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AUTHOR Iversen, Robert W.
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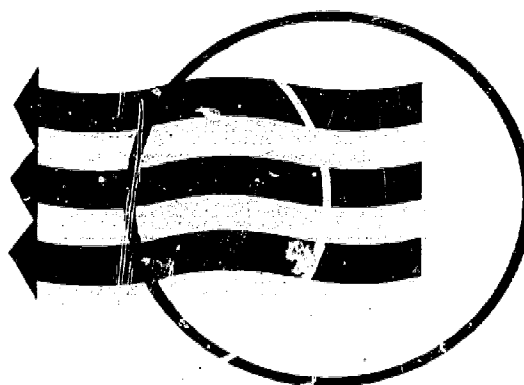
ABSTRACT

The Maxwell International Development Simulation (MIDSIM) was designed to provide continuity and a realistic laboratory for a series of month-long seminars conducted by Syracuse University for midcareer officials from the Agency for International Development. The seminars were designed to provide learning in three broad areas: Policy and Issues, Interpersonal and Intercultural Relations, and Managerial Skills. The first four days of every week are occupied with academic presentations in these areas. Friday is reserved as game day--the opportunity to integrate and test the knowledge and skills acquired during the week. The three rounds of the game are played in two simulated environments: Washington and "the field" (a simulated country called Nanesa), each game being concerned with one of the three critical aspects of Agency activity: Policy Formation and Budgeting, Program Planning and Negotiation, and Project Implementation and Evaluation. Each of the games is discussed as to Game Preparation, Game Plan, Critique, and Game Materials. Charts are given of the Maxwell International Development Seminar and The U. S. Foreign Assistance Process. Diagrams present Space Requirements for MIDSIM I, MIDSIM II, and MIDSIM III. (Author/DB)

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Maxwell
International
Development
Simulation

By Robert W. Iversen

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MIDSIM

The Maxwell International Development Simulation

By

Robert W. Iversen

Maxwell Training and Development Programs
Continuing Education Center for the Public Service
109 Roney Lane, Syracuse, N.Y. 13210
(315) 476-5541, extension 3759 / 3568

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This game owes much to the AID officials and the Nanesans who have played it over the past two years. So much has changed that some of the early players might scarcely recognize the present version. In the first play of the game, we were greatly assisted by Stuart Sandow and a team from Syracuse's Educational Policy Research Center. We are indebted to him for his instruction on gaming, although, again, he might scarcely recognize the version that has evolved over time. In the preparation of game materials I am deeply indebted to Jean Dinger; and in managing the game I have been ably assisted by Roger Hamlin, Ben Kasper, Jim LaMoreaux, and Flemming Heegaard, all Doctoral students with overseas experience. In game preparation and critiquing I have been assisted by Drs. Paul Ried and Sam Goldman, and the videotaping has been in the hands of Peter Trachtenberg. The room sets have been largely the responsibility of Jerry Mulherin. Finally, the Nanesans themselves have contributed immeasurably to the successful conduct of the game and to the redesign of portions of it. I am especially indebted to five very able Prime Ministers: Ali Mohammed, Santosh Sharma, Sunethi Bajekal, Mengesha Gessesse, and Samir El Annabi. All are proud products of that important arc of the world -- North Africa, Near East, South Asia -- which we call Nanesa.

Robert W. Iversen

Syracuse University
June, 1971

CONTENTS

| | |
|---|-----|
| INTRODUCTION: MIDSIM, THE MAXWELL INTERNATIONAL DEVELOPMENT SIMULATION..... | 1 |
| CHAPTER I. MIDSIM I: POLICY FORMATION AND BUDGETING | |
| A. GAME PREPARATION..... | 19 |
| B. GAME PLAN..... | 23 |
| C. CRITIQUE..... | 25 |
| D. GAME MATERIALS..... | 26 |
| CHAPTER II. MIDSIM II: PROGRAM PLANNING AND NEGOTIATION | |
| A. GAME PREPARATION..... | 57 |
| B. GAME PLAN..... | 63 |
| C. CRITIQUE..... | 65 |
| D. GAME MATERIALS..... | 66 |
| CHAPTER III. MIDSIM III: PROJECT IMPLEMENTATION AND EVALUATION | |
| A. GAME PREPARATION..... | 103 |
| B. GAME PLAN..... | 108 |
| C. CRITIQUE..... | 114 |
| D. GAME MATERIALS..... | 116 |
| CHARTS AND DIAGRAMS | |
| CHART 1. MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR..... | 17 |
| CHART 2. THE U.S. FOREIGN ASSISTANCE PROCESS..... | 18 |
| DIAGRAM 1. SPACE REQUIREMENTS: MIDSIM I..... | 27 |
| DIAGRAM 2. SPACE REQUIREMENTS: MIDSIM II..... | 67 |
| DIAGRAM 3. SPACE REQUIREMENTS: MIDSIM III..... | 117 |

INTRODUCTION: THE MAXWELL INTERNATIONAL DEVELOPMENT SIMULATION

Simulation/Gaming. There is no more ancient nor universal a setting for learning than a game. It is appropriate that we are returning to gaming as we seek to provide greater relevance, participation, activity, variety, and individual expression in our teaching. A good game will do all this, and much more. In fact, we are now asking much more of gaming, and the result has been games of greater length and complexity, demanding much more of the managers and players, but providing much more in return than the simple children's games which have taught values and behavior from time immemorial. The new ingredient in gaming has been increasingly sophisticated simulation.

The terms "simulation" and "gaming" are often used interchangeably, and no great harm is done if this is continued. However, we have found a distinction to be useful. We use "simulation" to refer to the environment or setting in which the game is played. This can be a simulated country, a government agency, a Congressional hearing room, and it can also mean all the details that are used to create the situation in which the action will take place. It must be remembered that a simulation is a model, an abstraction, a simplification that contains just enough detail to assure that the desired action occurs. It is the action that is to be studied, not the simulation as such.

"Gaming", is thus the action that occurs in the simulated setting. The "game" includes all the rules, instructions, and procedures that are needed to evoke the actions, reactions, and interactions involving the players. Thus in simulation/gaming, the "game" should put the players in the position of acting out the essential features of the real-life process that is being studied. The action of one player is a reaction to that of another, and in

turn generates further response by others. The entire interaction is observed and is the subject of feedback and critique, in an attempt to pin down what has actually been learned.

What has been described is "interpersonal" gaming; there are other kinds -- such as "man-machine" gaming that simulates complex technical decision-making and provides feedback from a computerized bank of data. Interpersonal gaming, on the other hand, provides the players with opportunities to learn from their interaction with other people. The simulated setting and procedures which evoke this interaction may approximate real-life but must not be mistaken for it. This is a source of frequent complaint. Players may become so preoccupied with correcting or elaborating the details of the setting that they overlook the behavior that has been provoked by the setting. The function of a simulation is simply to provoke the kinds of situations and behaviors that one wishes to study. To accomplish this may require only the most skeletal representation of the reality. It is the action that is being studied, not the scenery.

The advantages of gaming appear to be many, but should be balanced by a few caveats.

1. Games heighten the interest and motivation of the player by their novelty, excitement and opportunities for involvement and experimentation.
2. Games provide an opportunity for applying and testing knowledge gained from lectures, reading, or prior experience.
3. Games enable the player to undertake new roles and gain insights into those roles and the situations in which they are performed.
4. Games simplify situations so that critical elements stand out more clearly and can be dealt with more directly.
5. Games enable players to test alternative styles and strategies under

circumstances carrying fewer risks than in real-life situations.

But while these values speak loudly for the inclusion of gaming in a wider range of educational programs, there are some things that games do not do:

1. Games do not exactly reproduce reality, they can only highlight selected features of it; and little is to be gained by extended critiques of missing details.
2. Games over-simplify (or under-complicate) real-life roles. No player can be expected to bring to the game the experiences and foibles of the real-occupant of the position he is playing, nor simulate qualities of interpersonal relations attributable to time (such as the "waiting game") within the usually tight time frame of a game.
3. Gaming cannot predict the future; it can only compel the player to look at a broad range of possible futures. By compelling him to respond to a greater range of simulated variables, it presumably will increase his confidence when confronted by real contingencies.

MIDSIM and the Maxwell International Development Seminar

The Maxwell International Development Simulation (MIDSIM) was designed to provide continuity and a realistic laboratory for a series of month-long seminars conducted by Syracuse University for Midcareer officials from the Agency for International Development. The seminars were designed to provide learning in three broad areas: Policy and Issues, Interpersonal and Intercultural Relations, and Managerial Skills. The first four days of every week are occupied with academic presentations in these areas. Friday is reserved as game day -- the opportunity to integrate and test the knowledge and skills acquired during the week. It was further intended that the game provide continuity for the entire seminar, for the output of MIDSIM I, the

first play of the game, becomes the starting point of MIDSIM II a week later. (see Chart I)

The three rounds of the game are played in two simulated environments: Washington and "the field" (a simulated country called Nanesa). They are concerned with three critical aspects of Agency activity (which are also embodied in the objectives of the overall seminar): Policy Formation and Budgeting, Program Planning and Negotiation, and Project Implementation and Evaluation.

The game was designed to be played by 20 players. In two years it has been played by as few as fifteen players, and as many as twenty five. The richness of the game in each case is dependent upon what the players bring to it. A week of good classwork, plus a group of enthusiastic players with wide and varied backgrounds will make for an incredibly rich display of creativity and improvization. On the other hand, the game has been played by a smaller relatively inexperienced group, with no prior related work, and has proved to be a viable and instructive experience. Much depends upon the game climate which the manager is able to create. Serious gaming should be "fun", in the sense that the players must be loose and open, and are looking forward to improvising and innovating. The game manager must be prepared to adjust the game to the needs and mood of the players, and incorporate modifications by the players themselves. The MIDSIM game, while appearing somewhat formidable with all its forms and instructions, is basically a simple structure to which each group of players add new color and character. The game manager must constantly resist increasing its detail and complexity. The simpler the game is kept, the more room there is for player improvisation, and that is what the game is all about.

MIDSIM Overview. MIDSIM consists of three rounds of gaming, each lasting an entire day. Prior to each day's play there is approximately four hours of game preparation. The three rounds are sequentially related, but MIDSIM I can be played alone, and MIDSIM II and III need not be preceded by MIDSIM I. Various combinations have been tried (I & II, II & III) depending upon the training objectives and the time available. In each case, the game has successfully elicited a broad range of behavior for study and discussion.

The three rounds of MIDSIM represent three stages in the U.S. Foreign Assistance Process. The model we have developed (see Chart 2) is a simplification of the real process and high-lights the relationships we wish to study.

MIDSIM I. POLICY FORMATION AND BUDGETING. This round of the game is played in Washington, and is usually called "The Congressional Game" although it goes beyond that. The game simulates the process of getting the Foreign Assistance Legislation through Congress. Additionally, once the legislation and appropriation are received, the process of "cutting the pie" and allocating money for a particular country assistance program is then simulated. The game features hearings before the Senate Foreign Relations Committee, and the appropriate subcommittee of the House, as well as an in-house Country presentation and hearing. The principal role clusters are the Congress, the Executive Branch, and the Agency for International Development itself. There are opportunities for advocacy, adversary, and collaborative relationships within a high-stake setting.

