countries needed help in absorbing them as citizens, we could help the government as part of a general development effort. In other words, by helping the education system of Jordan, we would have increased the Jordanian capacity to manage the refugees. We would not build Palestinian schools but rather more Jordanian schools. There would not have been a separate curriculum for the Palestinians.

Q: Would the government have been willing to have taken that on?

WHEELER: They wouldn't have had any alternative if we had just taken a firm position. I think the answer is that, with great reluctance, they probably would have accepted our help in that other way. But I think it will be another 100 years before we can evaluate the history of these times and reach judgements as to whether Joe Wheeler was right or those who made decisions were right. Many of these decisions were made by default. There is an inertia in policy. You get a refugee, you assume it's a temporary thing. It's always one

year at a time. It's not a plan to be supportive over a 20 or 30 year period. But it became a 20 or 30 period, didn't it, or longer?

Q: Maybe we could have one more discussion about what you saw as the impact of the program. Were revenues increased, for example?

WHEELER: I later found myself testifying when I became Assistant Administrator for Near East and was able to bring a perspective of having known the country for a while. We were reducing in a very methodical way the budget support because the balance of payments was improving. It was improving because of worker's remittances and because of potash and phosphate exports. I guess it was really phosphates at the time I was testifying. There were tourism revenues as well. Jordan was really doing pretty well. The economy was growing at 10% a year. The per capita income got up to a middle income range. Health rates are quite good. One area that was very sensitive for them and their situation in the Middle East where they have not done well is population. But even that may be changing now.

Q: Did you meet with the King?

WHEELER: I saw the King with the Ambassador several times. When my wife and I went through a reception line in Washington the King greeted me like a long lost friend. It really was very impressive to my wife.

Q: He had remembered.

WHEELER: He remembered. I met a number of times with Prince Hassan.

Q: Did you have any discussions with him or was it just protocol?

WHEELER: It was protocol. The real discussion was with the Prime Minister.

Q: The King didn't give a vision of what he wanted for his country?

WHEELER: He did in speeches, but he didn't give it to me in a personal way. The relationship with the King was really for the Ambassador. I didn't try to barge in on that. With Jordan, we were dealing on regional issues quite a lot. There was one amusing event when I was Mission Director. There was a need for President Nixon to send a message to King Hussein. He sent Bill Macomber, the former ambassador to Jordan and Assistant Administrator for the Near East and South Asia, out to deliver the message. Bill Macomber did his work, delivered his message. He was leaving on an early morning plane the next morning and he called me at a reception at the Central Bank governor's house about 10 o'clock in the evening. He said, "Joe, I feel terrible. I wanted so much to give a lot of time to you guys, but I've been engaged in this political mission and I couldn't get away. I am leaving first thing in the morning, but do you think we could get together early?" I said, "What time would you like to get together?" He said, "What about four o'clock?" I gulped and there was sort of a silence at my end of the phone. He said,

"You don't sound very enthusiastic, Joe." I said, "Actually, I'm just thinking of you, Bill." He said, "Look, let's make it five o'clock. What do you want to talk about?" I said, "I want to talk about two things: agriculture and the public safety program." He said, "Okay." So, I called up my agriculture director and he didn't answer the phone. He just didn't hear the phone. He was asleep. So, I called up his deputy. His deputy got a ladder (because he couldn't rouse him by knocking on the door) and went up to his bedroom and knocked on the window to wake him up to get him down to the office at five o'clock in the morning to talk about the agriculture issues. I really appreciated Bill for his going out of his way. However, he could be very eccentric in his determination.

Q: Did he have some major issues or questions?

WHEELER: I had issues. I was seeking his decision on an agricultural issue. So, I wanted to talk to him, but recognized that he had a first priority to deal with.

Q: You mentioned a public safety program; what was the nature of the public safety program?

WHEELER: Well, internal security was very important for Jordan. We felt we had something to provide from a technical point of view and also from an attitudinal point of view. So, we had a substantial team working with the Jordanian police on police systems. They extended all the way to traffic control, which had become a major issue in Jordan because people drove like crazy on very difficult roads. The accident rate was very, very high and it was a real economic issue as well as a humanitarian issue. So, we had a very important relationship under the AID program with the Jordanian police forces. I'm a believer that democratic police systems are important. So, I've never belonged to the school of thought that AID should get out of these things. That doesn't mean that they should be misused. It's very important that there be a philosophy that is followed in implementing these programs. But I felt that they were basically part of the process of economic development. You have to have good police departments. We had such a program in Jordan and later in Pakistan. I talk about these without embarrassment as among the good things that we did. I think we got across ideas about how in a democratic society you run a police department.

My next job in 1967 was to come back as Deputy Assistant Administrator for Near East and South Asia. Maury Williams was the Assistant Administrator.

Deputy Assistant Administrator for Near East and South Asia - 1967-1969

Q: What did this cover?

WHEELER: It covered all of the Near East and North Africa all the way through South Asia. It was a big territory. But I was Deputy, so I was often involved in special assignments.

Q: What did you see your role as being?

WHEELER: It was to complement Maury Williams. Maury and I had a very easy relationship. I always appreciated his thoughtful approach to development. He had a lot of practical experience that went quite a bit beyond mine. Actually, it turned out that I followed him in his career in a very parallel way. He was the Mission Director in Pakistan. Later, I became Mission Director in Pakistan. He became Deputy Administrator. I became Deputy Administrator. He became the DAC chairman. I became the DAC chairman. He went to work with the UN. I went to work with the UN. So, we have a lot in common, at least on the basis of having had somewhat similar assignments.

Q: What did you see as the main mission of the bureau at that time?

WHEELER: We were running some very big programs. We had a lot of capital programs. That meant that there were loan approval meetings and there were issues regarding some of those capital programs. We had a terrible problem with locomotives. I can remember Maury Williams being on the telephone simultaneously with two senators, one representing one manufacturer and another representing another manufacturer. We had big issues about "migrating crater compound" being a problem that was alleged in the case of the lower bidder and therefore we weren't getting the proper quality. The administrator was upset that decisions weren't getting made fast enough. The problems of a set of very large programs came up to the Assistant Administrator to deal with, so the Deputy kept the routine work moving while Maury dealt with the crises.

Q: Was there any one problem that stands out in your mind?

WHEELER: We had one situation in Nepal where an economist with the Ford Foundation had made a proposal which the Nepalis thought was very good and which Maury did not think was very good. So, I was asked to go out and head a team to review the Nepal program. That team included David Mathiasen, who later worked for me in Pakistan, Carter Ide, who soon after became Mission Director in Nepal and Charles Cooper.

Q: But what was the issue in Nepal?

WHEELER: Nepal was receiving aid from many donors outside of any larger macro-economic framework. We were providing Indian rupees for local costs that should have gone through the Nepal government budget. We were encouraging more "development" spending which tended to favor new capital costs over full utilization and maintenance of old projects. It also worked against funding of education, which should have been a high priority. The Ford proposal emphasized one part of the economy while neglecting others.

Q: Did you have to deal with Congress a lot while you were in that position?

WHEELER: When the Assistant Administrator was there, he always did the testimony. So, it was a question of preparing him for the congressional testimony.

Q: Did you present the Agency position.

WHEELER: I think I may have had a couple of occasions during that time, but I don't have any memory of them.

Q: Did AID have any particular policy or development strategy or concept as to how it was going to carry out its role and mission?

WHEELER: We were beginning to think more about a shift from capital projects toward what came to be known as "New Directions." We began to talk about the need to make sure that programs reached the "majority who are poor." So, we began testing programs against that criterion. We were making a shift in approach during that time. But it's not a period that in my recollection was very important for me. It was preparatory to going out to Pakistan as the AID Mission Director there. Maury sent me out.

Q: Why don't we move out to Pakistan and you can fill in, if you want, if there are any particular country situations. You went out to Pakistan as the Mission Director in 1969?

Eight years as USAID Mission Director to Pakistan - 1969-1977

WHEELER: Yes. It wasn't planned, of course, but it turned out I was there for eight years. That, I suppose, was the most important job that I had in AID, not the highest level, but the most important because it was front line dealing with development issues, quite a bit of delegated authority, dealing with a whole range of matters from technical assistance to the broadest policy questions.

Q: What was the situation in Pakistan over that eight year period?

WHEELER: At the beginning, it still included what is now Bangladesh. Before I went out, I decided that I needed to articulate two or three things that it was really important to achieve. I decided that the population issue in both wings of Pakistan was top priority. I decided that growing rice in East Pakistan was another priority. So, when I got to Pakistan, I focused on these issues. It happened that Ray Ravenholt, who was the head of the USAID Population Program, had agreed with me, as you might expect, that population was a very high priority. He wanted to test out in an important country the idea that if you get pervasive supplies of contraceptives in the country, it will make a difference. Contraceptives widely available would build their own demand. So, I agreed that I would try this. We developed a program. There was a major experiment in the Sialkot District near Lahore for what was known as the "continuous motivation system." A husband-wife team would reach every client in a number of villages every six months or so. This was tried out. No question but what we got an increase in prevalence, that is, in utilization of contraceptives. It wasn't the perfect design, but we decided it was good enough to go for a countrywide attempt. We developed a program which I introduced to my boss as being very high risk for him and for me because we didn't know whether it was going to work and we also didn't know whether all of the assumptions we made were going to turn out to be valid. I had Bob Grant as my population officer. He had been

Regional Director in East Pakistan, not a population expert, but an old hand at administration, a wonderful person. Then following him, I had Bill McIntyre, who later was killed in Beirut when terrorists blew up the embassy. But I wanted to have more of a policy orientation. I set up a second division in the population field and got Steve Sinding out. Steve later ran population in AID, was Mission Director in Kenya and headed the Rockefeller Foundation's population and health sciences program.

Q: What was the strategy?

WHEELER: We called it "contraceptive inundation." That was the in-house name for it. The idea was to get a fully adequate supply of condoms and pills around to every facility that might be expected to have them all over the country. Things went very well from the "off-take" point of view. It was very well managed with storage facilities in Karachi and controlled supply lines. The off-take levels kept going up for about four years and then leveled off. But we never were able to know to what extent the contraceptives were being used. We wondered to what extent they were simply filling up a very long supply line and to what extent they were actually being utilized.

Q: Did you have a governmental program to reach out to the people?

WHEELER: Yes, there was a governmental program. After the war and the breakup of Pakistan, Mr. Bhutto took over and he seemed to take the population program more seriously then his predecessor. There was quite a buildup in the staff and increase in the budgets. My reports were very positive until about 1976, at which point I found myself telling the Ambassador and telling Washington that it was quite obvious that the population program was being manipulated for political purposes. Then there was an election where Mr. Bhutto used the staff and the Jeeps of the Population Program to support his Peoples Party. That was the downfall of the program. The experiment which might have worked if it had gone on really ended in 1977 when Bhutto was ousted and then hung. The program was out of favor. It's only now, two decades later, that there is beginning to be an improvement in that program. We have to say that it was not a success. I don't know whether you can say it was a failure since, in a way, the experiment didn't get carried out to its end point. But I think that the Agency learned some things.

After Bangladesh became independent in 1971, the government there took family planning very seriously. They went to a community centered system in which someone in each village actually handled the contraceptives and had a relationship with fellow women. In Bangladesh, after decades of very generous support from the donor community, very strong governmental support, strong NGO [non-governmental organization] programs and a reasonable administration, contraceptive prevalence is up to about 50%. The average number of children has come down from over six to about 3.3. In Pakistan, the prevalence is about 20% or a little over. That's up from eight percent a few years ago. The average number of children per family is still about five. In Pakistan, it's been a bust, and in Bangladesh it's been really an absolutely marvelous success. I guess the thing that I'm pleased with is that we took the issue seriously. Pakistan at the time of independence in 1947 had a population of 35 million. Today, it has a population

pushing 150 million. It could go on upward toward 400 million. That just gets to be ridiculous from the point of view of trying to provide services in school and health and all the rest and somehow or other keep an environment that's sustainable.

Q: Apart from the political issue that upset the program, were there technical issues or cultural issues in extending the contraceptive prevalence?

WHEELER: I think that people often say, "Well, it's Islam," but the thing is that both of these countries are Islamic. If it's Islam, it's a special brand of Islam. I think it's probably true that there is a greater conservatism in the Pakistani society than in the Bangladeshi society and that this makes a difference. But I think it's also quite true that if the services had been provided in the way that they were provided in Bangladesh, Pakistan's population would be a lot smaller today.

Q: Some people argue that to be effective it has to be associated with some form of public health such as maternal child care or some other health service program. Was that an element of this program?

WHEELER: I have recently written an article in which I say that one of the myths in the development field is that in order to have family planning take hold, you have to provide general health services and primary education for girls. While I accept that good health systems and high levels of literacy are usually accompanied by higher levels of contraceptive prevalence, I'm not sure that one causes the other. I think that Bangladesh provides the proof of my point. There you have about 25% literacy among girls, but you have 50% utilization of family planning. So, I argue that, of course, education for everybody, including girls, is fundamental to the process of development and certainly helps as far as motivation is concerned, but you shouldn't wait for education goals to be achieved before providing family planning services. It's unfortunate that it's the very people you would count on to support family planning who feel most strongly about the need for an "integrated" approach. They oppose programs that are aimed at providing family planning services unless they are integrated with other development programs such as education and broader health services. I think that it's important to get across the message that you can have an effective family planning program and go a long way toward reaching the two-child family even before you are able to implement successful programs in some of these other social areas. Poor, ignorant village women often are desperate to control the timing and number of their pregnancies. If given a choice, they have less children and make it easier to provide the other services.

Q: But were there special techniques or approaches in contraceptive distribution for getting people to be aware of the use of them, motivation, recognition that they are there and available? Was there some sort of a campaign?

WHEELER: The problem with the continuous motivation system, with the design in Pakistan, was that we counted on a couple who lived outside the village to visit a number of villages only every six months. They lacked a personal relationship with their clients. In the event, there also wasn't discipline in actually reaching people as frequently as they

were supposed to. The system that was ultimately adopted in Bangladesh was very labor intensive. You take a person with minimal training but of the village itself so that the women don't have to leave the village, something which is very uncomfortable for them in their society, and you provide the minimal services there. The village worker learns how to access backup facilities so that problems can be dealt with. The system worked. The problem is that the Bangladesh model is seen as too expensive. AID in its wisdom has now decided that it would be better to do this at a three-village level instead of at the one village level. I'm quite certain that the new model is going to delay success in the program. I'm very worried about rushing to the so-called "lower cost" system where women will be expected to travel beyond the boundaries of their village.

Q: What was the message that these motivators in Pakistan were supposed to be providing as to why people should be using contraceptives?

WHEELER: That family planning was now possible and that it was good for you.

Q: If my culture says I should have a big family and I need them for...

WHEELER: Then you have a big family.

Q: Why would I need the service?

WHEELER: Ray Ravenholt built into the program a very careful system of statistics so that we could measure with some accuracy just what was going on. The fertility surveys tell us that globally in the developing world there are something over 100 million couples who, if they knew about family planning techniques and had the services readily available to them, would practice family planning. If you were to get the people who already want the services participating in the program, you would go a long way toward the two-child norm. You would at least get down to the three-child norm - probably two and a half. So, the theory is that the highest priority should be given to providing services.

Q: So the general strategy was that there was an unmet demand?

WHEELER: Right. That was Ray's contention. He was right. I think two things happened in Pakistan. I think our design was not quite right in terms of getting the services to the village itself. The other thing was that the government fell apart. The government just stopped taking it seriously and used it for political purposes.

Q: Were you considering ways to make that sustainable without necessarily having to have the government provide the service?

WHEELER: This was fairly early. We hadn't become as sophisticated as we are today on social marketing and use of private groups. Whether initial program buildup is done in the public sector or the private, I suspect that sustainability is achieved once a certain momentum is achieved. Once a large proportion of society is utilizing family planning

and demand for services shifts from latent to actual, populations will insist on maintenance of services. In Korea, for example, I don't think you have to maintain a big effort in the public sector. Brazil has had great success in family planning, but the government doesn't do much. The successful effort in Colombia is almost exclusively run by an excellent NGO.

Q: Commercial systems take over?

WHEELER: Yes, and also nongovernmental organizations play an increasingly important role. In my day in Pakistan, nongovernmental organizations were not significant. But each year that goes by, there is more capacity in the civil society.

I might tell a little bit about the war. A little background. In East Pakistan, there was a cyclone in 1970 that, in a matter of hours, killed probably half a million people. There was a huge tidal wave. East Pakistan is a delta. Even Dacca in the middle of the delta is only 16 feet above sea level. The area south of Dacca is less. Huge areas were just swept clean of houses and people. Two things about that. One is that many people were saved because the Peace Corps had built cyclone shelters. These were cement structures that were used as schools. There was a stairway to the roof. So, if a cyclone tidal wave came through, people could run to the school roof and be saved. I met hundreds of people who were saved by these cyclone shelters. I was accompanied by Lawrence Irvin, a Peace Corps volunteer who had later become an AID employee, and was going back to his old haunts. He had helped to build many of these cyclone shelters.

In this disaster, AID did its thing. First of all, we had an unusually capable person in Eric Griffel as our East Pakistan Director. His reporting was very articulate. It took some days before he really knew what had happened because communications were so bad. Even though the distances are fairly short in East Pakistan, there weren't roads to most places. In most parts of the country, you had to go by boat. It was terrible. The radio systems were not working, etc., etc. When we realized the extent of the disaster, we mounted an exercise in which the Defense Department flew in helicopters from the United States with food packages that could then be dropped from the helicopters to marooned people in the southern part of East Pakistan. It was a marvelous thing. You felt so proud of your country that it could produce this kind of disaster relief. Everything was very professional.

Meanwhile, Yahya Khan, the President of Pakistan, who had taken over from Ayub in 1966 after the defeat in the 1965 war, was on an official visit to China. He felt it wasn't necessary to return early. He felt it wasn't even necessary to stop in East Pakistan on his way back to Islamabad. The effort of the government of Pakistan was extremely weak. This was all relevant to the election that took place in December of 1970, in which it happened that because East Pakistan had about 53% of the population of the country, it had 53% of the seats in the Parliament. All but two of the jurisdictions in East Pakistan went for Mujibur Rahman. That made him the presumed Prime Minister of Pakistan. Well, Mujib had campaigned on a platform that called for virtual independence for East Pakistan. Everything except defense and foreign affairs was going to be run at the provincial level. So, there was a debate that took place among the politicians and the

military in Rawalpindi, and Islamabad. Mr. Bhutto had won a majority of the seats in West Pakistan. A negotiation took place between top officials of the East and West Wings that finally broke off. Without telling anybody, Yahya left the East Pakistan negotiations. Subsequently, he arrested Mujib, brought him to Lahore, put him in jail, and sent the troops to the East Wing to stop insurrectionist activities. There followed a civil war. Then there was a whole period in the following months when we had to ask ourselves how to deal with the AID program in this situation. To prevent famine it was absolutely critical to get food up country. There was a food deficit in East Pakistan. We could bring it into Chittagong, the port, but had no way of getting it up country. Usual supply routes were cut off by the insurrection. At this time Maury Williams, now Deputy Administrator, had been appointed by the President as his disaster coordinator. He contacted the UN and got JeanMarc Henri, a French official in the UN, to mount a program of mini-bulkers. The two sides in the fighting both wanted the food to move. Although a few shots were fired at the mini-bulkers they moved up river flying the UN flag.. But it was a very tense time for the AID mission in view of the high risks involved. The insurrection was growing.

There was an interesting diversity in reporting to Washington coming from Dacca, which had a consulate general, and Islamabad from the Embassy. Under the rules, a consulate general can report directly to Washington rather than through the embassy. Archer Blood, who was the consul general there, was the third State Department officer to be awarded by the Foreign Service Association the award for constructive dissent. The stream of reporting coming in from East Pakistan was derived in large measure from AID staff. AID staff under the rules was allowed to travel anywhere in the country, whereas embassy staff was not. We had people finding out what was going on in the countryside. It was a very touchy time for AID because, of course, my people in East Pakistan were reporting to me one thing and I was hearing something else on the country team. So, I put forward a position. The reports that were sent across from Dacca were taken to the government of Pakistan and they were asked for comment. The President Yahya Khan would say to the Ambassador, "But tell me, when was your person last in this area?" The answer was, "Well, it's eight days ago that he was there." He would say, "Well, but everything's different now." There was a major difference in the estimate of the number of people who had crossed the border into India. The Indian estimates were pushing up toward a million. In the end the Indians came in militarily and drove the Pakistan army out of East Pakistan, permitting the establishment of Bangladesh. They also, of course, confronted Pakistan on the west side as well. So, we had several hundred thousand refugees, especially in the Sialkot District north of Lahore. We found ourselves in a new disaster relief situation. USAID Pakistan had lost the East Pakistan mission. AID set up a separate mission over there. I had to start over again in the smaller Pakistan.

Q: Was the program wiped out or was it still there and could it be built on?

WHEELER: There were some things that could be built on, but in Pakistan we really changed our focus. This is 1972. We decided to work on New Directions. This was the policy coming from Washington. It was a policy we believed in. So, we began programming in a number of new areas. We got into a dialogue with the Pakistanis about

education, very interesting. We insisted that all the analysis be done by the Pakistan government. We would only help them to the extent that they asked for specific kinds of help or specific people. We decided that an outside consultant would simply provide another report for the shelf. By this technique we got the Ministry of Education to ask: "What are we, the Pakistanis, spending on primary, secondary, and university education?" They discovered that the amount they spent on primary education was very small and also discovered that they could send 100 kids to a year of primary school for what they were spending to send one kid to university. This whole business was having its impact as it churned around in the government of Pakistan. It really was very exciting to see. But we never got into a program because things fell apart again in 1977 when Bhutto was ousted, and then there were problems with the relationship with the United States having to do with atomic energy and so forth. The World Bank picked up education after we stopped.

We got into a similar exercise on rural health. We designed a program and that one fell apart because the new Minister of Health (we kept having changes in ministers) insisted that the agreement be changed to locate the initial project effort in his district. I refused to ignore the feasibility study that located the first phase in another district, so that didn't get anywhere.

But the most important thing we did was to work on fertilizer, seed, and water issues. Here we were interested in seeing an increase in food production. There was quite a big PL480 program supplementing Pakistan's own production. Pakistan has the biggest integrated irrigation system in the world: 30 million acres. So, its capacity to produce in this 30 million acres is fantastic if they get the right balances in terms of nutrition and water. There were about 130 million acre feet of water coming into the system. There was a whole system of link canals and dams. After 1947 the Indians decided to use the water from the rivers rising in India for irrigation in their Punjab and in Rajasthan. We discovered that out of this 130 million acre feet of water, maybe 25 million acre feet of water were actually being used by plants in the field. Most of the water losses were in the last mile or two before the farmer's field or on the farmer's field itself. So we asked Colorado State University what could be done about these earthen water courses. They reported substantial leakage from them. Cows walked through them and rats dug holes. Then, on the farmer's field itself, we discovered that if one side of the field was even a foot higher than the other side of the field, you had to use a lot more water to cover the whole field. So, we developed a technique that we called "precision land- leveling". We learned how to do it with regular tractors instead of bulldozers. An agricultural engineer (Neil Dimmock) on our staff demonstrated how to manufacture the land leveling equipment locally. We embarked on a major precision land-leveling program. For the water courses we invented something which became known as the "pukka nukka," "pukka" meaning "good" and nukka meaning the outlet from the tertiary canal into the field. This outlet is opened to obtain irrigation water. By making the outlet of cement we found that we could avoid losing an awful lot of the water. The old system was to simply take a hoe to breech the canal wall. If it didn't get properly plugged after the irrigation, water would continue to seep out of the canal. So, we were dealing with technology at the micro level, but applicable to an enormous number of acres.

This was combined with another major program that AID started earlier and continued during my time called the "Salinity Control and Reclamation Project" or SCARP. President Ayub had noticed that a lot of land was going out of production due to salt incrustation. So, my predecessors brought out a team headed by Roger Revelle. Many knew Roger for his work on population. He started out as an oceanographer. Above all, he was a scientist who knew how to talk about science with presidents. He articulated a plan involving electricity lines to power tube wells that pumped ground water into the irrigation channels. That lowered the ground water level. Then the evaporated salts were flushed back down into the ground water, reclaiming the soil surface for cultivation. The now saltier ground water was then mixed with fresh water from the rivers, to avoid damage to the crops. The whole thing works out for about a generation until the ground water becomes too salty for mixing. At that point massive drainage schemes become necessary. A major challenge for us was having to deal with several different agencies: the irrigation department for tubewells, the electricity department for the lines, and then the agriculture department for land leveling. Trying to get these things working effectively together was very complicated.

Q: But then this technology spread throughout the area?

WHEELER: Over time. We discovered that farmers didn't believe our statistics about the water losses. So, although we had enough experiments to convince ourselves and the central and provincial governments that our science was right, we had to keep doing the experiments up and down the Indus River to convince the farmers that they really were losing the water. Over time, attitudes on this changed. This on-farm-water-management program has been one of the great success stories of development, in my opinion.