MIDSIM II. PROGRAM PLANNING AND NEGOTIATION. This round of the game is played in the field, a simulated South Asia Country called Nanesa. The principal role clusters are the AID mission in Nanesa, and the Nanesan Cabinet. A full complement of Nanesans are present to engage in this and the next round of the game. We have preferred to use foreign nationals in these

roles, although the game has been played with Americans taking both sides. In the latter case, valuable learning does occur, but of a distinctly different character. Played with "real" Nanesans, this round of the game better simulates some of the cross-cultural relationships involved in collaboratively planning a program that meets the goals of both sides. It also simulates the organization of a mission, and specifically emphasizes goal setting, long-range planning, and inter-sector cooperation. The output of the game, a set of seven project agreements, becomes the starting point of the third and final round of the game.

MIDSIM III. PROJECT IMPLEMENTATION AND EVALUATION. This round of the game is also played in Nanesa. The game plan involves the management of the Mission's assistance projects over a twenty year period (approximately 1970-90), modifying them in response to interventions simulating the passage of time. At the conclusion of the play, the Mission evaluates its achievement, and compares it with an evaluation done independently by the Nanesans. Processes studied in this play of the game are: responsiveness to contingencies, modification of goals and program, long-range planning, and cross-cultural perspectives on the value of the joint effort.

Role Playing. Interpersonal gaming necessitates a willingness to role-play. Most people enjoy role-playing, especially after a first experience with it. It enables a person to experiment with different styles of behavior, to practice more effective ways of responding, and to develop new skills for use in real life situations. Those who are anxious about role-playing should not be pressed. A person who is called upon to play an unfavorable role must be sufficiently secure to withstand some of the stress that may occur during the evaluation. He must be assured that it is the role, not himself, that arouses

that which he normally performs may learn nothing about himself if he plays it well, or may be devastated during the critique if he performed poorly. For this reason, role-playing should be the occasion for individuals to test behavior that is not a part of their usual roles. And this testing must be done in an atmosphere characterized by a minimum of threat and a maximum of good humor and mutual respect.

Role playing is not an end in itself; it is a means for providing more vivid and concrete material for examining and improving behavioral skills. The aim is not a polished dramatic production, but the depiction of interaction that can be observed and discussed. The most productive analysis and the most useful learning usually come from inadequate or inappropriate behavior rather than from flawless performance.

The essential minimum details of the situation and the role should be clearly stated. There should not, however, be so many details that the players feel restricted and discouraged from improvising. An important characteristic of good role playing is that individuals create much of the role themselves. This is very apparent when an individual makes something important of a relatively minor role; or, conversely when he fails to do justice to a pivotal part. Finally, it is important that all playing situations be recapitulated, not only to understand the interaction that occurred and the behavior that was illustrated, but also the alternative ways that the situation might have been handled.

Game Preparation. For the sort of gaming we are discussing, a considerable amount of preparation is required. The logistics of gaming: the rooms, forms, paraphernalia, instructions, equipment, meal facilities, are all extremely important as will become apparent when we discuss the individual rounds of the game in detail. These details are the responsibility of game management.

But equally important, and also a responsibility of the Game Manager, is the preparation of the players themselves. In the game under discussion, the formal preparation of the players begins at three o'clock on the day before each play. After a relatively formal presentation of not more than forty-five minutes, the players get into character and begin readying themselves for the next day. They have been known to work most of the night if they are really into their assignments.

The formal game preparation session covers the following:

- 1) The assignment of roles. This involves presenting each player with a packet of materials containing all he needs to know about the game and his place in it. The actual assignment of roles is usually done by the Game Manager. He may use a number of selection criteria, depending upon what he wishes to happen. He may wish to compel a relatively shy person to take a strong leadership role; he may wish to introduce a narrow specialist to a completely different field; he may wish to pit two natural adversaries against one another -- or compel them to work as a team. He may simply cast the roles at random; or he may let the group do the casting itself. This is frequently done in the first play of the game (see Role Assignment Form in the MIDSIM I materials), and the basis upon which the group made their assignments has provoked some very illuminating discussion, particularly since it is held after the performance is over.
- 2) Explanation of the game plan. The players should have the time-table clearly in mind, and know what is to be achieved within the various time segments. In short, they must know the point of it all, and this point should be relatively simple in its statement. Elaboration of these simple objectives, and the improvisation of detail will inevitably occur during the game, but the basic simple skeleton must be clear for all

to see at the outset.

- 3) Forms and procedures. Each of the forms to be used in the game must be in the packet, and must be explained. Each of the procedures to be followed must be clearly stated. Again, simplicity is of the essence; complexity will assuredly follow.
- 4) What to look for. All participants must be encouraged to be observers of the process of which they are a part. Usually, it is useful to provide a brief outline of the kinds of things that will be going on. An example of this kind of outline may be found in the MIDSIM II materials. Often, during the game itself, the Game Manager may take aside a player who is momentarily out of the action, and call his attention to some bit of interplay that can later be discussed during the critique session.
- 5) Into role. The final stage of the game preparation session is simply for the manager to say "You are now in role", step back, and watch the group organize itself for the game ahead. It is important that there be a reading room for use during the evening, small meeting places for coaching and briefing, and refreshments. It is also well that the Game Manager make himself available for an hour or two during the evening to answer some questions of procedure, but largely to simply encourage and reassure the players who are getting ready for strange new roles.

Game Management. Game management is -- management; with all that that implies. It is leadership, coordination, collaboration, teaching, coaching, listening, observing, and feedback; it is intervening when necessary, and refraining from intervening when it is not. It is setting the scene for human interaction, setting processes in motion, watching programmed and un-programmed activities occur, assuring that goals are defined and re-defined,

and that outputs result. For when the time is up and the dust clears, things must be sorted out, made sense of and evaluated, so that the achievements can be identified, ineffectiveness explained, and the way prepared for a better round next time.

Much of the management task precedes the game itself. Staffing is the first job. The absolute minimal staff is: one manager, three all-purpose assistants, and secretarial support. This core is augmented by a nine-man cabinet of Nanesans for MIDSIM II and III. This is a group of carefully selected foreign students, whose English is reasonably good, who have had some government experience, and who are willing to engage in intensive role playing with all the preparation that that entails. There can be additional augmentation of staff for special kinds of feedback. For example, in MIDSIM I, the Congressional hearings can be videotaped, and the replay of the edited tapes can be the basis for a very profitable critique. This process requires additional staff: not only the video technicians, but also someone skilled in conducting critique from tapes. Other plays of the game can profitably use outside process observers, who then participate in the conduct of the critique session. The Game Manager, however, always plays a major role in the critiquing of the game.

A second task of management is to assure adequate facilities and equipment. Here, the sky is the limit, but the game does have certain minimally optimal requirements. MIDSIM I requires two spacious Hearing Rooms, and two additional meeting rooms for groups of about 6. MIDSIM II, requires three principal rooms: AID headquarters, a Nanesan Cabinet Room, and a large room with seven tables for negotiation. Additionally, breakfast and lunch figure in the interaction with the Nanesans, so there should be a nearby dining hall. The same set-up is required for MIDSIM III, with the addition of a room

representing Wash' ton. In all cases, the existence of smaller rooms, or areas in which "huddles" can occur in relative privacy, are desirable. More specific room suggestions will be given later as each round of the game is detailed. Needless to say, the extent to which each room is "decorated" with flags, signs, posters, maps, pictures, etc., is limited only by the imagination and availability of materials. But one must never underestimate the encouragement that an effective set has on role-playing.

The third major responsibility of game management is to be certain that all game materials are available in the quantities required. The essential materials for each round may be found in this book --- but the Manager almost invariably modifies, updates, or supplements these materials each time the game is played. The liberal use of current newspaper clippings, and interventions designed for the specific group, time, and place, are important. Examples of these are included. Finally, all these materials must be assembled in packets for use by each individual player. This can usually be done only after the roles have been assigned, for each packet is "individualized". The extent to which the players "hit the ground running" is largely dependent upon the skill in assembling each of their role packets. Well-assembled, self-explanatory packets, will minimize the task of the manager during the Game Preparation session.

The Game Preparation session has already been described; it is the opportunity for the game manager to set the climate or mood of the up-coming gaming, and he should not conclude it until he is reasonably satisfied that the players are "into" it. For example, confusion or ambiguity can be tolerated, but not if it is so widespread as to be incapacitating. In fact, the process of the group attaining a degree of clarity that they can live and work with is

one of the major lessons of the game. Individual hostility, indifference, or negativism will generally be contained or converted by the group itself; but if there is a relatively unified "critical mass" of such players, the manager must intervene with some coaching, counseling, or reassignment, otherwise the entire game may abort. The manager must be sensitive throughout the game to such threats; but must restrain himself from attempting to handle all of them by himself. It is infinitely better for these to be handled by the players themselves, within the structure of the game. This is often, again, one of the major learning experiences of the game. The manager, however, must attempt to observe the entire process, and make sure that it is discussed in the critique; otherwise the learning may be confined only to the few who are directly involved.

In short, game management should ideally be, in itself, something of a model of management. Decisions must be made in situations of uncertainty; the manager must be on top of the entire scene in all its intricacy and confusion; behavior must be observed, discussed, and alternatives suggested -- at the moment they can be most useful; achievements must be identified, high-lighted, and evaluated; the climate must combine both the spontaneous and the controlled; tasks must be achieved with a maximum opportunity for individual expression; the group itself must attain a sense of ownership of the game and leave their personal imprint on each play. This is what gives gaming its sense of excitement and opportunity. It is also what enables game management to survive with something less than the god-like qualities just described; for the manager must never underestimate the creative energy that can be unleashed among the players themselves as they are put in situations in which they must rely upon one another.

What has been learned? No gaming, repeat, no gaming, is complete without critique. We do not know what we have learned until we talk about it, preferably with the assistance of an "outside" observer. The critique must be done as soon after the game as possible and, for certain purposes, may even be done while the game is in progress. The basic objective of critique is to capture a significant learning experience, share it with the players, and discuss it as much as is necessary. Given the fact that too much actually occurs in complex gaming, one must be content with capturing major learning experiences, and confine minor experiences, or those of only marginal or individual interest, to one-to-one feedback or advising.

To prepare for the critique, the manager needs all the eyes and ears he can rally. Assistants should be placed in every room, to note incidents or alert the manager to a potential critical incident. Skilled observers may be assigned to particular arenas of action (a Congressional committee, Mission headquarters, the Ambassador's office) and share these observations with the assembled group during the final critique. A special case must be made with the Nanesan Cabinet room during rounds II and III. Much happens here that is a direct reaction to American action. It is essential that the American players have some conception of the internal impact of their activities (they normally will only see the official Nanesan reaction, and cannot be privy to the interaction that led to that official position). The Nanesans themselves will frequently contribute this perspective during the critique session, but an outside observer can add immeasurably to providing this important perspective. A skillful use of videotape may also capture some of the inner cabinet turmoil for subsequent analysis.

Videotape can be extremely useful in critiquing certain kinds of action, but it requires special skills. In MIDSIM we have found it to be most effective

in capturing some of the more "static" interplay, e.g. the Congressional hearings, or the country presentation in round I. It is more difficult to capture the "crisis" situations that occur in rounds II and III. The cameraman is never there when they happen; or he comes late and has missed the flash-point that set it off; or his presence dampens the spontaneity of the incident. These situations are best captured by observers and by the participants themselves if they are cornered immediately after the incident and asked to define what has just happened.

The following formats for critique have been found to be useful, but constant experimentation is encouraged. These however, illustrate some of the major types of critiquing that apply to this game.

MIDSIM I. Both Congressional hearings (which occur simultaneously) are videotaped in their entirety (the hearings last an hour and a half each). An observer notes the key exchanges so they can be edited out of the tape for later discussion. The tapes are then gone over and a discussion tape assembled for use at a later session (usually the next working day). An additional taping of the country presentation has proved useful, for it illustrates techniques of in-house advocacy, and the sort of internal adversary relationship that develops as the proposed country budget is subject to intense scrutiny.