Another side of this is the fertilizer strategy in a large country with a big irrigation area. Back in '65 when Maury Williams was the AID Director, he actually had to persuade the Minister of Finance to accept a number of tons of fertilizer as a gift to the country in order to try it out. From there, the experiments went on. By the time I came to concentrate on this in 1972, the use of fertilizer was pretty well known. There were several fertilizer plants. The government policy was in disarray, however. The government subsidized the fertilizer to the farmers. When they did that, there was a shortage of fertilizer, so the subsidy went to the farmers who were friends of the person making the allocations, which meant that it went to the big farmers and it didn't get distributed to the small farmers. We had a government that was very much prone to nationalizing everything and they had nationalized the distribution of fertilizer. (They wanted to nationalize production, too, but they abstained from this when they learned that we were required by law to cut off aid to a country that nationalized American facilities.) So, we had to talk them into denationalizing the distribution of fertilizer and permitting prices high enough and free enough so that people could get paid for the transportation of fertilizer up country. The combination of production and imports had to be sufficient to assure a fully adequate supply. I suggested that we talk to Washington about $100 million of fertilizer over three years, which I judged would be enough to get the government’s attention. That made it a prime ministerial issue. We had a brilliant agricultural

economist, Dick Newberg, on our staff. Dick didn't believe in computers. He did his mathematics on the back of envelopes. This was better when dealing with civil servants in the government of Pakistan. It communicated better. We talked in terms of ratios of fertilizer use to wheat production. Starting from the then low rates of fertilizer applications he could with confidence predict how many tons of fertilizer would be required to achieve various higher levels of wheat production.. He was able to convince them that they could get their wheat crop up to eight and a half million tons if they would guarantee one price for the wheat and nine or nine and a half million tons if they set the wheat purchase price at higher levels. In effect, he challenged them to pick a wheat production level and see what happened. They picked the right prices for an eight and a half million ton crop and it worked. Our credibility was at a very high level. My wife sat next to the Prime Minister the night he made the decision. She could tell that he thought he had taken a very dangerous risk. But in the event he and we won the gamble.

AID had such a strong mission! We had a fantastic battery of Pakistanis who would go out into the field and talk to the farmers. Then they would come back year after year and estimate the wheat crop when it was still in the field. Their record was so good that the Prime Minister wanted to know the AID Mission estimate for the wheat crop because he didn't believe his own Ministry of Agriculture, which felt that it had to exaggerate. Important decisions had to be made based on the estimates, including the level of imports to plan for and how much PL 480 wheat to ask us for.

Q: You must have had a pretty big staff to do all that.

WHEELER: Yes. I should tell you that I went back to Pakistan last December. The wheat crop, which got up close to nine million tons by the time I left, is now in the 17-19 million ton range. They're still importing food because, of course, their population is so much higher.

When I went out to Pakistan as Mission Director, old Dr. Hannah was Administrator. He put his arm around me and said, "Joe, when I see you next time, I want you to tell me why you need all those Americans out there." The AID mission, with East Pakistan, had 153 Americans direct hire, plus contractors and consultants and so forth. As an administrative choice, I decided that the way to deal with this was to go into a long-term strategy of bringing down the size of the mission. I had my instruction. So, I mounted an exercise. “Long term” in AID terms means beyond your assignment. So, in other words, instead of a quick reduction done in a few months we developed a four year plan. In this way we didn’t wreck anybody's career. We ended up with only half the country after Bangladesh became independent, but we also ended up with a mission of about 35 direct-hire Americans. It was a remarkable reduction in staff and nobody noticed it. It has always galled me that next door in Afghanistan, Chuck Grader went in and fired half the staff and got all kinds of merit badges for his efficiency. I insist that mine was the way to do it. It's very hard to do things in an <u>un</u>-dramatic way and get appreciated for it.

Q: What was the scale of the program when you got down to 35 people?

WHEELER: We were running $200 million a year or something like that.

Q: A good sized program.

WHEELER: Yes, we had a very big program. We were into a lot of things - some very interesting things. For example, one of the crops very important to Pakistan was oil seeds. Their vegetable oil consumption soared as their income and population went up. In the days before independence, oil was produced from animal fat and sold as ghee. Over time, vegetable ghee became cheaper. But they simply weren't producing enough. The oil extraction rate from cotton seed was low. If they improved their machinery, they could increase the extraction rate. The solution, in effect, was 20 different interventions: price policy, growing a wider variety of oil seed crops, education - all kinds of things. So, Dick Newberg outlined a package of things that needed to be done. We were trying to talk to the government of Pakistan into doing all those things. By the time I left, we hadn't really fully succeeded. The wheat program was so much simpler.

I discovered in Pakistan the importance of articulating what it is you want to do. It goes back to that Turkey experience and Jim Grant's wheat program. My tactic for doing this was to put out an AID document called "Pakistan Development Data" and later called "Pakistan Economic and Social Development Data." Each page of the document had a headline containing a message, a chart that described the issue, and then narrative of a couple of paragraphs which always put things in a way that, in effect, put us on the side of the Pakistanis. "Pakistan is faced with this problem and is considering its strategy. Among the alternatives are," - that sort of thing. We worked on this document very hard with great discipline. It's hard to get personnel to articulate what they're about. We had a man in the Mission named Marshall Roth who had experience in the designing of charts. Later I found that it was being used by the Minister of Finance as his briefing for dealing with officials in Washington. In other words, he found this something that was better than he could get out of his own planning commission. Since we were dealing in large amounts of resources where good policies were essential to the effective implementation of programs, this publication became the centerpiece of our development dialogue. The process of preparing the charts helped us get clear in our own minds the basic facts about a given subject and forced us to articulate our goals. We gave the document, which was published at least once a year, fairly wide distribution in the Pakistan community.

Q: There was a clear statement of the problem, dramatized by charts, and a listing of other actions that needed to be done.

WHEELER: I was always a supporter of the logical framework once I learned about it. The logical framework forces you to state your objective, all of your assumptions, all of your inputs, and so forth, and then to develop a method of evaluation. The discipline of that I thought was very important. So, we used it.

Q: Why do you think that the logical framework lost its appeal within the Agency over time? It was used intensively at the beginning, but then it began to fade away.

WHEELER: It faded away after I left the Agency, so I don't have a good answer to that question.

Q: But you used it then a lot?

WHEELER: Yes, we used it. It's not filling out a form. It's thinking through a problem. We worked hard on our project papers. To me, a good policy framework is 2/3 of the battle. The money was almost incidental. In the end, if you've got a good program, somehow or other, it will attract money. I felt that the programming process had to be very intense, taken very seriously - not at all casually.

Q: And the Pakistanis bought into this or were part of this process?

WHEELER: Yes, they bought into it. I think there are a lot of very professional people in Pakistan. The problem comes at the political level. Pakistan has done a lot of right things. But Pakistan went into some projects that took up an enormous amount of its resources, the steel mill in Karachi being the most important example. As a result, when it came down to budget time, they just simply didn't have the resources to put into the New Directions. So, whereas they would always say, "Well, look, you're right, but in two years, the big expenditures on the steel mill (or whatever) will be over." But in two years, they would have another one of these big capital projects taking scarce resources away from the more important development requirements such as primary education.

Q: Were there any institutions that you developed in Pakistan during that time?

WHEELER: A lot of the institution building had been done earlier. We had had in early years an enormous impact in public administration with civil service academies and so forth.

Q: You found that those programs were effective?

WHEELER: I think the civil service training was pretty good. The planning process had been helped by the Harvard Group for a long time. Just as I was arriving, the last of the Harvard Group were leaving. They were leaving in part because in the long run it gets to be intolerable to have a bunch of foreigners sitting in your planning commission dealing with broad policy issues. I found that during my time in Pakistan there was a step-by-step decline in planning capacity throughout the government and that a lot of the people that Harvard and others had educated to take on these jobs were finding their way into the World Bank and places like that and not being utilized by their own government. The quality of decision making, the quality of analysis, was going downhill during much of this period.

Q: Part of the issue was how to sustain this capacity that was built up.

WHEELER: Right. In the end, development depends not just on the existence of institutions and the existence of trained people. It depends upon leadership and sound

decisions by the political process. There were some very bad decision makers at the top. I think there's no question that Bhutto was a brilliant political manipulator, so to speak, but he let himself be drawn into some awful economic decisions. He also took out after the civil service. Then gradually, he would sort of climb out of his bad decisions. We would have disasters to report in the policy area and then we would have sort of an optimistic trend of gradually getting things right again. The fun in Pakistan was that our program was large enough in relation to what we were working on that we were dealing at the all-Pakistan level rather than at a district level or local. We could look at things in strategic terms and have a position regarding broad policies.

Q: How were we able to negotiate these policy issues? What was the process?

WHEELER: On the fertilizer, $100 million was on the table, but it was conditional on the policies being right to utilize the fertilizer.

Q: You found conditionality worked?

WHEELER: Conditionality works when it's related to the program. I think conditionality that is unrelated to the program is very difficult.

Q: Some people say they adopt the conditions to get the money and then they don't follow through.

WHEELER: There was always next year that they had to worry about and, to use a Marshall Plan term, we tranched things. We kept talking. I wrote very good memoranda to the Ambassador to train him up on the issues for his conversations with Ministers.

Q: How did you find the Pakistanis to work with generally?

WHEELER: They're wonderful people. They're very friendly. I think as bureaucrats they're much easier to deal with than the Indians. They seem to be more straightforward. Over time there has been an increase in the level of corruption. But the people we dealt with tended not to be at the center of the corruption. We were clear enough as to what our money was going for so that our aid didn't get into the corruption game. I felt that where our money was involved things worked pretty well. The problem has been in things we didn't work on.

Q: Undercut what you were trying to do?

WHEELER: Yes. Pakistan is a great success story from some points of view. Its growth rate hasn't been too terribly bad. It's sort of comparable to India's, maybe slightly better. It's been a terrible bust, I think, in terms of getting services to the “majority who are poor.” From a New Directions point of view, the rhetoric has been very good. Benazir Bhutto, for example, has made excellent speeches, especially out of the country, but the actual decision making process did not follow the rhetoric.

Q: There wasn't the opening for programs in education at that time?

WHEELER: There was an opening, but then our relationship broke. I left at about the same time that Bhutto (the father) was deposed and then the AID relationship fell apart not too long after that. So, there was a discontinuity and then they sort of started up again. New people don't look at the files. One thing I felt was that it was really a lucky thing that I could have a run of eight years and see so many things from beginning to end. Of course, I couldn't see everything from beginning to end, not just because I left, but because the relationship with the U.S. fell apart.

Q: It suggests that it takes several years of continuous effort if the conditions are fairly stable to get anything done.

WHEELER: I think that in AID we have also had problems with the disconnect between Mission Directors. Mission Directors don't think in the same way. I was very lucky. On the staff, my principle was that I should hire only people who were smarter than I was. I usually succeeded in that partly because of my own deficiencies, but I really did go for some good people. I had a series of really terrific lawyers, program officers, economists, agricultural officers, and others.

The other thing I did there was to utilize spouses. In our society it's very hard for couples where both members have been working to get assigned overseas, leaving one of them high and dry if they're not on the staff. I developed a spouse-hiring policy using excess rupees that I controlled locally. I decided that anybody I hired would get the same salary, which would be the median amount paid to a school teacher hired locally by the Islamabad school, the American school. That was a modest amount compared with really proper AID salaries. Furthermore, it was not equitable because I wasn't paying in accordance with the difficulty of the job or the amount of experience. But I got some fantastic people. I got Elinor Constable, who went on to be Assistant Secretary of State for Economic Affairs, and ambassador in Kenya, and so forth. I got Robin Rafel, who went on to become Assistant Secretary of State for South Asia. I got a number of others who went on to have important jobs. Monica Sinding worked in my Capital Development Office. She got hired by AID later on. So, I gave people significant responsibilities. I used their work. One of them was Glennis Yeager, the wife of Chuck Yeager, the man who broke the sound barrier, who was military attache in Pakistan during part of the time I was there. Mrs. Yeager was my librarian. I had a mission library which was filled with old reports on Pakistan done by consultants through the years so that when a new consultant came to provide advice on a subject, he or she could go to the library and say, "What's already been done on this?" It was rather unique, having a ready availability of experience. So, my morale was enormously high. Sometimes people were grumpy because I was reducing the size of the mission. I suppose sometimes people disagreed with me on particular issues.

Q: What about your Pakistani staff?

WHEELER: They also came down. That was often difficult. But the staff had been

around long enough that there were quite a few retirements. So, I was able to handle the reductions that way.

Q: Anything else on the Pakistan program that you want to put in now?

WHEELER: I think that's it.

Appointed Assistant Administrator for the Near East - 1977-1980

Q: Then you moved on to Assistant Administrator for the Near East.

WHEELER: Yes. There was a reorganization in Washington and the Near East countries were put into a separate bureau. So, instead of having Near East/South Asia, we had a Near East Bureau that included North Africa. The big thing, of course, was Egypt. I also had Syria, Lebanon, Jordan, and Israel.

Q: What was your main challenge in that assignment?

WHEELER: The main challenge of that assignment was to utilize the money for Egypt in a developmentally sensible way. The amounts were so large. We were close to $1 billion in Egypt. We had large amounts to program, some of which went to commodity assistance, but most of it was for projects. We felt ourselves under the mandate for New Directions, associating our money with things that would help people at the village level. So, we had a huge mission headed by Don Brown, who was excellent. We had lots of capable people in the mission pouring out agreements. In Washington we were becoming much more conscious of some new issues: the environment, women in development, population. So, I found myself running a kind of a school in development in the form of the loan meetings. Each loan was brought before an Assistant Administrator's meeting. The various interests were each represented including the new concerns for women-in-development, the environment, etc. These were represented sometimes by my own staff and sometimes by the Technical and Policy Planning Bureaus. The real question was what I was going to support. AID had been sued by the Natural Resources Defense Council for not taking environment seriously as mandated for any domestic program in the United States. We settled out of court by agreeing to do the environmental impact analysis, which included an initial analysis to see whether the issues were relevant, and then a more serious analysis. I was very interested in <u>how</u> this was done. We discovered that people often thought about this at the end of the programming process rather than at the beginning. Then there was: "But you're going to delay this project doing an EIA," and so forth and so on, whereas if you did it at the beginning, you built it into the analytical process, you saved a lot of money and you addressed issues when you really could do something about them. So, we ran a school in EIA, in effect, getting across to people that they really had to do this, to take it seriously, and they had to think about it early on along with other issues. Of course, we were interested in economic policy issues and so forth. We had Brad Langmaid there analyzing things. Al White, my deputy, was there analyzing things. We had a healthy debate that went on in the Near East Bureau, which I felt gave us pretty good quality programming.

Q: Of course, you had the question of the attitude of the Egyptian government and how far they were willing to go on some of those things.

WHEELER: My feeling was that we shouldn't be shy about trying to get support for bearing down on the Egyptians. They were in the situation where they were using their own foreign exchange for the Usual Marketing Requirements (UMR) under PL480. They were using their own foreign exchange to pay American farmers three times as much to grow wheat as they were paying their own farmers. Then they would take this American wheat and make it into bread and they would sell the bread at like 1/10 of its value. Chicken farmers would go to bakeries and pick up the bread at the price it was being sold at and use it as chicken feed. The economics were just devastating. It was just all wrong. I'm not saying that Egypt should be self-sufficient in wheat. I'm saying that Egyptian farmers should get paid, taking into account the differences for shipping and so forth, something comparable to what the American farmers get paid and then let them decide what to grow. So, I would take this up as an important issue to be discussed when President Sadat or some [other important person] was in town. We'd go up to the Secretary of State and the Secretary of State would say, "Well, you're absolutely right, but this is a very sensitive time in relation to Egypt and the Middle East and so forth. We don't want to press it at this point." So, we lost on a lot of those kinds of issues. Of course, that lowered the quality. In effect, it meant that we weren't getting out of the program all the economic benefits that were potential with that amount of money.

But we also won a lot of those things. Step-by-step, we kept working on electricity prices. We introduced new things like aquaculture when they were quite new even in the United States. We got health programs going in villages. We got family planning going. We sent out Ambassador Marshall Green with the RAPID program to explain to the Cabinet the implications of rapid population growth. That kind of a dialogue, I think, had an impact. It just didn't have enough of an impact to get the most out of the program. We worked very hard at it.

Q: Why were the Egyptians so resistant to some of these policy changes?

WHEELER: It's short term versus long term politics. The Egyptians postponed price adjustments until the absurdity was so great they simply had to make an adjustment. Then they had food riots because people don't like sudden substantial increases in the price of bread. If the government had said to us, "Okay, look, we agree with you and this is our tactic for doing it. We will do it very gradually step-by-step. Every six months, we'll make this change and that change," sort of sneak it in. There is a way of doing it. This is one of the problems with structural adjustment. You get into a bankruptcy situation. You go through a bankruptcy process and suddenly expenditures on schools are reduced and expenditures on health, etc. and major price adjustments – then riots, and they blame it on IMF and the World Bank rather than considering that maybe there was a policy problem that led to the problem in the first place. When they made some adjustments in bread prices, they ran into trouble in Egypt. The tactics of making adjustments are very important.

Q: Apart from Egypt, what were some of the other challenges of being Assistant Administrator?

WHEELER: Israel. Israel was wishing to move to a one-check cash-grant basis. We had liked the system of more gradual disbursements and being able to have fairly frequent dialogue on economic management. In the end, they got what they wanted. But in the end, of course, Israel has managed its resources fantastically well. Anybody would have reservations on some issues, but they've really become a very prosperous country. They've done it by an overall policy framework that worked. In those days, there were more questions.

Q: The policy dialogue sort of came to an end?

WHEELER: We were permitted to raise some questions. I made an annual visit to Israel and to the Ministry of Finance. The Israelis deal with visitors very effectively.

Q: What kind of issues were you raising?

WHEELER: Issues of subsidies at that time. They would give me a hearing. They would not give me a response. They would then take me to the Holocaust Museum, to the Parliament, to the art museum, to the symphony orchestra and remind me that we were dealing with an enormously wonderful civilization with all the terrible things that had happened. I found it very impressive.

Q: Did you agree that that level of resources was required?

WHEELER: I was never asked for an analysis of that question. The obvious answer is no. The fact is that they could have done without our economic assistance from an economic point of view. Furthermore, I think, Israeli governments have always been in favor of independence from AID "in principle." They've always formulated the process of getting to independence in such a way that we never got around to the reduction. "After so many years, we think it should be appropriate," sort of thing. It's a very difficult political negotiation for the President. There always is the fact that we're in negotiations and this is not the time to rock the boat.

Q: Did you ever have to deal with Egypt on getting comparable treatment to Israel?

WHEELER: Yes, we did. They asked for cash grants.

Q: Why were we not willing to do it for Egypt if we were for Israel?

WHEELER: Here we did get support from our political managers. The difference was that the Egyptians were just not running their economy with the same quality of decision making that the Israelis were. Also, there were not many Egyptian-American voters.

Q: What about other countries, the North African group, for example?

WHEELER: We had phased out of Tunisia, yet we felt the need to be in Tunisia from a political point of view. So, there was sort of a back and forth. We'd phase out and then we'd phase in again. So, I was confronted with the need to provide some assistance to Tunisia. We got into the question of what would be some constructive things that we could do. We got into something called regional development, in which we tried to get, at the governorate level, integration of development related decisions.

Q: Why did we feel that we had to keep the program going there?

WHEELER: Well, there was a political equation. In effect, Tunisia had been one of the constructive players in negotiations in the Middle East which were important to us.

Q: Why did we feel we needed to phase out?

WHEELER: Because they had been quite successful. The per capita income got up pretty high. Economists would say "Why are we still giving aid to Tunisia when we have poor countries that need it much more?" It had been a reasonable question and it was reasonable to phase out. But it would have been better if we had thought through whether or not we wanted to phase out instead of changing our mind every few years.

Q: What did we end up focusing on?

WHEELER: We did this regional development project which involved reimbursement for expenditures made by the Tunisians for various kinds of infrastructure and so forth. Then we did an agricultural project. This was institution building. There was an interest in Tunisia in building up their training capacity in agriculture. There were some other smaller things that I don't remember at the moment. Tunisia did not want to consult with a group meeting in Paris with the World Bank as chair, but they wanted to have their own development meeting with the donors, so they put on their own development group meeting.

Q: How did that work?

WHEELER: What happens with meetings that are chaired by recipient governments in their own country is that they use them for their internal political reasons and donors don't talk frankly, except maybe the United States which tends to be willing to talk frankly in most any forum. But most countries won't. So, you don't get all of the advantages of the classic meetings run by the World Bank in Paris. But the political dividends to the government are not unimportant. So, I'm not sure that one should reach the conclusion that these are always bad.

We had very difficult projects in Syria. It had been decided that as part of our dialogue with Syria, we should be providing some project inputs. There was a water project for Damascus and a number of other projects. The government would identify these projects

and then we would do feasibility studies. Then we would negotiate the loan agreements and proceed to the selection of contractors. Construction also was slow. It just took years. Congress could never understand why we kept coming up asking for more money at a time when the pipeline continued to increase. I found that a difficult thing to deal with. I could explain it in great detail as to exactly all the processes and so forth, but if you're sitting up there on a congressional committee, you can't really believe that it takes that long to do anything. They forget how long it takes to do something back in their own hometown.

Q: Was the Syrian government itself particularly difficult?

WHEELER: Yes, they were particularly difficult. They weren't used to being pushed around by AID. Most governments develop a certain sense of humor about those AID guys after dealing with them a few years. Governments come to understand how AID people think and what they are after. They sort of get through it. But the Syrians were sticky on lots of issues. Sovereignty was always there as an issue. Whose decision is this anyway? So, we found that things went very slowly.

Q: Anything else during that time?

WHEELER: Yemen was in a very dynamic period after the '67 War. A tremendous number of Yemenis went up to Saudi Arabia. It really had to do with the oil price rise and Saudi Arabia spending huge amounts on construction and needing workers. So, Yemen was getting these huge remittances. One of the poorest countries in the world was suddenly rich. In that situation, we wanted to help them to formulate projects and improve their technical capacity to manage them. I made a couple of visits to Yemen. We had an interesting program there.

Q: Was there a real government to work with?

WHEELER: There was a real government. There were tensions with South Yemen, which eventually led to war and then in time led to unification. But during that time, they were separate. I can recall a particular experience driving down to the port. Half way down we had stopped for lunch. There was a restaurant where you actually sat on the table. We ordered some chicken from their grille (that was just like the grille you find in American super markets) and then the restaurant sent around the corner for the bread. I asked, "Where did the chicken come from?" "Oh, that came from Alabama." We scratched our heads. Can a country that can import chicken from Alabama really need our aid? As I have said, Yemen <u>did</u> need our aid. But you kept asking the question. It's a very interesting country and an important country. I don't know what we're doing there now, but I know we continue activity there. I took Doug Bennett out there and we visited one of these mountaintop villages - Marweit. The Yemeni hosts invited us to sit with them on the floor around the edges of their hospitality room. They were chewing khat. (Doug Bennett was <u>not</u> chewing khat!) But the whole experience was so much fun.

Q: I gather they were negotiating with him about some projects?

WHEELER: He was making his administrator's visit through a country he hadn't been to before. I took him also to Egypt, where we saw President Sadat. We went on the Suez Canal and visited a lot of projects. Then he hired me as Deputy Administrator.

Promoted to Deputy Administrator - 1980

Q: What was your role there? That's a whole different perspective on the business. This was in 1980.

WHEELER: I think that Doug Bennett saw me as a person who had years in the Service, so I could advise him from the point of view of a person who had worked in a number of countries and had line experience. He really left to me the review of all those big projects that had to come to the Administrator for approval. So, I found myself attempting to bring some of the kinds of thinking that I had used in the Near East Bureau to some of the other bureaus, running into trouble from people who weren't used to that from the Deputy Administrator. There were a lot of administrative issues, some congressional testimony, particularly in the absence of the Administrator.

Q: Were there any particular changes or reforms that you were trying to bring about?

WHEELER: You see, by that time, Doug Bennett had been there for a while. So, it was a question of just running things the best we could. We had a lot of issues at that level with IDCA. The idea was that the President was really the proper boss for the AID Administrator and that somehow or other the IDCA chief was going to coordinate AID, State, and Treasury and so forth. We tried it. The IDCA staff got set up and people were hired. When you have people in that sort of a situation, they start asking questions. The next thing you know, you're asking yourself, "Well, who's running this agency anyway? Is it you or is it me?" Doug and I spent a lot of our time dealing with that issue. It was a complete waste of energy.

Q: IDCA didn't actually have a government wide function, did it?

WHEELER: It did in theory, but it just couldn't implement it in fact. You've got line agencies like State and Treasury. IDCA couldn't give them orders. As long as AID kept its lines well oiled in State, IDCA couldn't give AID orders either. So, when there were policy differences, these had to be fought out. I do not think we really suffered big damage from that process in terms of adopting bad policies. I do think that we wasted a lot of time in unnecessary dialogue.

Q: Did IDCA try to push the Agency in a particular direction?

WHEELER: Yes. At this point, I have put them so much out of my mind that I really can't resurrect the policy differences. Basically, it became a struggle for power between two people, both good Democrats, both supporting the President, both caring about development, both well meaning, but set up to have a fight over the system.

Q: Did IDCA actually report to the President?

WHEELER: No, I don't think that the head of IDCA actually went to see the President very often, if ever. He wasn't in the Cabinet, of course, so he really reported to the National Security Advisor. But the National Security people were quite realistic about where the real power lay.

Q: You could add more on that function if you like. Toward the end of your stay as Deputy Administrator, we went into a transition to a new administration. What was your experience with that?