MIDSIM II. Outside observers, usually those responsible for teaching the unit on "collaborative planning", closely observe several of the one-to-one negotiations, and conduct a critique session at the end of the day around style and effectiveness of individual negotiators. Some coaching can be done by these observers while the game is in progress. The Game Manager is responsible for observing the overall picture -- the initial establishment

of cross-cultural working relationships with the Nanesan Cabinet; the manner in which the Mission is organized and conducts its business; the manner in which the forward planning is done by the "think tank" (although a separate observer is useful here). During the final critique session on this round, it is inappropriate for the Nanesans to be present, as it would compromise their role playing for the next round. The MIDSIM II critique session is purely an in-house exercise.

MIDSIM III. The critique session during this play of the game begins in a formal, structured fashion. The Development Evaluation Matrices prepared by AID/N and by the Nanesan Cabinet are placed side-by-side on the Board in the Negotiation room, and both Americans and Nanesans are present for the discussion. Attention is drawn to the contrasting or parallel objectives, the reasons for the contrasting evaluations of the effectiveness of various sectors or the overall program, and the overall effectiveness of the joint enterprise as a whole. But the critique will very quickly get into the crises that have occurred, and the manner in which they were handled. The discussion benefits from outside observers, but its major strength comes from the cross-cultural perspectives of the players themselves.

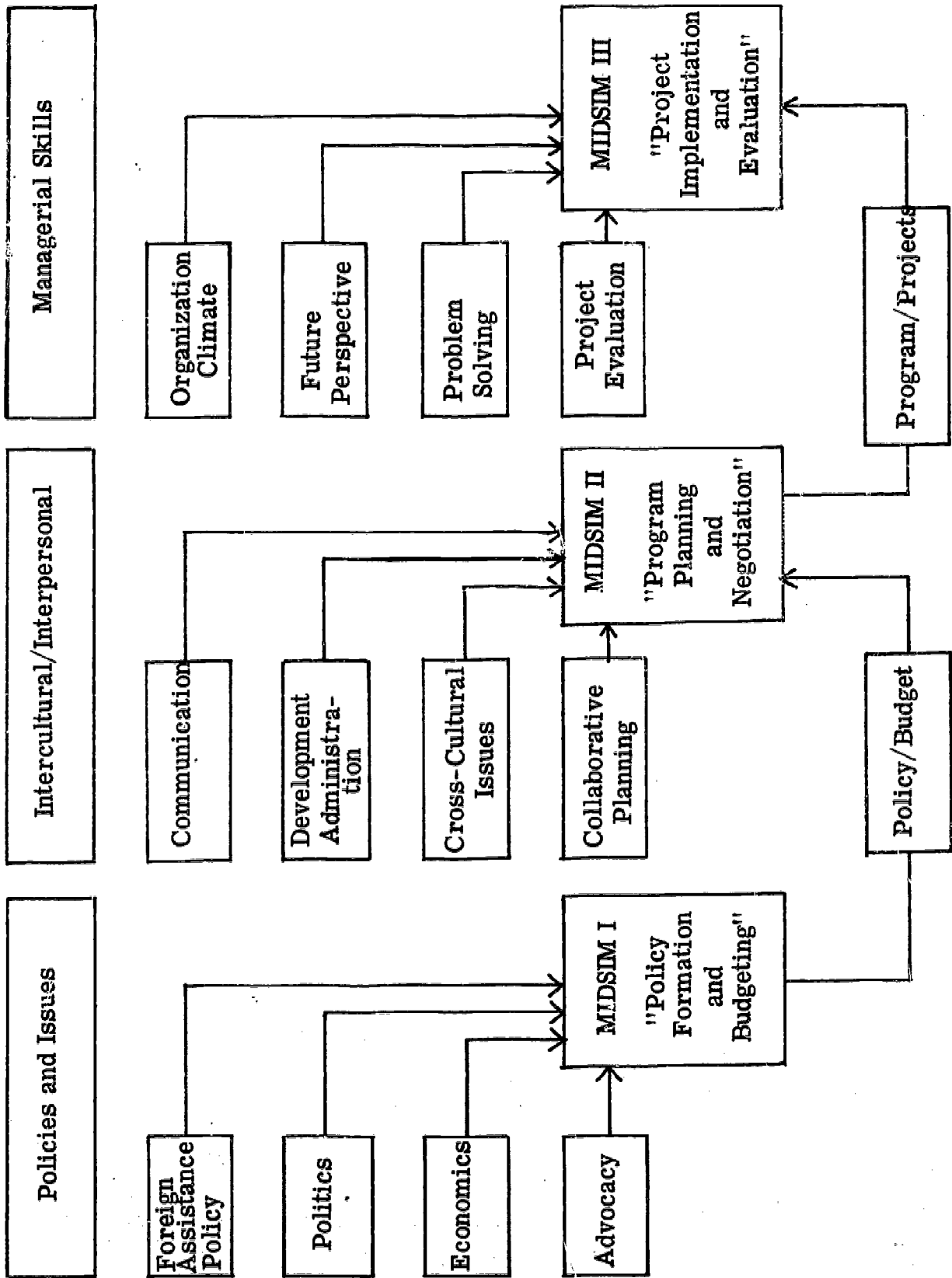
This play of the game can be incredibly complex and, more than the earlier plays, provides the occasion for running coaching and commentary by the Game Manager on a one-to-one basis. The role of the Mission Director and the Ambassador are particularly critical, and the manner in which they have handled matters should certainly be highlighted for the entire group during the final critique, since much of it will have occurred in private encounters with the Prime Minister while the rest of the Mission is busy at their day-to-day management tasks.

Finally, the critique will benefit from a presentation by the Nanesan Desk

Officer, whose view from Washington has been compiled largely from cables and rumors. The contrast between the headquarters picture of the field, and view from the field itself, is often quite dramatic.

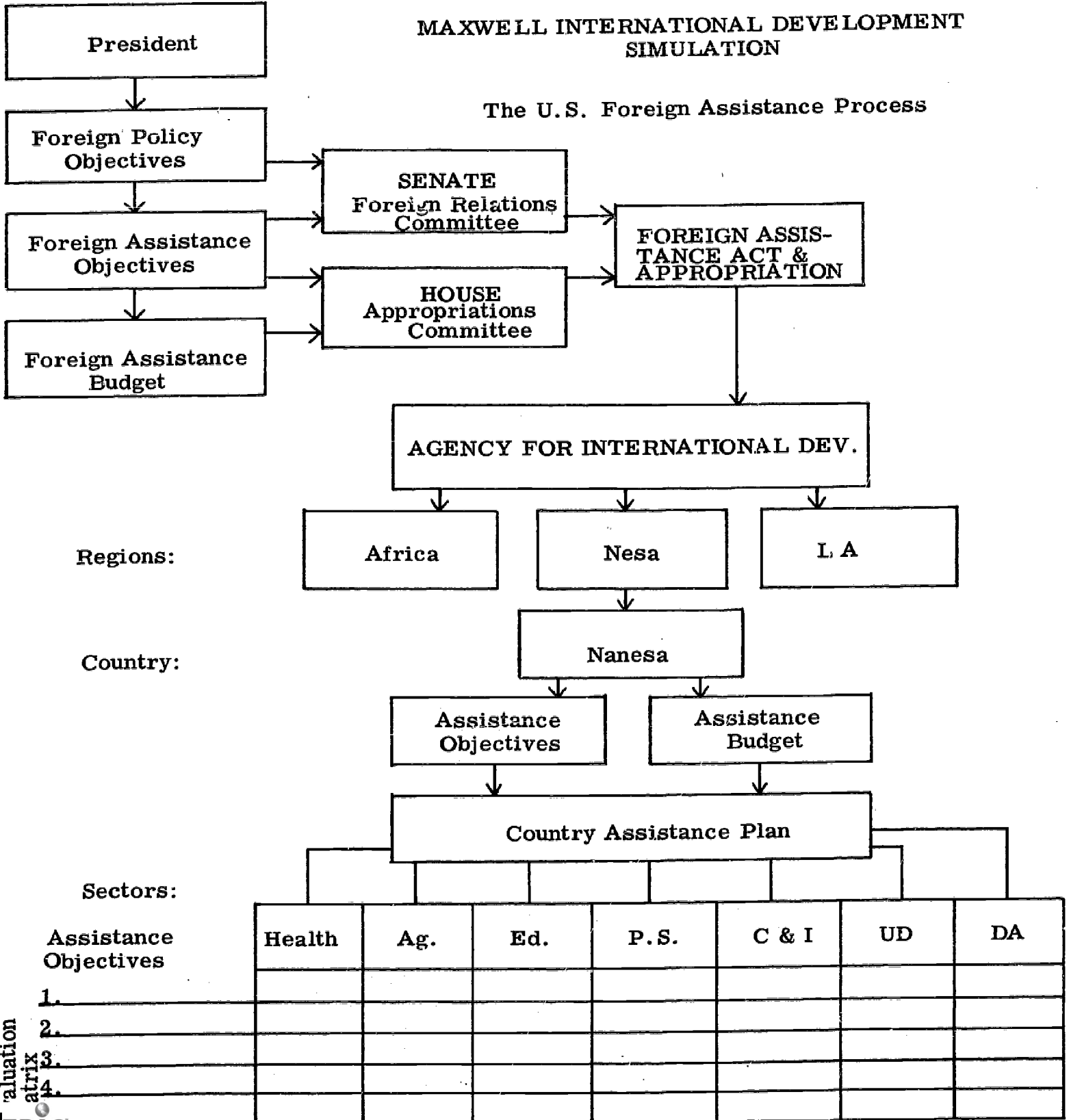
The three critique sessions just described have fully validated MIDSIM as a useful vehicle for a wide range of learning. No summary can do it justice, but certain relationships and processes have occurred in each play of the game. Specifically, it has demonstrated the complexity of cross-cultural, interpersonal, and headquarters-field relationships. It has provided experience in advocacy, adversary, and collaborative relationships. It has provided experimentation in team, mission, cross-sector, and task-force methods. It has provided experience in goal-setting, project design, long-range planning, reaction to contingencies, and program evaluation. Above all, it has provided the occasion for players who are often bound by position, country, office, or sector to acquire an Agency perspective; and more than that, a perspective that includes the challenges, pressures, processes and relationships that characterize the foreign aid operation within the broader national and international environment.

MIDSIM: MAXWELL INTERNATIONAL DEVELOPMENT SIMULATION



MAXWELL INTERNATIONAL DEVELOPMENT SIMULATION

The U.S. Foreign Assistance Process



CHAPTER I

MIDSIM I: POLICY FORMATION AND BUDGETING

This round of the game simulates the processes whereby U.S. Foreign Assistance Policy is formulated within the larger context of overall Foreign Policy, by the Executive Branch, under the intense scrutiny of the Congress. It simulates the relationships between the Agency and the Executive Office and between the Executive Branch and the Congress, with regard not only to policy but to the money required to implement that policy. The adversary relationship hinges on the Executive seeking the maximum amount of money with the fewest possible modifications or "barnacles" attached to its policy; and conversely the Congress seeking to provide the minimum amount of money with the maximum number of strings attached.

This round also simulates a further adversary relationship within the Foreign Affairs community, as an AID country team seeks approval of assistance objectives and budget for a single country, Nanesa. Persons who have been collaborators when confronting Congress are put in an adversary relationship during the internal "cutting of the pie".