WHEELER: There was the transition period after the election. This was the beginning of the Reagan administration. Peter McPherson was acting legal consul at the White House. He called me over and thanked me for my service to my nation. I was planning at that time to retire, but after some time, he thought about it and wondered whether it wouldn't be a good idea to have some continuity. So, I stayed on as Deputy Administrator for more than a year after the transition. The Egyptians had called a development conference in Aswan to meet January 20, 1981, and all of the donors were expected to come at high levels. Of course, we wanted to come at high levels. So, as the person who was going to be Acting Administrator after noontime on January 20th, it was agreed by Doug Bennett and Peter McPherson that I should go out and represent the United States. On that particular day, which was a very exciting day, you remember, with the hostages being released, and messages coming in by the hour to tell the delegates at this Aswan conference what was going on, I spoke in the morning on behalf of President Carter. At 7:00pm, which was exactly 12 o'clock Washington time, I greeted them on behalf of President Reagan. I had the honor of being the first official to speak on behalf of the new President.

Q: Was your message different?

WHEELER: No, my message was not different in content. But it was an opportunity to remind everybody that there would be continuity in policy toward the Middle East countries, Egypt in particular. At the end of that conference, we had a meeting with President Sadat, who mistook me for the IMF representative and proceeded in public to give me hell. Everyone was chuckling, realizing that this was not an easy little lecture of his to turn off since he was determined to make it.

Q: Was there an IMF representative there?

WHEELER: No.

Q: What was the point of the conference?

WHEELER: The Egyptians felt the need to bring the donors together to spell out their development plans and to get the donors in the mood to provide money. They, too,

worried about the sovereignty issue. There is a sensitivity to sending your officials to Paris to meetings chaired by the World Bank to confess your sins and explain how you're going to reform and then hear lectures from the donors. Actually, there were very good Consultative Group meetings in Paris with the Egyptians. I don't mean to sound critical of the Consultative Group process. I think it's been very important and very constructive.

Q: Let's take a moment to talk about the Consultative Group process. You have a lot of experience with those sorts of things. Some people have different views about what they accomplish, their effectiveness. What was your experience with Consultative Groups generally?

WHEELER: I think that the process works out pretty well. You get a comprehensive memorandum from the Bank that has been coordinated with the country under review. Then there is an opportunity for the donors to express their views in a way that is not politically embarrassing because it is a private meeting with only an agreed conclusion at a press conference afterwards.

Q: What's accomplished?

WHEELER: They become a deadline. Bureaucrats need deadlines. They help to facilitate the decision-making process in the assisted country. They also help to facilitate the decision-making processes in the donor countries and the World Bank, for that matter.

Q: So, the actual event itself is less important than having the deadline to make decisions?

WHEELER: Yes. It is an opportunity to say to a country, "Look, at the next Consultative Group meeting, we'd like to really have an outline of your policy on irrigation or electricity" or something like that and get the government working through a paper which is distributed in advance of the next meeting. I think it's part of the policy dialogue. I think it's helpful. I think it can be a useful mechanism for governments to make difficult decisions. It gets everybody informed.

Q: There is talk these days about shifting the leadership to the developing countries themselves to get more ownership, more responsibility, that they should take responsibility for the meetings.

WHEELER: I don't think it's a good idea. I can imagine having meetings of this sort from time to time in the country for their own political reasons because it gives them an opportunity to make political points with their own population. I respect the importance of those political processes. I don't think that they're to be discounted. But it's a different purpose than the typical meeting chaired by the World Bank in Paris. I think the Paris meeting process should be encouraged. That doesn't mean that you don't do it with grace and with thoughtfulness as to what you say and how you say it.

Q: Shall we move on?

During the transition to the Reagan administration - 1982

WHEELER: Yes. I had a very good relationship with Peter McPherson during the time that I was there. It was an opportunity for me to be helpful to him in getting up to speed on AID. He asked me to give him frank advice and expected to get frank answers. Sometimes he accepted the advice and sometimes he didn't. But I think he always appreciated that I was speaking my mind toward the same goals that he had.

Q: What was your understanding of the kind of directions he wanted to lead AID? Or was it too early to tell at that point?

WHEELER: He had a background in agriculture and, I think, was very much interested in that field, which I appreciated. He was supportive on the population side. He felt very strongly about the private sector and created the Private Enterprise Bureau. I think that the emphasis on the private sector was right. I myself would have manifested that interest in a different way. If something is important, you want to get the whole program behind it and not compartmentalize it in a bureau.

There was a tendency for new administrators to want to do a major reorganization. I strongly recommended against it. I said, "If you have in mind a reorganization you want to do, make step-by-step decisions pragmatically. But don't announce that everything's going to stop for a reorganization. A general reorganization process costs an enormous amount bureaucratically. The morale is deeply affected. You do much better just quietly one-by-one making a series of decisions." He wasn't always well advised in terms of the people that were brought on. Contrary to earlier practice, career people were pretty much excluded from the top jobs. (I was a temporary exception and replaced by a person without obvious qualifications.) Not everybody succeeded. But by and large, I think that AID's career staff came to enormously appreciate Peter McPherson. Even if he didn't give them the top jobs, he gave them access and he listened to them.

Q: He evolved this policy called the Four Pillars. Was that just rhetoric or was there some content to it?

WHEELER: I think that was after my time. I retired in early 1982. About this time the Africa Bureau in the State Department became very concerned about coordination among U.S. government agencies dealing with some of the less important African countries. Princeton Lyman was the point person in State's Bureau for African Affairs where he was a Deputy Assistant Secretary of State brought to State from AID. For several months I served as a consultant to AID on a pretty full time basis for the purpose of preparing interagency meetings on various countries in Africa. Princeton would call these meetings. It turns out, if you call a meeting, people will come. No agency wants to be left out of a meeting. By institutionalizing this a little bit, we actually got the various interests of the U.S. government focusing on quite a number of interesting country situations. That became known after I left as the "Wheeler Group" and it apparently went on for a number of years. I was very pleased that that continued.

Q: What was it you were trying to address? What was the issue?

WHEELER: The issue was that agencies were not focusing on policies related to particular countries and, to the extent that their agencies were impacting on the country, they weren't necessarily consistent efforts. So, it wasn't a particular substantive issue that we were driving at so much as the need to get a coordinated approach and get everybody on board behind whatever policy the State Department was trying to work out. Of course, State and AID were in very close collaboration in this.

Q: Was it related to the economic crises in Africa? Was that a part of your backdrop to this or not at that time?

WHEELER: We were running into debt accumulation problems. There was a need in some cases to get action to alleviate the debt. This involved coordination within the U.S. government and also with other donors.

Then Peter McPherson asked if I would be interested in being suggested by the U.S. to be Deputy Executive Director of the United Nations Environment Program in Nairobi. I did that for a couple of years. Two years later he asked if I would be interested in being the DAC Chairman. Perhaps it would make more sense to talk about the DAC chairmanship now and UNEP later.

Served as Chairman of the DAC - 1985-1990

So, Peter asked me if I'd be interested in going to the DAC as the chairman. The DAC is a committee of the OECD, one of a number of committees. But it's the only committee that has a full time chairperson. That person historically had always been nominated and provided by the United States. It's my understanding that there will be a change at the end of this calendar year and it will be open to others. It has been a wonderful opportunity for an individual, in this case me, to sit and talk about policy issues in the development field with the donors. Because the job was independent and not subject to instruction either from the United States government or from the Secretary-General of the OECD I was able to talk to the Member countries about policies that they might be considering and to badger them on aid levels. I made official calls on each of the members, sometimes more than once. Each year, the DAC Chairman sits down in his study and writes the first part of the report of the DAC Chairman. The report contains the official statistics comparing the performance of the Members in various ways, the basic comparison being the percent of GNP each Member puts into aid.

Q: What were you trying to promote?

WHEELER: I was basically pushing the New Directions. I put emphasis on population, which the Europeans generally have been neglecting, although the Nordics and Netherlands have done very well in terms of amounts of money. They've done it multilaterally rather than bilaterally. I was personally interested in agriculture.

Interestingly, the DAC never took my advice in that area, didn't have any meetings on agriculture, never considered that agriculture was an important issue. That was a great disappointment to me.

We were in a period when there was a growing interest in environment. It was an opportunity for the United States to communicate its experience in applying environmental impact analysis to its programs. Other countries were quite interested in our approach. I saw the DAC play a very interesting cross-fertilization process on issues of that sort. We had a subcommittee on environment and development. Then we had another committee on women-in-development. Again, the United States was the first donor to really take women-in-development seriously. I was very pleased to encourage a working group on women-in-development, which was often led by the United States.

I have a feeling that the United States welcomed its ability to have a DAC chairperson there, but that they didn't make full use of the DAC. Since the days when Dave Bell was Administrator AID has not been able to organize itself to think of the development process as a whole.

Q: What do you mean by that?

WHEELER: The United States filled the U.S. chair at the appropriate level at meetings of the DAC, but didn't do much homework in preparing for the meetings. The Administrator would come to the high level meeting or the PPC Director to the second highest level meeting not having really thought through: "How can I use this forum to achieve a particular objective that I have vis-a-vis the rest of the development community?" It's not an easy thing for us to do.

Q: Did you talk to McPherson about this?

WHEELER: Yes.

Q: What kind of a response did you get?

WHEELER: "You're right, Joe, but everybody's busy."

Q: That was in the period of basic human needs. This was somewhat later, but it was coming into full throttle.

WHEELER: Yes. These views did get expressed in the AID dialogue. We had the advantage on the U.S. side of having a real development person as a full time U.S. representative to the DAC. That's in the U.S. delegation to the OECD.

Q: The others did not?

WHEELER: Others had people who had that task, but they usually had 20 other tasks as well. They oftentimes were not from the development stream. They might have been

from the political stream. They'd have general interest in development issues, but basically they delivered messages and faxes that came from the capital. The conversation was enriched, however, by a few delegates who were particularly good.

Q: What about the country reviews?

WHEELER: During the time that I was there, we tried to strengthen the country peer reviews by getting staff work done better by the Secretariat of the OECD.

Q: What were you trying to accomplish?

WHEELER: The objective was to get governments addressing policy issues. In order to do that, we had to get to know enough about the programs to understand what their deficiencies were and then to raise questions. The Secretariat, if it does its work well, can identify those questions and can talk to the two reviewing countries about what questions would be useful to ask. So, there is a dialogue. The Secretariat goes to the examined country. The two reviewing countries go to the examined country. A memorandum is done which includes some key questions which the examined country is expected to address in their initial comments. Then there is a going around the table. There is an opportunity also for the chair of the DAC to raise questions.

Q: Was there a common theme to these questions during your time?

WHEELER: It depends upon what's on people's minds. As you get into the New Directions and basic human needs approaches, the common theme is, "What are you doing about these things?" As we talked, getting ready for the population meeting, there would be the question of "What are you doing about population?" Of course, there were questions about debt management and debt renegotiations and whatever was hottest at the moment. I was there for a five year period. That meant that there were five issues of the DAC Chairman's report that came out under my signature. I was able to raise some interesting issues. One of the things I talked about was the need for more useful statistics on what people are doing and goal setting. I felt it important to marshal resources and policies to achieve very precise goals.

Of course, we talked about the environmental dimensions that were increasingly important. We discovered that some countries would go ahead, for example, with dams without doing environmental impact analyses. We had the case of one country that had turned down a project on the basis of an environmental impact assessment. Another country came in and financed it without doing an environmental impact assessment. They had to answer questions about that in the DAC. So, we were able to sensitize countries to the need to think about these things. DAC is not decisive. It's not a super-sovereignty. Countries can hear the DAC or not as they wish. I think on balance, though, DAC has had quite a lot of influence.

Q: You had the evaluation group, I guess, at the same time and the subgroup?

WHEELER: A subgroup on evaluation, right. That, I think, we got institutionalized into lots of aid programs. We would also have an occasional meeting on a regional basis. We had a meeting on Africa one time and one on Asia another time. People from the governments that were interested in the region would come.

Q: Did you ever talk to the developing countries?

WHEELER: When we had a regional meeting, we would make a point of picking a number of good people from the region who would be thoughtful participants. They added a lot to the meetings. Also, when we did reviews of particular sectors we sometimes brought in people from developing countries.

Q: But there was a reluctance to have them as part of the dialogue or was that appropriate?

WHEELER: Everyone gave it lip service. When we did have developing country representatives attend, they often made the most interesting interventions because they were practitioners with hands on experience. Obviously, in aid reviews, the members didn't want them there. At so-called High Level Meetings (meetings at the aid administrator or ministerial level) the Members didn't want them there, although they had UNDP come. That was an innovation during my period. Sometimes a third world person would represent UNDP or the World Bank. So, we didn't hold secret dialogue or anything of that sort. We tried to have an open debate. The annual report laid out in some detail issues important to both donor and recipient and the reports were read by policy planners in the developing countries.

Q: Did you have any Tidewater meetings? Were they going on at that time?

WHEELER: Yes. Years before I became DAC Chairman, World Bank President Robert McNamara and Aid Administrator Bill Gaud had decided that it would be a good idea to get together with key AID Administrators. From a World Bank and IMF point of view that was important. Their boards were made up of people from treasuries rather than from aid agencies. So, they welcomed the opportunity to meet with key economic assistance administrators. We had a meeting of about 20-22 people once a year. The DAC Chairman became the organizer and co-chair. The host was the other co-chair. I always invited the Administrator of UNDP and UNICEF and sometimes UNFPA or another UN agency. We didn’t have all bilateral aid agencies, but we had all of the significant ones and then a scattering of others. The meetings were held in different parts of the world. We often invited two or three individuals from the developing world. One year, we had Mabub ul-Haq come, for example. In fact, he hosted Tidewater in Islamabad. We tried to have the meetings in developing countries once in a while. The first of these meetings was held at the Tidewater Inn in Maryland, giving the series its name. I must say that Tidewater meetings were both interesting and useful. I would develop a draft agenda, negotiate with the host on the invitation list and the final agenda and write a letter to those who were invited suggesting that "This year, we may wish to discuss such and such."

Q: Do you remember any of the major topics that you discussed?

WHEELER: We had a discussion relevant to the upcoming Earth Summit. We discussed the environment issue. We took up population. We discussed the debt issue. We covered child survival. We discussed education. Whatever was topical. I hope that it is still going on. I haven't heard about Tidewater recently. I found these meetings a very useful vehicle for getting people thinking about new subjects. I recall, for example, the year that UNDP Administrator Bill Draper raised the question of corruption for the first time. In any one year, we could only talk about maybe two subjects. I figured we could keep such high level people together for a maximum of three half-day sessions. These were very high level people. I was pleased that we succeeded in getting them there.

Q: What do you think it contributed to development?

WHEELER: I think that it became a place where we sensitized each other to our evolving thinking on new issues. Participants often spoke their minds frankly in ways they would not in more public fora.

Q: Did the U.S., though you suggested maybe not, contribute in terms of ideas and concepts?

WHEELER: This varied from Administrator to Administrator. In general I felt that the USAID Administrator came without having done much homework. But, of course, he would have something to say, especially because AID had a great deal of development experience. In some areas, we were the predominant organization. In population, we were almost the only actor. UNFPA, in terms of technical depth, may not be as strong as AID even today, even though AID is beginning to wind down its capabilities in that area. In the “olden” days, we used to be very big in agriculture. Now that's pretty much dissipated.

Q: Why the lack of interest in agriculture?

WHEELER: I think of aid policy to some extent in terms of vertical and horizontal issues. We were very concerned about thinking things through and relating one thing to another. Dan Parker talked about “synergy”. I think we began this horizontal look at issues to the detriment of...

Q: What do you mean, a horizontal look?

WHEELER: If you were working on any project, you ought to be looking at it from the point of view of women-in-development, of participatory development, of democratic systems, of environmental impact, and so forth. A lot of people wanted to talk about those things. I call these horizontal issues. Each was important, but they tended to take up the discussion time. I felt we should have devoted equal time and effort on what might be called the production side of projects. This is what I call the vertical program. In an agriculture project the goal might be to increase wheat production to a particular level. In

achieving the goal it is important to do so in a way that takes account of all of those horizontal issues. But you still have to produce the wheat. We have shifted our concerns so much toward the horizontal issues that we are neglecting the need to achieve practical objectives. The focus is on the environment these days rather than on the producing of the food. The focus is on health interrelationships rather than on actually achieving particular health goals. There were those who worked against this trend. Jim Grant in UNICEF, I think, was one who would come up with very precise objectives. But we didn't want to talk about them.

Q: What happened to the concern with poverty, the concern with incomes and employment?

WHEELER: During my time, I didn't feel that there was a serious consideration of employment issues. I raised employment issues in my DAC Chairman's report. We talked about efficient labor intensive approaches, but we didn't really come to grips with how the burgeoning number of people coming into the productive periods of life were going to use their talents to make a living and to contribute to society. It's one of those neglected issues, I think.

Q: Did you ever understand why it was not a subject of interest?

WHEELER: There is a tendency for country representatives to the DAC to be philosophical rather than practical. In my mind, it's really quite important to get rid of river blindness and to organize the programs to do this. What are we doing? Leaving it to Jimmy Carter. We don't take it on as a mainline AID interest. AID doesn't seem to be able to look at issues involving several countries and put together a program that will achieve a goal. This kind of effort has from time to time been mounted by international organizations. A good example of course, was smallpox. The World Health Organization and UNICEF took the initiative with support from AID, and with AID not really feeling the heat of responsibility. In the '60s and '70s AID worked hard on the Green Revolution but later lost interest. I suppose part of the problem is the reduction in aid funding. There is not enough money to take very many development challenges seriously. As we have dropped the leadership role on more and more issues we have become less relevant to development. It is less expensive to make speeches about the horizontal issues such as women-in-development, participatory approaches and environment than to mount serious efforts on the vertical challenges such food production, education, rural roads or iodine deficiency. The horizontal issues are important and, as I have said, AID has often been a pioneer on these, but we are not doing nearly enough to help achieve the development targets we have willingly supported in the series of United Nations Conferences held in the early 90s.

Q: Should the DAC continue?

Observations on major development issues and myths

WHEELER: I guess there is a question behind that and that is, should aid continue? My

feeling is that aid is obviously a much less important factor in the development process now with the burgeoning of private investment. So, it doesn't have to take on the same responsibilities perhaps as it has in the past. But I think there are a lot of issues where aid agencies ought to be moving things along much more effectively. Let me just take the example of fertilizer globally. Today, this is one of those issues where a myth is preventing action. The myth is that all fertilizer is bad because it poisons the environment. The fact is that fertilizers are nutrients and nutrients are essential to plant growth. Like in the case of water, too many nutrients are bad for the environment and too few are bad for plant growth. So, what you're looking for is careful balances and efficient management. But nobody is addressing that issue. Instead, many aid agencies at NGO insistence have eliminated fertilizer. Where they are providing fertilizer, they're doing it without talking about it because they are afraid of getting into political trouble even though the scientists will tell you that adequate applications of fertilizer are absolutely essential to the doubling of agricultural production needed over the next 50 years. The NGOs have turned legitimate concerns about the environmental damage done by applying too much fertilizer into slogans against using any fertilizer at all. This simplistic response works against getting a science-based understanding of the issues. Of course, we need to acknowledge the environmental problems. It's terribly important that we address them effectively, but it doesn't mean that you stop cold. A similar thing has happened to dams. Some environmentalists say "No more dams." Some will say "No more pesticides" when, in fact, you couldn't run American agriculture without pesticides. You've got to look at it in terms of balances. There are particular pesticides that need to be outlawed, not the use of all chemicals. Yes, we need to do integrated pest management, integrated fertility approaches, and make maximum use of recycling systems. But we should do those as part of a total strategy, which in the end will produce enough food.

Q: You mentioned there was a myth on fertilizer. Are there other myths about the AID experience that you've come to recognize that are misleading people in their development policy?

WHEELER: I have already mentioned the issue of whether you have to be educated to wish to limit the number of children you have. I think that it is a myth that you can only deal with the energy crisis, the climate change issue, through the price mechanism, though prices should be part of the strategy. There is a tremendous scope for efforts to teach people and industrial managers how they can make more money by saving on the use of energy. That's only one example. Another is how to make more money by utilizing things previously put in the waste pile in further production processes through internal recycling. I have no doubt that increasing the energy price would affect fuel consumption, which would help deal with global warming. But, even as you do that, you need to persuade people that there really are fantastic economic opportunities in raising efficiency of energy use. This has been proven by companies like MMM. When the management asked its employees to come up with ideas on how MMM could make more money by saving on energy, they came up with lots of ideas that saved them lots of money, which was very constructive from the point of view of the environment. I think that the President is right in saying that it is a myth that working on environmental issues will slow down the economy. Working on environmental issues can be very productive.

We need to make maximum use of the opportunities that are there. We're just not doing so now because we haven't got a consensus yet on the problem and because of the myth that it's going to slow down growth. It's causing us not to face up to the obvious issues in this area.

Q: Are there some other sectors where there are myths?

WHEELER: I think that there was probably a misunderstanding about the cost of education. We tend to extrapolate from our own experience and we know how much we're paying in real estate taxes in our own home towns. We assume that primary education is really very expensive. It's a myth that it's really very expensive. What you really need is political commitment and participation at the community level. Then you can do primary education on the cheap. I think that there are tremendous opportunities that are being missed. We miss them partly because we feel we don't have a big contribution to make in the field of education.

Q: What about the point that was very strong during the Reagan administration that we had nothing to offer, our education system was bad, and that we really couldn't contribute to developing countries?

WHEELER: We underestimate how good our system is. Of course, a system in a rich country like the United States has to be adapted to the situation in another country. But I think we have ideas in the field of education that really need to be debated in developing countries. We should make ourselves available for that debate.

Q: We haven't talked much about the area of public health.

WHEELER: There has been the debate in AID as to whether it's all right to go for the six inoculations or, as a matter of fact, should we be going for a more general health approach? I feel that you actually can lead the way to a more general health approach by being successful in a part of it. Jim Grant was right in making some of these interventions politically popular. In other words, the President of a country or his wife gets kudos now that the country is making real progress in meeting its goals under the Children's Summit. That kind of goal setting is very useful. There are areas that AID has missed. For example, as I have suggested earlier, AID has pretty much missed the iodine issue. That's been picked up by UNICEF more recently. It's such a cheap sort of intervention that we really should have been campaigning to get countries to take the iodine issue seriously. What we don't seem to understand is that it's not only the countries where big goiters appear on people's necks that are having a problem with iodine deficiency, but that this is a nutritional issue that affects large parts of many populations. So, because we haven't taken it seriously, the developing countries haven't taken it seriously. We haven't made as much progress in that area as we should have. I think there are a lot of those kinds of issues where we could play a very important role. Maybe what we need to do is to hire Jimmy Carter to be AID Administrator. He seems to know how to articulate things in the old Roger Revelle kind of way, in a Norman Borlaug kind of way, and get people focusing on making development politically popular.

Q: You've had an extraordinary experience both in the field and in Washington. Can you make any generalizations about what you feel works in the development business and what doesn't work or why it doesn't work? Are there some approaches to the development process that prove more effective than others?

WHEELER: From my Pakistan experience I came to believe that it is important to sort out what are the really important issues in a given society. In Pakistan, growing enough wheat was a very important issue. Then work on the issue at a scale where you, maybe in partnership with others, can make a decisive difference. By taking the issue really seriously you can get the political attention needed to address policy issues. You also get the needed attention in the bureaucracies so that decisions will be made.

Q: That presumes that you have a substantial amount of resources. What if you have a more limited budget program?

WHEELER: The important thing is to articulate the bold program and then get the political leadership to buy into it. Sometimes the bold program is needed in a country that has lots of resources. Take a Botswana. It has its diamonds. There is no reason why the right people talking to Botswana can't get them to focus on issues that they could do something about with their own resources. In fact, this has happened there.

Q: The case of Yemen, too.

WHEELER: Yemen. There are actually quite a few countries which have resources but which aren't moving as fast as they ought to in bringing down the child death rate and growing the food that they ought to be growing. Other countries are making awful decisions. For example, Saudi Arabia is using fossil water for growing wheat. Who is talking to Saudi Arabia about using fossil water to grow wheat?

Q: But do you have entree to talk about these things if you don't have a lot of money?

WHEELER: I start out looking at these issues from a global point of view. The interlocutor is different for different countries depending upon the situation. I think it's good when we have a real concentration of resources behind the proper development program. But I realize that there are only a few places where we can have it. So, then the trick will be to get the World Bank, the UNDP, the Asian Development Bank, the African Development Bank, or some other group to go into the thing in enough detail.

Q: And the U.S. foreign assistance role would be what?

WHEELER: Let's take the question of fertilizer, which has been an interest of mine. Peter McPherson asked me if I would serve on the board of the International Fertilizer Development Center, so I got to know something about it as a global issue in addition to what I knew about it from Pakistan days and as a farmer's son. I think that the United States is the place where fertilizer technology is predominant in the world. We should be

taking the lead on a global fertilizer strategy. That means we make sure that in our representation to the World Bank they care about fertilizer strategy. The World Bank is putting out soil fertility proposals not even mentioning the word "fertilizer." They don't dare because they're afraid of the environmentalists. We've got to take this issue on and exercise leadership on it. We should take the issue up in many places. For example, in UNDP, in FAO and in the Sustainable Development Commission debates under the General Assembly. We ought to be getting the world focused on the soil fertility issues, the nutrient supply, and the best techniques, the goal of balance, not extremes, and care, efficiency. That's the sort of thing that, as I say, Jimmy Carter and his center in Atlanta is struggling with. For some reason or other, we don't take it on in the AID agency in Washington. That doesn't mean that we have to be the primary spokesperson to every country in the world on this subject, but we should make it a big issue.