A. GAME PREPARATION.

Role Assignments. There are twenty roles in this game. If additional roles are needed, members can be added to each Congressional committee. The actual casting is done by the Game Manager, but it is helpful -- especially in the first play of MIDSIM -- to involve the players in this task. They have already formed tentative judgements about one another and can simply be handed the list of thumbnail role descriptions and told to "Study the list; think of your colleagues as you read; and assign each member of the group (yourself included) to a role. Each player must have a role; each role a

player. There can be no "ties". Simply identify the person you would like to see play the role, using whatever criteria you feel appropriate". This exercise should take about an hour, but it may be useful to give them overnight to do it. It also takes about an hour to collate the results. This process can be profitably discussed later, possibly at the time the role packets are handed out. It is also useful if you can provide each player -- for his own information -- with a compilation of the number of "votes" he got for each role. It will indicate to him something of the range of perceptions his colleagues have of him.

Game Materials. Each person's role packet (a 10 x 12 mailing envelope) should contain the following:

1. Schedule for the day
2. Roster of role assignments
3. Role description
4. U.S. Foreign Policy Objectives
5. U.S. Foreign Assistance Objectives
6. U.S. Proposed Executive Budget for FY 1972
7. U.S. Budget in Brief for FY 1972

In addition, packets are "individualized" according to the requirements of the particular role. For example,

1. Chairman of the Senate Committee should have the following:
 - a) Foreign Assistance Act of 1971 (form)
 - b) Recent clippings regarding relations between the Committee and the Executive (see examples)
 - c) Special role instructions (see example)
2. The Chairman of the House Committee should have:
 - a) Foreign Assistance Act of 1971: Appropriations Form

- b) Recent clippings regarding the Committee and AID (see examples)
 - c) Special Role instructions (see example)
- 3) The Secretary of State should have copies of recent Presidential policy statements. Examples:
- a) U.S. Foreign Assistance in the 1970's (the Peterson Report) March 4, 1970 or
The President's Foreign Aid Message (House Document No. 92-94) April 21, 1971
 - b) President's Report to the Congress, February 18, 1970,
"U.S. Foreign Policy for the 1970's: A New Strategy for Peace"
He should also be instructed to read some of the hearings before the Senate Foreign Relations Committee to get a feel for the kind of questioning and interplay that occurs. (A stock of these should be available in a reading room).
- 4) The AID Administrator should have a copy of the most recent AID Congressional Presentation; and an example of a formal presentation by the Administrator, if available. Additionally, he should have a stock of clippings regarding Agency problems and accomplishments (The N.Y. Times and Frontlines will be adequate for these). See examples.
- 5) The NESAs team (A/A for NESAs, the Mission Director, and the Nanesa Desk Officer) must have special materials. These are materials that will also be used in MIDSIM II, where these three players will have roles that build on the roles they play in MIDSIM I. Specifically, all three should have copies of the following:
- a) Selected Economic Data for LDC's (with an inserted Nanesa statistical entry). This is an annual publication of the Statistics and Reports division of AID's Office of Program

and Policy Coordination (GPO, 10c)

b) Department of State Background Notes on the Republic of Nanesa

c) Republic of Nanesa Country Assistance Plan: FY 1971

In addition, the Desk Officer will find it convenient to have a wall-map of Nanesa to refer to during his presentation. This may be blown up from the Background Notes and made as detailed and colorful as available artistic talent permits.

Game Setting. The accompanying floor plan indicates the basic space requirements for this round of the game. The Congressional Hearing rooms can be made as elaborate as one wishes. We have found the following to be useful: American Flags, gavels for each Chairman; a raised platform for each Committee; water pitchers and glasses; name plates; seats for an audience. If the sessions are videotaped, the camera and technicians also lend an air of reality to the scene.

Homework. During the game preparation session, the Game Manager should indicate the kinds of materials that are available in the reading room (hearings, State, AID, and Presidential pronouncements, etc.). He should ask the players to study their packets carefully, and indicate that he will be available for questions during the course of the evening; but essentially, he should put them on their own resources from this point on. The extent to which they share experience and information, coach and correct one another, is very much a part of the game. The Game Manager may wish to spend some time with the NESAs team, for they inject into the game, in the afternoon, a new ingredient. They are the only ones who know about Nanesa. During the morning these players are largely silent, engaged in making sure that their presentation is in line with the kinds of things the President and the Congress are concerned with.

B. GAME PLAN.

The game plan for the day is summarized on the Schedule for the day, and detailed in the role descriptions. During the game preparation session, the Game Manager must make clear the objectives of the day's gaming, and the processes by which these objectives are to be attained. These have been stated at the outset of this chapter, and are restated with variations in the role descriptions.

The actual plan of the game involves five stages, and concludes with a critique session.

- 1) Strategy Meetings. The first hour of game time is devoted to strategy meetings of the four principal role clusters. There may be some communication among them (an AID man may meet with the Presidential Advisory Group, or the two Congressional Committee Chairmen may wish to exchange views). Essentially this is the final opportunity for lining up questions, answers, an agreement about a "witness team" presentation, anticipating tactics, and agreeing on the kinds of materials which should be introduced or avoided.
- 2) The Hearings. The general pattern is for the Chairman to open with a statement of the parameters of the hearings, and reveal some personal views he may have on the subject. He then turns to the principal witness for his statement. The witness will usually introduce his associates and indicate that they are available if needed. From here on, each hearing takes on a unique coloration that is a compound of the personalities, issues, tactics, and style of the individuals involved.
- 3) The Mark-Up. After lunch, each Committee closets itself and prepares its portion of the legislation. The Senate Committee is responsible for

two statements of policy; and the House Committee for an Appropriations bill and a list of general provisions ("barnacles") which indicate what must not be done in the expenditure of the funds. This usually takes about an hour. When finished the Chairman should present his legislation to the Game Manager for duplication. The Congressmen are then free until the State-AID Policy Budget Meeting.

- 4) Country Presentation. This occurs while Congress is completing work on the legislation. In essence, the Associate Administrator for the Near East South Asia region, makes a presentation on the importance of his region to the overall assistance program, and indicates how the U.S. Foreign Policy and Assistance Objectives are embodied in his regional activities. He further emphasizes the pivotal role of Nanesa in his region. Next, the Nanesa Desk Officer makes a presentation on Nanesa, its history, resources, and importance to the U.S. This is essentially an elaboration of the Background Notes (which none of the audience have seen). Finally, the Mission Director from Nanesa describes the Country Assistance Program, indicates prospects for the future, and makes his budget request. The three are then subjected to intense examination by the assembled group (which is co-chaired by the AID Director and the Secretary of State). No decision is made at this time, but the decision-makers (The Co-Chairmen) should have the information on which to make a prompt decision once the legislation is received.
- 5) State/AID Policy-Budget Meeting. This is a reconvening of the previous meeting, and is "fishbowed" by the Congress (representing the public). The legislation is passed out and studied; the meeting again is co-chaired

by the Secretary of State and the AID Administrator. In essence the meeting is concerned with the question "How can we live with the legislation we've just been given"? The presence of the public (as silent observers) affords Congress the chance to witness the reaction of the Executive Branch to their efforts.

- 6) Critique Session. This is opened by the Congressmen, who have silently observed what the Executive Branch has done with their legislation. They have the floor, and the State/AID group listens. General comment is then encouraged; and broadened to include the discussion of the entire afternoon game. Note: extensive discussion of the morning hearings should be avoided. These will be dealt with later when the edited videotapes are available.

The final output of the day will be for the AID Administrator to make his decision about the budget for the Nanesa Assistance Program; filling in the appropriate form and giving it to the Mission Director. This, of course, will be the starting point for MIDSIM II.

C. CRITIQUE.

The critique of MIDSIM I is in two stages, although there may be one-to-one commentary by the Game Manager or the other observers at any appropriate time. The first stage has just been described; the second stage occurs after an edited videotape has been assembled that selects out the exchanges and incidents most conducive to new learning. Following are some points that frequently come up during critique sessions:

- 1) "I never knew how much I knew about the Agency until being compelled to defend it in this way".
- 2) No one knows the weaknesses of the program better than people who have

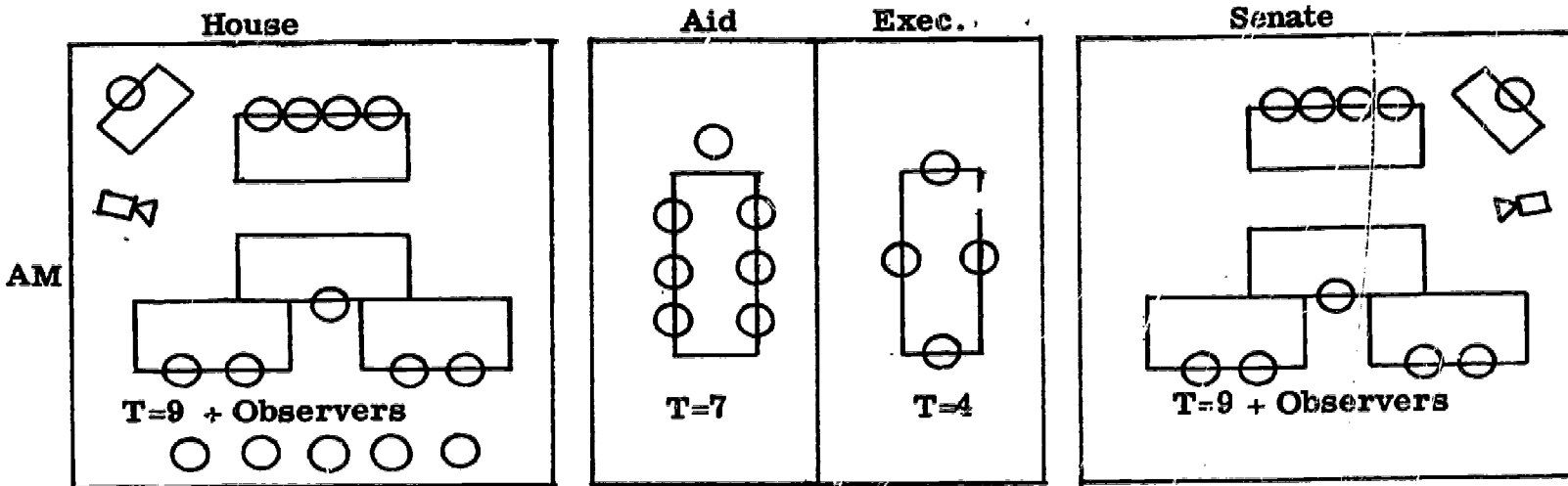
worked in it (this is one reason why the AID personnel can so effectively simulate Congressional critics of the AID program).

- 3) Field people become particularly aware of the pressure that the Headquarters people live under in an attempt to get their legislation and appropriations.
- 4) Marked "shifting of gears" is noticeable during the day, particularly in the manner of which the various personnel in the Executive Branch rally and collaborate to present the strongest possible case to Congress, but then become fiercely critical adversaries when conducting the in-house "cutting of the pie".
- 5) A whole spectrum of learnings occurs when the videotapes are reviewed. The principal question asked is simply "Is this the most effective way of handling this situation?".
- 6) The adaptability of the Assistance Program to almost any kind of legislation is seen to be quite remarkable. The extent to which the intent of Congress can be construed to support most of what the Agency wants to do; the willingness to "adapt to survive" is nowhere more apparent than in the final phase of this game.

D. GAME MATERIALS

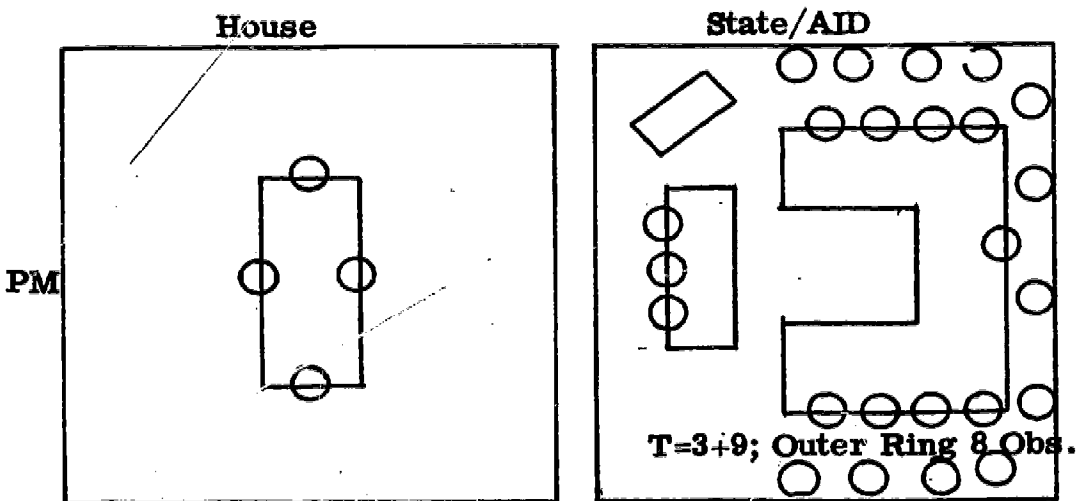
The following collection includes all the materials essential to the conduct of MIDSIM I. Additional materials are commonly used, particularly for individualizing the packets; but these change from game to game. Finally, none of the published materials -- such as Hearings -- which are essential, have been included in this collection. The materials relating to Nanesa will be found in the Chapter on MIDSIM II.

MIDSIM I : Space Requirement



TV Camera

TV Camera



MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM 1: POLICY FORMATION AND BUDGETING

9:00 AM STRATEGY MEETINGS

| | |
|--------------------------------------|------------|
| Senate Foreign Relations Committee | Room 1-2 |
| House Appropriations Committee | Room 11-12 |
| Presidential Advisory Group | Room 5 |
| Agency for International Development | Room 6 |

10:00 COFFEE AVAILABLE IN HALL

10:15 OPEN HEARINGS

| | |
|---------------------------|------------|
| Senate Committee (policy) | Room 1-2 |
| House Committee (budget) | Room 11-12 |

12-1 LUNCH HOUR

1:00 PM LEGISLATIVE MARK-UP

| | |
|--------|------------|
| Senate | Room 1-2 |
| House | Room 11-12 |

COUNTRY PRESENTATION Room 5-6

3:00 COFFEE AVAILABLE IN HALL

3:15 STATE/AID POLICY-BUDGET MEETING Room 5-6
(fishbowed by Congress)

4-5 PM CRITIQUE SESSION Room 5-6

VIDEOTAPE REPLAY AND DISCUSSION OF HEARINGS
WILL BE HELD AT 9 AM, Monday morning.

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR
SYRACUSE UNIVERSITY

-29-

MIDSIM I: "THE CONGRESSIONAL GAME"

MAY 14, 1971

SENATE FOREIGN RELATIONS COMMITTEE

CHAIRMAN

ROYAL CLINE

SENATOR PRO

ROBERT CUTTS

SENATOR CON

FRED ALVAREZ

SENATOR SWING

RUDOLF JONKE

HOUSE APPROPRIATIONS COMMITTEE: SUBCOMMITTEE ON FOREIGN OPERATIONS

CHAIRMAN

EDWIN TOLLE

REP. PRO

THELMA ROEBUCK

REP. CON

DONALD DULITZ

REP. SWING

ROBERT PAYETTE

REP. ANTI-RE-ORG.

BRENT GATCH

PRESIDENTIAL ADVISORY GROUP

SECRETARY OF STATE

VAL MAHAN

SECRETARY OF DEFENSE

JAMES SMITH

SPEC. ASST. NAT. SEC. AFFS.

ABRAHAM HIRSCH

DIR. OFFICE OF MGT. & BUDGET

EUGENE CHIAVAROLI

AGENCY FOR INTERNATIONAL DEVELOPMENT

ADMINISTRATOR

DESMOND O'RIORDAN

DEP. ADMIN.

DANIEL SUTTON

AUDITOR GENERAL

JOHN CLARY

A/A LEG. & PUB. AFF.

QUINCY BENBOW

A/A NESA

JOSEPH KEMPER

DIRECTOR AID/NANESA

ROY D. NEWMAN

NANESA DESK OFFICER, AID/W

HAROLD JONES

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR
SYRACUSE UNIVERSITY

ROLE PLAYING

Role playing is the unrehearsed acting out of situations calling for interaction among people. It provides data for analysis of individual and group behavior. In role playing, the participants "make believe" and they act spontaneously. They can experiment with different behaviors and study different solutions to typical human relations problems. In so doing, they may discover and practice more effective ways to respond and develop new skills for use in real-life situations.

Role playing is not an end in itself. It is a means to provide more vivid and concrete material for examining and improving behavioral skills. The aim is therefore not a polished dramatic production but the depiction of interaction which will stimulate analysis, further the growth of insight, and provide opportunities for trying out and practicing new ways of saying and doing things. The most productive analysis and the most useful learnings usually come from the faults which are shown rather than the skillful behaviors which are demonstrated, important as it is also to identify the good points. It is a fact that skillful behavior seldom elicits as much analysis of alternative ways of behaving as does that which is inept.

The essential minimum details of the situation to be role played should be clear. Such details help make the situation real to the participants. There should not be, however, so many facts that the role players feel bound by information and cannot behave spontaneously. An important characteristic of good role playing is that the individuals create roles unhampered by the clutter of much detail.

Most people enjoy taking part in role playing, especially after a first experience with it. Those who are anxious about it, should not be pressed. There are some hazards. A person who is called upon to play an unfavorable role must be sufficiently secure so that he will not be put under undue stress during the evaluation. A person who is called upon to play a role similar to that which he normally performs may learn nothing about himself if he plays it well, or may be devastated during the critique if he has performed poorly. Role playing should be the occasion for individuals to test behavior that is not a part of their usual roles.

It is important that all playing situations be analyzed not only to understand the interaction that occurred, and the behavior illustrated, but also the alternative ways the situation might have been handled.

Above all, the participants should welcome role playing as an opportunity to experiment with different behaviors in a non-threatening atmosphere in which the objective for all is to learn.

(adapted from: Nylén, Mitchell, and Stout: Handbook of Staff Development and Human Relations Training, pp 226-30 passim)

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR
SYRACUSE UNIVERSITY, SYRACUSE, N.Y.

-31-

ROLES FOR MIDSIM I

- _____ 1. A distinguished senior Senator who is a profound and articulate critic of Administration foreign policy. Deeply suspicious of American commitments around the world; concerned about the receding role of Congress in foreign affairs, particularly with regard to matters of war and peace.
- _____ 2. Senator from an urban state. Concerned with the growing neo-isolationism in the U.S. Believes the country should set an example for international cooperation because it is in our national interest. Sophisticated, scholarly, ambitious, generally pro-foreign aid.
- _____ 3. Senator from a predominately rural state who is alarmed at the expansion of bureaucracy at home and abroad. Argues that hand-outs and give-aways, charity at home and abroad, never solved any of our problems. Generally anti-foreign aid.
- _____ 4. Senator with Presidential aspirations. A cautious, ambitious, supporter of the middle-of-the-road. An advocate of compromise. Will swing in whatever direction appears to be politically popular.
- _____ 5. A knowledgeable, intelligent Cabinet member. A close personal friend of the President, but also widely respected in Congress. He is a sensitive and sincere spokesman for the President and defender of his foreign policy.
- _____ 6. An influential former Senator, who is now a Cabinet member and staunch defender of the President's military policy. A guardian at the gates of American national interest. Believes that strength is the only guarantor of security in a world full of threats to U.S. interests.
- _____ 7. Intellectual with major responsibilities in the formulation of American foreign policy. Competent, influential, behind-the-scenes type. A coldly analytic mind, a global long-range outlook, a massive command of data.

- 8. A trusted Presidential advisor who has been given the responsibilities for re-ordering priorities, minimizing costs and maximizing returns by trimming the fat from the budget and the bureaucracy.
- 9. A respected academic administrator who directs the foreign aid effort. Quiet, thorough, dedicated, thoroughly familiar with the intricacies of the world-wide program and its relations to broader foreign policy issues. Steady under fire. Effectively utilizes staff.
- 10. A top-level policy maker and administrator who is skilled in playing the number two role to a popular leader. Deeply involved in administrative reorganization, but knowledgeable about the total foreign aid effort.
- 11. A capable and thorough manager of the foreign aid establishment. Concerned with efficiency of operations and the proper handling of financial resources. Aware of the weaknesses and criticisms of aid expenditures. A watchdog of the budget.
- 12. An alert and articulate administrator who knows Congress--its strengths and weaknesses. A close watcher of the media; sensitive to public opinion. An operator who provides his superiors with "inside" data. Knows the legislative process.
- 13. A regional spokesman. Knowledgeable about North Africa, Near East, South Asia. A persuasive advocate of the importance of this vast area to the U.S. Familiar with overall U.S. policy and objectives.
- 14. An experienced overseas administrator capable of mastering details of a country program and policy. Persuasive in defense of his country's program as it relates to broader regional and global U.S. policy.
- 15. An administrator capable of mastering the political, social, and economic data on a single country. A persuasive advocate of this country's pivotal position in the region, and its importance to the U.S. Able to field questions on any subject with great facility.

- _____ 16. A powerful Congressman, dedicated to the proposition that the taxpayer's dollar is being squandered all over the world. Totally knowledgeable about the weaknesses and problems of the foreign aid program, and convinced that the entire executive branch is staffed by inept, untrustworthy, deceptive bureaucrats.
- _____ 17. A handsome, energetic Representative from a suburban constituency. Attracts a large female vote. Knowledgeable and concerned about foreign affairs. Generally favors foreign aid. He is more profound than is given credit for.
- _____ 18. A former city machine politician whose position in Congress is a plum for long service to the Party. Concerned only with contracts for his district. Alarmed at foreign imports and their effect on employment at home. Generally anti-foreign aid; feels money should be spent in our cities.
- _____ 19. A Congressman with greater ambitions. Watches the polls very carefully. Wants to build a record by voicing the current popular concerns. At the moment is anti-foreign aid, but could swing if convinced it was the popular thing to do.
- _____ 20. A Representative who is concerned with the in which the Executive Branch gets its way in foreign affairs. Particularly suspicious of efforts to re-organize AID; sees this as one more way of weakening Congressional controls. Can be either pro-or con-foreign aid, but wants Congress to firmly control whatever is appropriated.