Q: Get the concepts into a dialogue.

WHEELER: Right. It needs to be recognized that if we don't grow enough food in the "high potential" lands, farmers are going to try to grow food in the fragile ecosystems. The failure of agriculture in high potential areas where there is adequate water and potentially good soil is going to show up as a reduction of forest cover, increased soil erosion and cultivation (where there ought not to be cultivation) in low rainfall areas. We ought to be able to articulate these issues to the world. At the Earth Summit, we didn't really take sufficient interest in this subject. The FAO was bland. In the World Bank, it was never talked about. We don't seem to be able to campaign on these issues of global significance.

Q: Because it isn't perceived as a crisis?

WHEELER: Because it isn't perceived as a crisis or because we are afraid of the NGO community. We have to take on the NGO community and persuade them that their interest in the environment will be best served with a sensible, efficient soil fertility strategy.

Q: It's been over 40 years since you started on this career. How would you characterize the effectiveness of foreign assistance? Has it made a difference or has it been pretty marginal over the years?

WHEELER: I think we all agree that the Marshall Plan was a fantastic success. In the developing countries, I'm not sure we see our success as readily as we did in the Marshall Plan experience, but actually, the change is absolutely fantastic. What a difference between an average family size of six and an average family size of 3.3! In this period that I've been involved, we've seen the life expectancy in the developing world increase each year between five and six months. That means that 20-25 years has been added to life expectancy during this period. (In developed countries we've increased it 10 years.) 25 years is a rather short time for such a dramatic change. The nutrition levels are obviously much improved because we know how to move food around the world much more efficiently. There is more infrastructure. I think we underestimate the enormity of

the success. Now, whose success is it?

Well, I think AID has had a lot to do with it. In the "old" days, in the days when I was Assistant India Desk Officer, we really played a key role. Ford and Rockefeller had taken the initiative in supporting research on seeds and nutrients that led to the Green Revolution. With our help the donor community established the CGIAR [Consultative Group for International Agricultural Research] process and got support for international agricultural research centers both broadened and institutionalized. We really pushed bilateral programs. We really pushed agricultural production. Efficient agriculture production means using higher technology, which involved a lot of off farm labor, industrial capacity, transportation capacity, and so forth and so on. In those days, John Lewis (AID's Mission Director in India and a former member of the President's Council of Economic Advisors) would tell us that agriculture was a fundamental contribution to a society not because we wanted the society to be an agricultural society, but because efficient agriculture involves the whole society, on farm and off farm. I think that we played a very important role in supporting these kinds of things. Of course, we played the dominant role in the population issue. We played a very important role in things like malaria control. We contributed half of the effort in smallpox eradication. We have built up institutions like the World Bank and IMF, etc.

Q: You mentioned the environment.

WHEELER: Yes, we led on the environment. We were the lead institution certainly in women-in- development and lately working on democracy. I think that we have played a startlingly important role.

Q: Circumstances have changed. In some ways, the development issues are even more in the forefront. Why don't we have the kind of view of this as we had when AID was created, in what a lot of people refer to as the golden days of foreign assistance, when we were able to move on a lot of these issues with innovation and resources? Are the circumstances so changed that these development assistance concerns are not as relevant?

WHEELER: As I have said earlier, we are not putting in enough money. But why not? In a way, I suspect that the aid agencies have sort of bored the public in the way they talk about the assistance effort. We would get more support if we could talk about it in terms that people could understand. I come back to the earlier discussion about so-called horizontal and vertical issues. Of course we should do and use environmental impact analysis. It seems to me that we would get more excitement from our populations, however, if we could talk about development in terms of producing enough wheat or achieving a decisive reduction in maternal mortality and have all the systems in place to achieve these goals and actually get development campaigns organized so that the country could buy into them. So, it's a question of leadership. I think we have to talk about it in "production" terms. I don't know if I expressed it this way, but one of the myths is that environment and development are competitive. What we need to learn is how to integrate these concepts and get back on the agenda with sustainable development

instead of abandoning development in favor of environment. Some of my best friends in the environment business are guilty, it seems to me, of acting as if development isn't important. There is something comfortable about living in the United States today and being able to get your lettuce from California and your oranges from Florida. Everything comes together in this marketing system we have, so who's worried? What we don't seem to be able to recognize is that there is lots to worry about when you think of the global population as "we" rather than "them." So, there is a values question here. It seems to me that we Americans should more often think about development in terms of "we," the human family. We need to address all the things that are going to have to be done to get through what I see as a very perilous time during the next 50 years when population is already programmed to go up a minimum of another two billion. Consumption levels are programmed to go up much faster than population growth as we continue to improve our economies. So, the use of resources is going to be heavier and heavier. If we don't learn new efficiencies and environmentally safe ways of doing things, I think our great grandchildren are going to be in terrible trouble.

Q: Backing up a little bit, earlier, you mentioned the sort of interaction of U.S. foreign policy and political/security interests and the development process. What would you conclude about the significance of these interests supporting the development agenda or undermining it? When you're trying to do something in development, do these political/security interests affect our efforts?

WHEELER: Well, I think successful development on a global scale is very important to our security. As I have said earlier in our discussion of the Egypt program, your view of our security interests depends upon the seat you are occupying. AID will argue about long term interests and State will be more concerned with shorter term interests. In the end the President has to weigh short term security interests against long term interests relevant to future generations. I do not want to minimize our security interests in Kosovo. But I would argue that within a budget the size of ours, we ought to be able to do much better by our interest in seeing successful development on a global scale. There is a lack of proportionality. Think of it this way. Canada, in 1997, put .32% of its GNP into development assistance. If the United States put that much in, our ODA expenditures would have been about $25 billion instead of $7 billion. As a percentage of GNP, Canada spends on aid alone more than we spend on our whole foreign affairs budget!

Q: In the past, you seemed to imply that the political interest tended to compromise your efforts.

WHEELER: The Cold War certainly did compromise development effectiveness in a country like Egypt, although it's also true that without the Cold War, we might not have been putting much money into Egypt. So, you have to take those things as they come.

Q: But nowadays, that security agenda is...

WHEELER: What I'd like to see is a redefinition. I don't mean to neglect the military issues. I'm not saying that Iraq is not an issue. I'm not saying that we shouldn't have a

substantial defense program. But what I am saying is that we need to see other dimensions of security. We need to act on behalf of our grandchildren and ask ourselves "Are we doing today the things that, if we were around, we would wish we had done for the benefit of our grandchildren?" Let's take the question of energy efficiency. I think, instead of the United States increasing its per capita consumption of energy as it has in a period when it promised to get it down to 1990 levels, we should be aiming to get our consumption of greenhouse gas producing energy down to 25-30% of current levels. We know we should be thinking in those terms and yet we're hardly taking the first steps towards that strategy. If that's an important security issue, first of all, we need to convince ourselves that it is, and then we will discover that there are roles for AID to play. Energy efficiency is relevant to the whole development process.

Q: So, it's really getting back to what these security concerns are and should be and what we should address.

WHEELER: Yes.

Q: Looking back on your career as an AID professional, as an individual, how would you size up your career in foreign assistance?

WHEELER: I've had a series of some of the most terrific jobs you can imagine having. It's just enormously satisfying for me looking back. Not every challenge has been met. Not everything has gone the way I would have liked. But looking at things as a whole I feel I was part of a very successful effort. The particular jobs I had gave me a chance to be a part of that success.

Q: What would you say to a young person coming along today, asking "Should I get involved in the foreign assistance program or is this obsolete? Is that where I should have my career?"

WHEELER: I think there are a number of places where you can influence the situation, so it's not as simple as that. You can be a very good scientist and have issues relevant to development as part of your agenda. I think there's going to be a very important career in scientific diplomacy. Let me give you an example. I attended the Habitat Conference a couple years ago in Istanbul. The United States, somebody in EPA, decided that the United States would take an initiative on lead poisoning. What I found was that the developing country representatives (these are people often from foreign offices and so forth who don't think about these things very much) didn't really understand that this was a serious issue for <u>them</u>. But the United States just kept talking. They got scientific data out on the table. The next thing they knew, they had a consensus around the table that one of the things that countries should be doing is dealing with lead poisoning. This has been something we've learned in this country that ought to be applied in other parts of the world. But it takes someone who is capable of sort of catching the issue and articulating the issue and negotiating the issue to put something like that across. This EPA fellow had the support of Department of State negotiators and so forth. I think that's a very interesting career area.

Q: Are development issues and relations with developing countries becoming more diffuse?

WHEELER: Yes. I think the old sort of more patronizing relationship between rich countries and poor countries is behind us and we'll be looking much more for partnerships, looking for solutions to problems which it's important to get solved all over the world in the interest of the new kind of "we," the we eight billion who are going to be there at the middle of the next century.

Q: Well, why don't we stop there? It's been an excellent interview.

WHEELER: Okay.

[Note: When the interview was over, it was suggested that I provide a Q & A on my United Nations assignments. These follow.]

Assignments as Deputy Executive Director, United Nations Environment Program (1983-1985) and Director, Program Integration, United Nations Conference on Environment and Development (1991-1992)

Deputy Executive Director of UNEP - 1983-1985

Q: How did your assignment come about?

WHEELER: Peter McPherson put my name forward for the position of Deputy Executive Director of the United Nations Environment Program in 1982 during the period I was working for him part time as a consultant on what became known as the "Wheeler Group." The Executive Director, Mostafa Tolba, interviewed me in New York. Since the United States was the largest contributor to UNEP he needed an American as Deputy.

Q: What was your understanding of the Mission of UNEP when you joined it?

WHEELER: I came to UNEP as a development man, convinced that we should not look at development and the environment as separate and competing fields but rather that they must become part of a single strategy called sustainable development. I articulated this in a speech given to the International Institute for Environment and Development on April 18, 1983.

UNEP, of course, was much more single mindedly environmental in its approach and I hoped that my development background might permit me to contribute toward a broadened outlook.

Dr. Tolba was a very strong personality with an authoritarian approach to administration so I never did get into a collegial relationship with him. Looking back, I have come to appreciate the many positive achievements of UNEP even while deploring the chaotic

administrative process involved. The saving grace was that Tolba was a very able individual with programmatic imagination. As an Egyptian he got good support from developing countries and as a scientist he gained support from key people in industrial countries.

Q: What was your role in UNEP and the main programs UNEP was pursuing at that time?

WHEELER: Dr. Tolba had the idea that I could help him by running a program of small grants for development-related environmental programs. There is a tendency in United Nations organizations for agency heads to take a portion of available funds to use as small grants. Though the primary role of UNEP was in global and regional environmental issues, small grants for national projects gave Tolba something to leave behind when he called on prime ministers around the world. As a person trained in the disciplines of USAID programming, I found myself frustrated by the poor quality of work considered adequate at UNEP. Perhaps the most startling event here was the failure to do an environmental impact statement on a project for South Yemen! On the other hand, I enjoyed the opportunity to return to Jordan to look at a project related to low-rainfall grazing. We identified the key issue (the need for an agreement among tribes on controlled grazing) but the political side was unwilling to take this on. The UNEP officer charged with administering the program was one of the most incompetent and undisciplined individuals I have met up with but my attempts to have him removed were stillborn. All in all, I cannot give this program high marks.

On the other hand, UNEP moved along with a number of programs with great and positive impact. There was the Global Environmental Monitoring System which put out data that step by step has had a profound impact on the intergovernmental debate on environmental issues. There was a program in Paris working with industrial and business groups which got across the point that efficient management can be both good for the balance sheet and good for the environment. There was a Regional Seas group in Geneva which sponsored intergovernmental agreements for the Mediterranean and for many other regional seas. The theory was that although oceans are connected, most of the problems of pollution are more local and solutions and benefits must be sought based on technically appropriate geography. A number of regional seas agreements resulted. There was another program involving several other UN agencies, also in Geneva, working on chemicals. A law group worked on a variety of issues such as endangered species and ozone. The point about these programs was that they used the good offices of the UN to bring together parties which agreed on the problems and on the need to do something about them. UNEP played an enormously important role and must be given credit as the convener and honest broker. When you think about it, this is the way we make progress at the international level. While the "market" can solve many problems, the need for common vocabulary and standards and working together on common solutions can only be done through governments working together.

As Deputy I was never able to get a hold on administration, though I did succeed in getting more communication among divisions. Dr. Tolba was in travel status most of the

time and inevitably could not cover every base, so I represented the organization at many international events and UN meetings. My two plus years at UNEP were, at once, fascinating and frustrating.

Long after I left UNEP, Dr. Tolba was replaced by a Canadian with a reputation for good management. She was not nearly as well qualified in environmental sciences as Dr. Tolba and lacked the rapport with developing country representatives. Unfortunately, her reputation as a good manager was inaccurate. It is generally agreed that she presided over a weakening of the organization. That is unfortunate since a strong UNEP is important to the solution of the hundreds of problems which together make up the environmental challenge.