HOUSE OF REPRESENTATIVES

NINETY-SECOND CONGRESS

COMMITTEE ON APPROPRIATIONS

Subcommittee on Foreign Operations and Related Agencies

Otto E. Passman, Chairman

John J. Rooney, New York

Julia Butler Hansen, Washington

Clarence D. Long, Maryland

John J. McFall, California

Garner E. Shriver, Kansas

Silvio O. Conte, Massachusetts

Charlotte T. Ried, Illinois

Donald W. Riegle, Jr., Michigan

Hearings are being held on the Foreign Assistance Act of 1971, which provides the budget for Fiscal Year 1972. The primary concern of your committee is the budget, and at this particular hearing it should be the portion of the budget devoted to AID, particularly that devoted to technical assistance. You are, of course, free to question along any line you feel useful. The Committee will consist of:

1. The Chairman _____
2. Rep. _____ : who is generally pro-foreign aid
3. Rep. _____ : who is generally anti-foreign aid
4. Rep. _____ : who can swing either way

Members of the Committee may wish to read past testimony before the committee to get a sense of the nature of questions, and the kinds of positions displayed by the committee members. This testimony will be found in the Seminar Reading room. The enclosed clipping will give a sense of the style and diligence of the Chairman.

Each member of the committee should have the following:

1. U.S. Foreign Policy Objectives
2. U.S. Foreign Assistance Objectives
3. U.S. Budget in Brief: Proposed for FY 1972
4. U.S. International Affairs and Finance Budget: Proposed for FY 1972

9-10 AM

STRATEGY MEETING. The Committee will meet in closed session to consider the President's proposed Foreign Assistance Act of 1971 (consisting of two Policy Statements -- Foreign Policy Objectives and Foreign Assistance Objectives -- and a budget for International Affairs and Finance for FY 1972). It is the Committee's job to scrutinize these and modify them in whole or part. The strategy meeting should consider possible lines of questioning by respective members of the committee to assure that the key problem areas are covered in the hour and a half devoted to the hearing. It is recommended that attention be concentrated on the portion of the budget devoted to AID and particularly that portion devoted to Technical Assistance. All members of the Committee should attempt to make sure that their lines of questioning are heard.

10:15-12

OPEN HEARINGS. The witnesses at this hearing will be the Administrator of the Agency for International Development and his associates.

12-1

LUNCH HOUR

1-3

LEGISLATIVE MARK-UP SESSION. The Committee will meet in closed session to "mark-up" or amend the legislation that has been proposed. The output of the session should be put on the form provided; this will call for your dollar figures for each line item, and for the specific guidelines or prohibitions you wish to attach to the use of the money you are providing the Agency. The Chairman should hand the completed form to the MIDSIM Director by 3 PM

1-3 PM

COFFEE BREAK

1-15

STATE/AID POLICY BUDGET MEETING. All members of Congress will witness the Executive Branch's response to the legislation you have just handed them. **YOU ARE NOT TO PARTICIPATE IN THE DISCUSSION AT THIS TIME**, but are simply to observe what they are doing, as if they were in a fishbowl. You may take notes on points you wish to discuss during the critique session.

1-15 PM

CRITIQUE SESSION. This will be the opportunity to discuss the entire day's proceedings, but will begin with your comments on the meeting you have just observed.

ADJOURN

There will be a replay and discussion of the videotapes of the morning hearings on Monday morning.

UNITED STATES SENATE
NINETY-SECOND CONGRESS

Committee of Foreign Relations

J.W. Fulbright, Chairman

John Sparkman, Alabama
Mike Mansfield, Montana
Frank Church, Idaho
Claiborne Pell, Rhode Island
Gale W. McGee, Wyoming
Stuart Symington, Missouri
Edmund S. Muskie, Maine
William B. Spong, Jr., Virginia

George D. Aiken, Vermont
Karl E. Mundt, South Dakota
Clifford P. Chase, New Jersey
John Sherman Cooper, Kentucky
Jacob J. Javits, New York
Hugh Scott, Pennsylvania
James B. Pearson, Kansas

Hearings are being held on the Foreign Assistance Act of 1971. The specific matters under consideration are two Presidential documents entitled: United States Foreign Policy Objectives for the 1970's (FPO), and United States Foreign Assistance Objectives: FY 1971 (FAO). These two documents constitute the policy section of the proposed Foreign Assistance Act of 1971. The witnesses are seeking your approval of these statements. The Committee will consist of:

1. The Chairman _____
2. Senator _____ : who is generally pro-foreign aid.
3. Senator _____ : who is generally anti-foreign aid.
4. Senator _____ : who can swing either way.

Members of the committee may wish to read past testimony before the committee to get a sense of the nature of questioning, and the kinds of positions displayed by the committee members. This testimony will be found in the Seminar Reading room. The enclosed clippings will give a sense of the positions of two important members of the committee.

Each member of the committee should have the following:

1. U.S. Foreign Policy Objectives
2. U.S. Foreign Assistance Objectives
3. U.S. Budget in Brief: Proposed for FY 1972
4. U.S. International Affairs and Finance Budget: Proposed for FY 1972.

- 9-10 AM STRATEGY MEETING. The Committee will meet in closed session to consider the President's stated Foreign Policy Objectives, and Foreign Assistance Objectives. He has proposed that these become part of the Foreign Assistance Act of 1971. It is the Committee's job to scrutinize these and to approve or modify them in whole or in part. The strategy meeting should also consider possible lines of questioning by the respective members of the Committee.
- 10:15-12 OPEN HEARINGS. The witnesses at this hearing will be the Secretary of State and his associates. The ostensible subject under consideration are the two documents in hand: the FPO, and the FAO.
- 12-1 LUNCH HOUR
- 1-3 PM LEGISLATIVE MARK-UP SESSION. The Committee will meet in closed session to "mark-up" or amend the two documents on which they have heard testimony in the morning. The output of the session should be an approved set of Foreign Policy Objectives, and an approved set of Foreign Assistance Objectives that clearly indicate the directions in which the Senate advises the President to act. Hand the amended statements to the MIDSIM Director by 3 PM.
- 3 COFFEE BREAK
- 3:15 STATE/AID POLICY-BUDGET MEETING. All members of Congress will attend this meeting as observers. You will witness the Executive Branch's response to the legislation you have just handed them. YOU ARE NOT TO PARTICIPATE IN THE DISCUSSION at this time, but simply observe what they are doing, as if they were in a fishbowl. You may take notes on points you wish to discuss during the critique session.
- 4 CRITIQUE SESSION. This will be the opportunity to discuss the entire day's proceedings, but will begin with your comments on the meeting you have just observed.
- 5 PM ADJOURN
- There will be a replay and discussion of the video-tapes of the morning hearings on Monday morning.

**PRESIDENTIAL ADVISORY GROUP ON
INTERNATIONAL AFFAIRS AND FINANCE**

For purposes of simulating the various forces at work in the formulation of Presidential policy, we are creating an advisory group who are responsible to the President for proposing relevant policy, and defending it before relevant Congressional committees.

The Group consists of the following:

1. The Secretary of State
2. The President's Assistant for National Security Affairs
3. The Administrator of AID
4. The Director of the Office of Management and Budget

Members of the Group may wish to read previous testimony before the House Foreign Affairs Committee, the Senate Foreign Relations Committee, and the Passman Subcommittee of the House Committee on Appropriations to get a sense of the kinds of questions, and questioners, they may expect on the Hill.

Each member of the group will have the following:

1. U.S. Foreign Policy Objectives
2. U.S. Foreign Assistance Objectives
3. U.S. Budget in Brief, Proposed for Fiscal 1972
4. U.S. International Affairs and Finance Budget: Proposed for FY 1972

You may also wish to look at recent statements by the President and by the Peterson Committee before your appearance.

- 9 AM STRATEGY MEETING. The Group will meet in closed session to consider the strategy for defending and explicating the President's policies before the Senate Committee.
- 10 COFFEE BREAK
- 10:15 OPEN HEARINGS: Senate Foreign Relations Committee. The Secretary of State will lead off, to be followed by others as invited by the committee or as required in a "witness team" presentation.
- 12-1 LUNCH HOUR
- 1 PM COUNTRY PRESENTATION. Members of the group will join AID officials in hearing and discussing a Country Presentation aimed at illustrating the translation of U.S. policy into terms of a specific country program, and justifying a specific portion of the AID budget for the implementation of that country program.
- 3 PM COFFEE BREAK
- 3:15 STATE/AID POLICY-BUDGET MEETING. Members of the group will join AID Officials in considering the Legislation which has just been received from Congress. This involves discussion of how to live with the budget, and with the recommended policy changes. It finally involves translating the policy into a specific set of objectives for a specific country, and allocating a portion of the budget to that country for the implementation of the program. The meeting will be co-chaired by the Secretary of State and the Administrator for AID. The Congressmen, acting as the silent public, will observe this meeting. The output of the meeting will be Five Development Objectives for Nanesa, and AID's FY 1972 Budget for Nanesa. Forms are provided for recording the results of this meeting, and should be turned in to the MIDSIM Director upon completion.
- 4 PM CRITIQUE SESSION. This is an occasion for the discussion of the entire day's proceedings. The discussion will be led off by the silent observers who have been watching the meeting during the preceding hour. The MIDSIM Director and other process observers will also participate in this critique session.
- 5 PM ADJOURN
- VIDEO-TAPE REPLAY AND DISCUSSION OF THE CONGRESSIONAL HEARINGS WILL BE HELD ON MONDAY MORNING.

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C.

For the purposed of simulating the processes whereby Foreign Assistance policy is formulated, translated into legislative proposals, and defended, we are convening a core AID group consisting of the following officials:

1. Administrator
2. Deputy Administrator
3. Auditor General
4. Asst. Administrator for Legislative and Public Affairs
5. Asst. Administrator Bureau for Near East and South Asia
6. Mission Director, AID/Nanesa
7. Nanesa Desk Officer

Members of this group may wish to read previous testimony before the House and Senate Committees to get a feeling for the kinds of questions-- and questioners -- they may expect on the Hill. You may also wish to check the library for recent statements by the President, and Administrator Hannah before your appearance. In addition, the NESAs Bureau men, and the Mission Director will have materials on Nanesa on which to base their Country Presentation at 1 PM. They will basically act as observers during the hearings, in order that their Presentation can take into account points of concern that emerge from the Congressional Committees. They should make sure that they cover both Committee hearings.

Each member of the AID group will have the following:

1. U.S. Foreign Policy Objectives
2. U.S. Foreign Assistance Objectives
3. U.S. Budget in Brief, proposed for FY 1972
4. U.S. International Affairs and Finance Budget: Proposed for FY 1972

- 9 AM STRATEGY MEETING. The Group will meet in closed session to plan the most effective presentation to the House Committee. The meeting will be chaired by the Administrator (the Deputy Administrator will take over when the Administrator has to leave to meet with the Presidential Advisory Group). An attempt should be made to make the presentation a "team" effort, although the NESAs and Nanesan personnel should make minimal -- if any -- presentations to Congress.
- 10 COFFEE BREAK.
- 10:15 OPEN HEARINGS. HOUSE APPROPRIATIONS COMMITTEE. (Subcommittee on Foreign Operations, etc.). The Administrator will lead off, to be followed by others as invited by the Committee or as part of the "witness team" strategy. The principal concern before this committee is budget (especially technical assistance budget) and Foreign Assistance policy, rather than grand world strategy.
- 12-1 PM LUNCH HOUR
- 1 COUNTRY PRESENTATION. AID Officials, joined by members of the President's Advisory Group, will hear a Presentation on Nanesa. The Assistant Administrator for NESAs will stress the importance of the region, and the country of Nanesa within that region; the Nanesa Desk Officer will give a briefing on the country itself. The Mission director will talk about the Country Assistance plan and how it exemplifies U.S. objectives, and will present the proposed budget for Nanesa and defend it. The objective of the session is to translate broad policy and budgetary matters into terms of a specific country, and defend the translation.
- 3 PM COFFEE BREAK
- 3:15 STATE/AID POLICY-BUDGET MEETING. The meeting will be attended by members of the Presidential Advisory Group and AID, and will be observed by the Congressmen (representing the public, and silent -- for the time being). The meeting will be co-chaired by the Secretary of State and the Administrator of AID, and will consider the newly passed legislation and "how to live with it". This involves discussion of the appropriation, and the recommended policy changes or emphases. It should involve translating the legislation into terms of a specific country, Nanesa, and allocating a portion of the budget for the implementation of that country program. The output of the meeting will be five Development Objectives for Nanesa, and AID's FY 1972 Budget for Nanesa. Forms are provided for recording this output and submitting it to the MIDSIM DIRECTOR upon completion.