Q: What are your views on the future role of UNEP and external support for it in the context of movements for UN reform, the Earth Conference in l992, the GEF, etc.?

WHEELER: In my view there is still lacking a consensus about sustainable development. We seem unable to encompass in our policy focus a long-range vision in which we aim for both environmental and development objectives. Environmentalists favor approaches which are inconsistent with the needed increases in production. Their opposition to fertilizer in face of the need to double agricultural production is a key example of this. Another is the uncertain embrace by environmentalists of industry as allies rather than as opponents. The population issue is another case in point. Here many development people pursue the "development is the best contraceptive" approach, not recognizing the existing unmet need for family planning. A development vision comprehending everything at once yet recognizing the need for breaking the vision down into action programs is still elusive.

Lacking a vision which provides a sustainable development framework for all of our interests, we organize the UN and our national governments in compartments which seem to compete rather than support a comprehensive vision. USAID, which should be articulating a vision, has almost stopped its interest in agricultural production and feels it cannot address the critical fertilizer supply issues in Africa. The problem goes back to the lack of a sensible vision in Congress and among the NGOs which support AID.

The problem was highlighted for me in my work on Agenda 21 for the Earth Summit. Most governments backstopped this conference through their environment ministries. The U.S. set up an interagency group where AID was almost unrepresented (and uninterested). The developing country interest in keeping development goals in mind (it was the United Nations Conference on Environment and Development) was not even well represented by the developing countries themselves.

UNEP (Dr. Tolba) wanted to be the backstopping agency in the UN for the Earth Summit. However, UNEP lacked the broader policy capacity to encompass the development side. On this basis a temporary secretariat was established under Maurice Strong. He had been the Secretary General of the Stockholm Conference on the environment ten years earlier and the first head of UNEP. He was trusted by other

constituencies. He brought together individuals representing a number of UN agencies and other interests. Making a great strategic mistake, UNEP almost opted out of the Agenda 21 process. They did, however, use the Earth Summit to kick off the Climate Change and Biological Diversity agreements, which will have a lasting impact. At bottom, the Earth Summit was a great success in many respects but did not achieve that difficult-to-articulate comprehensive vision which covers all of the development and environment issues at once.

For the future, I would like to see the UN embrace a sustainable development vision for the year 2050 which would take into account the appropriate goals for all production, services, environmental and population issues. The vision needs to be embraced by the Secretary-General of the UN and he or she needs a Deputy for Sustainable Development to bring it all together. While UNEP and UNFPA would continue to exist to deal with their specialized issues, the Deputy Secretary General, who would also head UNDP and manage the UN's country representation, would make sure that specialized issues are being dealt with in the framework of the comprehensive vision. The Deputy would put out an annual report on sustainable development, not to take the place of all those other reports on the "state of...." but to discuss the issues of bringing them all into a single strategy. For this to happen, the United States would need to have a similar vision. The global issues group in the State Department would need to share a similar broad mandate rather than specializing only on a list of primarily environmental global issues as it does today. In other words emphasis should also be placed on the American role in achieving adequate food production, inoculating all children, universal education, eliminating particular diseases, etc. If we go ahead with the integration of AID into State, the job could be combined as Deputy Secretary of State for Sustainable Development.

While I advocate a comprehensive vision, I do not advocate a dismantling of specific programs. Doubling food production, providing universal reproductive health services, achieving universal education and health objectives, pursuing environmental goals in technical areas, all require expertise. What is needed is a continuing articulation of horizontal objectives with vertical implementation by people who know their business. A continuing educational process is needed to be sure that each vertical program area understands the horizontal policies. As a simplistic example, people working in a vertical agricultural program need to understand the importance to their goals of achieving universal primary education and ubiquitous availability of information and services for reproductive health. There may be ways that the agricultural program can be designed to support the other goals.

If the U.S. took such an approach in its own government, it would be in an excellent position to get this reflected in the UN. Nothing works in the UN without U.S. leadership. We are unique in our ability to bring know-how to most every subject. One of the failings of USAID has been its relative disinterest in the area of global diplomacy. Our concentration on implementing our own programs drives out priority to global policy issues.

A critical issue for UN reform and management in the U.S. government is the specialized

agencies. These tend to be backstopped by functional ministries and often have a hard time seeing the comprehensive sustainable development vision. Thus, in the U.S. the Department of Agriculture thinks of FAO as its preserve. I recall that in Pakistan we had to take account of the fact that it would be impossible to get decisions out of the Ministry of Agriculture during the month or more the Minister felt it would take to adequately represent his country in Rome. The international organizations staff in State does its best to assure consistency in U.S. policy. AID basically opts out of the process. Yet FAO is a place where sustainable development issues need to be discussed. If the specialized agencies are in general a disappointment, the problem starts in the way we backstop them. It is crisis management. We seem unable to look at these organizations as strategic opportunities.

In the end, as interested in environmental issues as I was, I realized that I had no place in an organization run in Dr. Tolba's style and I welcomed the suggestion of Peter McPherson that my name be put forward for the Chairmanship of the DAC. I probably did more for the environment there than I could have done staying in UNEP.

The United Nations Conference on Environment and Development (UNCED) - 1991-1992

Q: How did you become involved in this conference and what was your role?

WHEELER: Maurice Strong became the Secretary-General of the Conference. This was the full-time person under the Secretary-General of the United Nations charged with making preparations for the conference

I believe Strong thought of me because I combined experience in both development and environment and because I would bring prestige, having been Chairman of the DAC. He also needed an American among his top staff. Nitin Desai was his Deputy. He had played a critical role in drafting the Bruntland Report and was a senior official in the Indian government. Strong also hired Nay Htun of Burma, who had previously been regional director for Asia in UNEP and head of UNEP's industry office in Paris where he had the confidence of the business community. I was the third ranking member of the Secretariat and Nay Htun the fourth. As Agenda 21 shaped up, Htun and I split the 40 chapters, each taking half. Among my chapters were the ones on consumption, demography, urban development, wastes, health, human settlements, atmosphere, forests, deserts, mountains, fresh water, oceans and agriculture. I handled finance and was in charge of the format. Htun and I worked very closely. He had real technical expertise in many areas. The Secretariat had staff from many UN agencies, from some countries and from NGOs. Each staff member had responsibility for one or more chapters. We worked with specialists in UN agencies or with consultants and in most cases convened working groups of knowledgeable people.

The Conference had four Preparatory Meetings where the Member Governments negotiated principles and then text, so each chapter was the subject of negotiation for more than a year. While the end product had all the elegance one would expect from a

negotiated and compromised text, it ended up containing many good ideas and an expression of global consensus as it existed in 1992. Since the world does its business by consensus rather than by a legislative process, the product must be seen as a major step forward.

Q: How did you understand the objectives of the Conference?

WHEELER: The objectives were set by the Members in the General Assembly in 1989. With growing concern about environmental issues there was a need to find a "balanced and integrated approach to environment and development questions."

Q: What is your view of the process of preparing for and carrying out the Conference?

WHEELER: Maurice Strong was an imaginative and untiring leader with a host of contacts. He was unmerciful in his demands for help. He broke new ground in the UN process in his extensive involvement of private sector groups and individuals. The process was chaotic but in the end brought new information and ideas to the table which moved many programs forward. Strong got a vast number of people involved. He always sought to achieve much more than seemed possible and often succeeded. Tens of thousands of individuals around the world learned about one or more of the hundreds of issues involved.

With broad involvement, we were able to develop the momentum in each government to assure cabinet level consideration of at least some of the issues and then to get involvement at the Presidential/Prime Minister level in the Conference itself.

Q: What were the main issues and results of the Conference and your assessment of their significance?

This is a difficult question to answer. Sustainable development is such a big subject that it is difficult to provide a sound bite generalization. There were key issues in each chapter. For example, in freshwater, the chapter for the first time stated that fresh water management needs a policy framework which brings together farm, industrial and urban use issues and treats water as a scarce commodity needing to be rationed by price. This was articulated at a Dublin conference designed to suggest what Agenda 21 should contain about fresh water. This idea may seem banal but it is not accepted politically in the United States and in most other countries. As the consensus grows internationally on this, we can expect that consensus to gradually influence decision-making at the country level.

The demography/population chapter debate led to a carefully worded formula on the family planning, reproductive health and abortion issues which became the basis for further discussion at the Cairo conference on population and development and the Beijing conference on women.

I was particularly involved in the finance chapter where the developing countries sought

more resources. The Secretariat was instructed by the member governments to estimate the "cost" of each chapter - a completely irresponsible process which I led, playing the role of the good soldier. International conferences are not where financial decisions get made but it has become a habit to debate these issues each time and this conference was no exception. The member governments went through the ritual of debating through the night at Rio and came up with language similar to that agreed upon in previous conferences. In my view the United States provides altogether too little financial leadership in areas needing assistance. If this is to get changed it will have to come out of the domestic political process in the U.S. rather that out of a consensus building process at an international conference. On the other hand, discussing the issue at international meetings may have a marginal use in educating people about our lack of leadership in this area.

Most chapters never made the newspapers. Yet some of the technical areas, such a solid waste management and toxic chemicals, played a useful role in updating governments about practical ways of addressing the issues. In these chapters the United States often played a particularly constructive role since we had the most expertise on the issues. Also, in these areas our UNCED consultants were of great help, bringing the latest professional advice to the negotiations.

The Secretariat, with its consultative process, ended up providing the governments a first draft for negotiation. While most chapters were extensively changed, the Secretariat could take satisfaction in seeing its hand in the final product.

Q: Who were some of the main players - positive and negative?

WHEELER: At the political level, Tommy Koh of Singapore was the main player. But in reality, after Strong and Koh there weren't any "main players" simply because there were so many. With so many subjects being developed and negotiated many people can be said to have played important - even critical - roles.

Q: What do you think is the long-term impact of the conference and what are the issues still outstanding?

WHEELER: As I have already said, I think we lack a year 2050 vision toward which to work on all fronts and in a consistent way. Yet the Earth Summit at least got the discussion going. By putting so much into the Agenda 21, we forced ourselves to relate one issue to another. This may be only a beginning, but at least it gets us started in the right direction.

Success in this business is having the right policies followed by the right actions. Just as we never reach a satisfactory end point in the national legislative and operational process, so we will never reach such a point in the global consensus building process.

In Chapter 38 of Agenda 21, the conference decided to establish a permanent system of review of progress in implementing the conclusions of the conference. A small staff in

New York supports the Sustainable Development Commission. Each year the General Assembly discusses a number of the chapters. As one example, every four years the chapters related to agriculture are reviewed. FAO is expected to do the staff work. Obviously, interested NGOs press their governments on the issues.

For many issues there are other follow-up channels. The Climate Treaty has its conferences. Oceans are dealt with by both the Law of the Seas Convention and UNEP. The quality of follow-up depends on the interest of governments. Most governments, including the United States, are poorly staffed to participate in the growing number of international consensus-building processes. Perhaps the American NGOs should try to get Congress to establish Sustainable Development Committees to bring political focus to the process.

I feel that the UN is us and not them. Where the UN fails, it fails because the members permit the failure and it succeeds when the members want it to succeed. With the U.S. the most important economic power, and in a position to exert the most leadership, a great deal depends upon what we bring to the table. Thus, it is important that the President and the Congress have a view about the world and encourage other nations to address the issues relevant to that view.

The United States has a sustainable development commission co-chaired by the Vice President. It is called The President's Council on Sustainable Development. But who has heard of it? I believe it is time for the civil society – the NGOs – to insist on its importance and gain political support for it. The President needs to use the Commission to articulate a long-term view. Of course, as the world changes, the long-term view will change. Within that long-term view – that might look ahead 25 or 50 years – there should be a goal on various matters such as ozone, CO., oceans, air quality, energy, soils, education, health, etc. etc. Actually the President's Council has done this in its 1996 report. But the report has not been taken beyond the press conference when it was issued. As I said above, Congress should establish committees to debate these issues and then produce consensus resolutions. Just as we achieved a consensus on national debt policy, we need consensus on issues related to sustainable development. With a political agreement, then the executive branch can organize to implement the long-term policies with short-term measures. The Department of State will have a better basis for organizing our participation in the international consensus building process. All of this depends upon the NGOs and others looking at sustainable development as a whole instead of simply working in their own fields. Population advocates must work with environmentalists and both must work with agriculture and other vertical sectors. What NGO even refers to the 1996 report?

Alas! There are a few issues my generation is leaving for the next. Time to pass the baton.

Note: At the time of their retirement, Mr. Wheeler and Mr. Frederick W. Schieck were asked by the House Foreign Affairs Committee (The Zablocki Committee) to reflect on "Objectives of U.S. Foreign Assistance: Does Development Assistance Benefit the

Poor?" Interested readers can obtain the transcript of this hearing through the Internet. It was dated August 17, 1982. Also of possible interest are the first chapters of the DAC Chairman's Reports for 1986 through 1990.

End of interview