4 PM **CRITIQUE SESSION.** This is the occasion for the discussion of the entire day's proceedings. The discussion will be led off by the silent observers of the previous hour's meeting. The MIDSIM Director and other process observers will also participate in this critique session.

5 PM **ADJOURN**

Video-tape replay and discussion of Congressional hearings will be held on Monday morning.

UNITED STATES FOREIGN POLICY OBJECTIVES FOR THE 1970'S

- 1) Peace must be attained and maintained through the cooperative efforts of the partnership of the free world.
- 2) We will always be willing to negotiate differences with our adversaries.
- 3) Our policy must support our interests; our commitments must be shaped by our interests.
- 4) American military strength is essential to the maintenance of a durable peace; and we will not be less strong than is necessary.
- 5) We expect a more responsible participation by our friends in their own defense and development.
- 6) We expect a cooperative effort of all nations in economic development.
- 7) We recognize a special relationship with our sister republics in the Western Hemisphere, and we do not intend to dominate that relationship.
- 8) We shall encourage the development of regional institutions in Asia.
- 9) We shall continue our support of the United Nations and its related agencies.
- 10) We shall press for the freer flow of capital and goods among nations.

UNITED STATES FOREIGN ASSISTANCE OBJECTIVES: FY 1971

- 1) To concentrate our assistance in countries with the greatest development promise and the strongest will to help themselves achieve self-sustaining growth.
- 2) To emphasize technical and professional assistance designed to build institutions necessary for long-term national development.
- 3) To give high priority to programs which encourage greater production and better distribution of food and enhance the ability of parents to choose the size of their own families.
- 4) To encourage the investment of private resources from the United States and from the less developed countries themselves, to supplement other development efforts.
- 5) To encourage broad popular participation by the people of the less developed countries in the planning, execution, and benefits of development progress.
- 6) To foster regional cooperative efforts among countries seeking common development goals.
- 7) To assist the less developed nations to safeguard their internal and external security.
- 8) To take such steps as may be necessary to assure that, to the maximum extent practicable, the furnishing of agricultural commodities, disposal of excess property and United States payments to international lending institutions, undertaken pursuant to this or any other Act, will complement and be coordinated with assistance provided under this part.

UNITED STATES GOVERNMENT: BUDGET IN BRIEF

ESTIMATED BUDGET RECEIPTS AND OUTLAYS FOR FISCAL YEAR 1972
(in millions of dollars)

| Description | 1970 actual | 1971 est. | 1972 est. |
|--|----------------|----------------|----------------|
| Receipts by source: | | | |
| Individual income taxes | 90,412 | 88,300 | 93,700 |
| Corporation income taxes | 32,829 | 30,100 | 36,700 |
| Social insurance taxes and contributions: | | | |
| Employment taxes and contributions | 39,133 | 42,297 | 50,225 |
| Unemployment insurance | 3,464 | 3,604 | 4,183 |
| Contributions for other insurance & retirement | 2,701 | 3,072 | 3,151 |
| Excise taxes | 15,705 | 16,800 | 17,500 |
| Estate and gift taxes | 3,644 | 3,730 | 5,300 |
| Customs duties | 2,430 | 2,490 | 2,700 |
| Miscellaneous receipts | 3,424 | 3,800 | 4,134 |
| Total receipts | 193,743 | 194,193 | 217,593 |
| Outlays by function: | | | |
| National Defense | 80,295 | 76,443 | 77,512 |
| International affairs and finance | 3,570 | 3,586 | 4,032 |
| Space research and technology | 3,749 | 3,368 | 3,151 |
| Agriculture and rural development | 6,201 | 5,262 | 5,804 |
| Natural resources | 2,480 | 2,636 | 4,243 |
| Commerce and transportation | 9,310 | 11,442 | 10,937 |
| Community development and housing | 2,965 | 3,858 | 4,495 |
| Education and manpower | 7,289 | 8,300 | 8,808 |
| Health | 12,995 | 14,928 | 16,010 |
| Income security | 43,790 | 55,546 | 60,739 |
| Veterans benefits and services | 8,677 | 9,969 | 10,644 |
| Interest | 18,312 | 19,433 | 19,687 |
| General government | 3,336 | 4,381 | 4,970 |
| Allowances for: | | | |
| Revenue sharing | ----- | ----- | 4,019 |
| Pay increase | ----- | 500 | 1,000 |
| Contingencies | ----- | 300 | 950 |
| Undistributed intragovernmental transactions | -6,380 | -7,197 | -7,771 |
| Total outlays | 196,588 | 212,755 | 229,232 |
| Budget deficit | 2,845 | 18,562 | 11,639 |

U.S. GOVERNMENT: EXECUTIVE BUDGET FOR FY 1972

INTERNATIONAL AFFAIRS AND FINANCE

| Program | Outlays in millions | | |
|---|---------------------|------------------|------------------|
| | 1970 actual | 1971 estimate | 1972 estimate |
| Economic and financial assistance: | | | |
| International security assistance: | | | |
| Military assistance ^{1, 2} | (\$593) | (\$1,175) | (\$1,025) |
| Supporting assistance..... | 485 | 504 | 658 |
| Multilateral development assistance..... | 337 | 415 | 495 |
| Bilateral development assistance..... | 1,050 | 1,011 | 1,056 |
| Other economic and financial assistance..... | 359 | 260 | 427 |
| Food for Peace..... | 937 | 1,014 | 962 |
| Foreign Information and exchange activities.... | 235 | 240 | 243 |
| Conduct of foreign affairs..... | 398 | 421 | 453 |
| Deductions for offsetting receipts..... | -232 | -279 | -261 |
| TOTAL..... | 3,570 | 3,586 | 4,032 |

¹Outlays for military assistance are included in the national defense function. They are not included in the totals shown for international affairs and finance.

²Excludes trust funds.

FOREIGN ASSISTANCE ACT OF 1971

An Act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic, economic, social, and political institutions, and for other purposes.

PART I. FOREIGN POLICY OBJECTIVES

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11.

PART II. FOREIGN ASSISTANCE OBJECTIVES

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

FOREIGN ASSISTANCE ACT OF 1971
INTERNATIONAL AFFAIRS AND FINANCE APPROPRIATIONS FOR
FISCAL YEAR ENDING JUNE 30, 1972
(in millions of U.S. dollars)

Program

| | |
|--|-------|
| Economic and financial assistance: | |
| International security assistance: | |
| Military assistance ^{1, 2} | _____ |
| Supporting assistance..... | _____ |
| Multilateral development assistance..... | _____ |
| Bilateral development assistance..... | _____ |
| Other economic and financial assistance..... | _____ |
| Food for Peace..... | _____ |
| Foreign Information and exchange activities..... | _____ |
| Conduct of foreign affairs..... | _____ |
| Deductions for offsetting receipts..... | -232 |
| TOTAL..... | _____ |

¹ Outlays for military assistance are included in the national defense function. They are not included in the totals shown for international affairs and finance.

² Excludes trust funds.

GENERAL, ADMINISTRATIVE, AND MISCELLANEOUS PROVISIONS

- 1.
- 2.
- 3.
- 4.
- 5.

UNITED STATES GOVERNMENT

A.I.D. Commitments to the Republic of Nanesa
by Appropriation Category

Fiscal Year 1972

(in thousands of U.S. dollars)

| Appropriation Category | actual 1970 | revised estimate 1971 | proposed 1972 | Appro- priated 1972 |
|--|----------------|-----------------------------|------------------|---------------------------|
| Development Loans | 23,000 | 24,000 | 20,000 | _____ |
| Supporting Assistance | 20,500 | 19,500 | 22,500 | _____ |
| International Organizations (IGG) | 250 | 250 | 250 | _____ |
| Contingency Fund | 100 | 100 | 100 | _____ |
| Administrative Expenses | 150 | 150 | 150 | _____ |
| Technical Cooperation/ Development Grants | 6,000 | 7,000 | 8,000 | _____ |
| Total | 50,000 | 51,000 | 51,000 | _____ |

MIDSIM: SPECIAL ROLE INSTRUCTION

The following instruction has been given only to you. Take it into account in playing the role you have been assigned. You may or may not wish to share the instruction with others, but your behavior in the role should illustrate this instruction in some way.

CHAIRMAN PASSMAN

AID may try to push for the President's re-organization scheme. This will lessen the control by your Committee over the total Foreign Aid program. You should refuse to go along with this.

Your strength lies in the fact that the total foreign aid budget has to pass through you. KEEP IT THAT WAY.

In other words, the result of these hearings should be framed in terms of another annual amendment to the Foreign Assistance Act.

You may wish to go along with minor changes (changes of name, or possibly even the removal of Supporting Assistance (public safety) from Foreign Aid) but that's up to you.

CHAIRMAN FULBRIGHT :

You should concern yourself primarily with POLICY -- both the Foreign Policy Objectives and the Foreign Assistance Objectives-- as proposed by the President . (The Dollars are being handled by Otto Passman, in the House, and he is as good a watchdog as you will find).

If the subject of AID re-organization should come up, resist it. It is another effort by the President to diffuse Congressional control over Foreign Affairs.

You may, however, choose to go along with the proposal to separate out of the Foreign Aid establishment, matters dealing with supporting assistance, and public safety.

apr. 8, 1970

Asian Bank Scandal

WASHINGTON — A secret inquiry into the Asian Development Bank, supported by the American taxpayers to the tune of \$200 million, has produced evidence of a lolling boondoggle.



Anderson

The inquiry was conducted behind closed doors by Rep. Otto Passman, D-La., the crusty arch-foe of foreign aid, who dropped out of the fourth grade, studied accounting while he scratched out a living and developed a fierce attachment for every dollar he ever earned. He now treats the taxpayers' dollars with equal tenderness.

Breathing flame from both nostrils, he blistered the bank's U.S. representative and a gaggle of Treasury Department officials for not taking better care of the taxpayers' \$200 million.

Before the hearing ended, the exasperated Passman was moved to exclaim: "I think this is the most mismanaged outfit I have ever had anything to do with! . . . Gentlemen, you are taking this country for a ride!"

THE ASIAN Development Bank was founded in 1966 to provide loan assistance to underdeveloped Eastern nations. Passman discovered, instead, that most of its funds are tied up in investments and that almost half its profits are squandered on overhead. Here are some of his secret findings:

Altogether the bank has assets of about \$452 million, loans have been approved for less than \$140 million. The bank, whose purpose is to grant development loans, seems more interested in seeking investment opportunities.

In more than three years of operation, the bank has disbursed only \$9.3 million against the loan commitments, but has spent \$11.6 million for administrative expenses. This shocking disproportion can be justified, in small part, by the extra expense of getting organized.

The bank has 438 people on the payroll, not counting the top executives. The Export-Import Bank, with six times its assets, has only 364 employees.

LAST YEAR, the Asian Development Bank reported \$12.9 million in profits. Less than two per cent of this came from interest, the rest from investments. About 45 per cent of the profits, \$5.6 million all told, was eaten up by administrative expenses. In contrast, the Export-Import Bank spends only 5 per cent of its profits for overhead.

The Asian bank, whose loan money is supposed to be used strictly to develop poor nations, has been granting personal loans to its staff.

The U.S. representative, Bernard Zagorin, told Passman that the bank had invested about \$100 million in American securities. Yet, despite this unused \$100 million, the bank recently borrowed \$15 million.

By now, Passman was incredulous. "Why," he demanded, "would it be necessary to float bonds and pay 7 per cent interest on \$15 million when you had approximately \$100 million on hand that you didn't need for immediate use?"

ZAGORIN EXPLAINED lamely that "it is felt necessary to get the international money markets familiar with the bank and the bank's operations."

When the Louisiana legislator began to dig into the bank executives' entertainment expenses — euphemistically referred to as the "representation allowance" — he found it had increased over the past year from \$24,000 to \$44,000. He asked why.

"Because," said Zagorin, "more than half of the \$44,000 is for the office of the presidency and for official receptions and so forth."

Adviser Runs a Growing Committee Complex

Special to The New York Times

WASHINGTON, Jan. 18—Dr. K., as the White House staff sometimes call Henry A. Kissinger, runs a complex and growing system of committees to manage United States foreign policy.

The office of the President's principal security adviser is preparing to computerize contingency plans and other vital information on world trouble spots for push-button recall. That will make the White House operations more self-contained.

The White House has put on microfilm the literally hundreds of papers that have entered the Kissinger committee system over two years. It takes business machines just to keep track of the flow of paper.

One glance at the budget figures shows how much more ambitious Mr. Kissinger's operation is than those of McGeorge Bundy under President Kennedy and Walt W. Rostow under President Johnson.

The National Security Council staff budget this fiscal year runs \$2.2-million, more than triple Mr. Rostow's budget in 1968 and two and a half times Mr. Bundy's in 1962. One large chunk of the increase—nearly \$500,000—is going for outside consultants doing research for Mr. Kissinger.

The heart of the Kissinger system is the committee structure, stacked up like the decks of an ocean liner, with the National Security Council on top.



The New York Times

Jan. 19, 1971

Just before the policy options go before the President, they are rigorously reviewed by one of the first-tier committees, all headed by Mr. Kissinger. Lesser matters are left to a different system—the Under Secretaries Committee, headed by Under Secretary of State John N. Irwin 2d.

The most broad-ranging of the Kissinger committees is the Senior Review Group, which deals with issues of all kinds. The others have

specialties: the Vietnam Special Studies Group, the Verification Panel (strategic arms talks), the Defense Programs Review Committee (military manpower and budgeting), Washington Special Actions Group (for managing crises) and the Forty Committee (for supervising covert intelligence operations; so named because of the number of the Presidential memo that established it.)

The core membership of all the committees is much

the same: Under Secretary Irwin or U. Alexis Johnson, Under Secretary for Political Affairs; David Packard, Deputy Secretary of Defense; A. M. Thomas H. Moorer, Chairman of the Joint Chiefs of Staff, and Richard Helms, Director of Central Intelligence. Budget and Atomic Energy Commission officials sit on the defense panel and other agencies take part as needed.

On the deck below are six interdepartmental groups set up on a regional basis and headed by an assistant secretary of state. Parallel, and often competitive to that, are working groups run by Mr. Kissinger's top staff aides and drawing on the best specialists throughout the Government.

More than one official has commented that Mr. Kissinger, who directs the traffic as well as setting the general intellectual tone of the discussions, can shift the forum if he runs into bureaucratic roadblocks on any issue.

On crucial issues like the arms talks, Vietnam or defense manpower, the working groups headed by Kissinger aides do the staff studies on which high-level policy debates are later based. "With that setup," a knowledgeable official commented, "Henry has such a hammerlock on foreign policy that you don't get through any options that he doesn't think are reasonable. That doesn't mean he has to agree with you, but you have to prove to him, to his satisfaction, that you've got a reasonable case."

Senator Fulbright Criticizes Bilateral Aid

To the Editor:

Although I strongly support the case for multilateral aid set forth in your editorial of Feb. 5, I do not agree that the reduction by Congress of bilateral foreign aid appropriations is, as you called it on Jan. 28, a "retreat from responsibility."

Even in its halcyon days American aid was never more than a minor factor in the economic development—as distinguished from stop-gap economic needs — of recipient nations. The experience of two decades is that in a number of reasonably well-administered countries American bilateral aid has made a modest contribution to development, while in many other countries it has had little or no effect, and in certain small countries of Asia and Latin America the principal effect of our aid has been to sustain corrupt dictatorships whose very survival is an obstacle to development.

At the same time that bilateral aid breeds imperious attitudes on the part of its administrators, it encourages an unhealthy attitude of dependency on the part of the recipient. There is an element of charity in bilateral aid — even when it takes the form

of high-interest loans — and charity, as we all know, is demeaning and demoralizing. The very knowledge that foreign support will be forthcoming may undermine the public will and discipline which are the only reliable engine of economic development.

Even at this late date many diplomats regard American aid principally as a weapon in the cold war.

Both we and the Russians would have to be mental defectives not to have discovered by now that aid makes more enemies than it does friends. If friendship is what we are after, there is more to be said for maintaining an American "absence" than the American "presence" which the Agency for International Development used to commend.

Probably the only area of the world today where America is genuinely popular is Soviet-dominated Eastern Europe. It seems to be a case of absence making the heart grow fonder.

Despite these difficulties, I fully acknowledge the obligation of the rich to aid the poor. The only way I know of meeting that obligation without incurring the disruptions of bilateralism is by channeling our aid and technical assist-

ance through international organizations such as the World Bank, its soft-loan affiliate, the International Development Association, the various regional banks and the United Nations Development Fund.

Adequately utilized, these agencies could serve as effective vehicles toward the creation of an international fiscal system built on the idea that aid to the poor nations of the world is neither a gratuity nor an instrument of national policy but a public, international responsibility.

I do not share The Times's view that it is a national disgrace for the United States to fall behind others in relative foreign aid expenditures. On the contrary, I think it quite healthy to let others take the lead in at least one major international activity.

Nonetheless, I willingly restate my own personal commitment to give full support to an expanded aid program under international management. But I will no longer support bilateral aid. It has been tried and found wanting.

J. W. FULBRIGHT
Chairman, Senate Committee
on Foreign Relations
Washington, Feb. 8, 1970

NYT FEB. 15, 1970

Mirror of opinion

Congressional dropouts at work

At one point in the House's often petty and vindictive debate on the foreign aid appropriation, Donald Fraser (D-Minn.) turned to his peers and said, "I am unable to understand how so many members are able to follow our Presidents into a war, and defend them in the war, all solidly lined up behind the President, both Democrat and Republican, and yet be unwilling to follow our President in his request for peaceful works in the world." This plaint was no less poignant for not being new. The tendency to project international policy in terms of military power has long distorted American policy. Foreign economic assistance, as the most symbolic facet of a non-military policy, has suffered accordingly.

It is a dismaying comment on congressional acumen that only one member of the President's own party, John Buchanan of Alabama, linked the aid bill to Mr. Nixon's larger designs. Foreign aid is essential, he said, to implement the Nixon Doctrine, which requires substituting "economic and military assistance by the U.S., plus greater help from our allies and the threatened peoples themselves, for the kind of involvement in which we are now engaged in Southeast Asia. . . . If we are not willing to provide the President with the essential economic support provided in this bill, we might just

as well join the demonstrators and actively oppose his policy."

This insight was precisely what was missing as the House voted the lowest aid appropriation in the program's history: \$1.645 billion, down \$150 million from last year and \$537 million from what the administration had sought this year. Incredibly but predictably, the whole amount of the cut was taken from the economic side. The \$350 million asked for military aid (Vietnam and nobody knows how many other military items are in other bills) remained intact.

The unkindest cut of all surely was the \$37 million taken out of funds for technical assistance distributed through multilateral organizations. Technical assistance is, as Silvio Conte (R-Mass.) aptly said, aid's "bread and butter. . . . This is what one reads about when we help an Indian farmer grow a better grain of wheat . . . helping others directly to help themselves." Moreover, he pointed out, multilateral as distinct from bilateral is the category widely and correctly hailed as the wave of the developmental future.

As though to toss a final pinch of salt into the wound, the House eliminated a series of policy amendments—ostensibly on grounds that they violated House rules against legis-

lating in an appropriations bill but actually on grounds of inter-committee pique. We do not defend the practice of writing policy clauses into money bills but we observe that had the executive branch shown more sensitivity over the years to the policy questions raised by friends of aid, the program might have been spared some of its harsher blows. In particular, there was value to the amendments reducing aid to countries which divert scarce development funds to fancy military hardware. The Pentagon should be put on notice not to send its arms vendors crawling back through any of the reopened loopholes.

A point is made by some supporters of international development cooperation that since the President has promised to recast aid next year, one could not reasonably have expected more for aid this year. The trouble there is that other donors, and recipients, may draw their own conclusions from seeing the United States perform like a dropout on aid. There is also the problem of cranking up momentum when the administration's new programs finally come along. The result of the House's action is to pile an extra obligation on the President to come up with a sensible aid package, and an effective strategy for selling it, next year.—Washington Post

SECRETARY OF STATE TESTIFIES

'House Cut Cripples Entire U.S. Aid Program'

Secretary of State Rogers told the Senate on September 12 that the 25 percent cut made by the House in the President's request for fiscal 1971 economic aid appropriations "cripples our entire aid program."

Secretary Rogers told the Foreign Operations Subcommittee of the Senate Appropriations Committee headed by Senator Gale W. McGee (D-Wyo.), that "until a new aid program based on the President's . . . recommendations can be enacted, I believe it is crucial that our present program, which had produced solid successes, be maintained with adequate funds."

President's Request Cut

President Nixon had requested \$1.812 billion for present fiscal year aid programs. The House reduced the figure by \$335.8 million last June.

Earlier, Administrator Hannah told the subcommittee that the \$1.276 billion voted by the House "is not enough to make it possible to carry forward our mission."

The Secretary of State said it is only right the United States should help developing countries with their economic and social burdens. He cited results of past U.S. foreign aid programs but noted that the U.S. role is decreasing.

"The United States has played a major role in . . . successful (aid) efforts, but our relative share has diminished recently. We remain by far the largest single donor, but 11 countries now provide more official aid as a percentage of their gross national product than we do. The fiscal 1971 AID appropriation request of \$1.8 billion is the lowest in 15 years and \$400 million less than we asked for in fiscal 1970. This year's figure represents only about one-fifth of one percent of our gross national product—in contrast to the nearly three percent of GNP that we provided for economic aid in fiscal 1949 during the Marshall Plan.

"We should not necessarily expect our aid contributions this year to meet any particular per-

centage target in terms of our GNP. Our domestic requirements must be served, and some developing countries have ceased to need large amounts of aid.

"But the continuing economic disparity between the rich nations and the poor nations makes a substantial program necessary."

On multilateral and bilateral aid programs, Secretary Rogers said: "This Administration has also stressed the increased importance of multilateral leadership and institutions in our foreign assistance, and has asked for increased appropriations for that purpose. This new emphasis should secure more and better contributions by other donors, but it will do so only if the United States does not slacken its own assistance efforts. However, bilateral efforts will continue to play a major role in foreign economic assistance."

Regional Programs

Discussing the \$366 million requested for Supporting Assistance to Vietnam, Mr. Rogers said:

"Success of our Vietnamization

program will depend not only on South Vietnam's growing ability to defend itself militarily but also on the stability of its economy."

He added that as a result of declining U.S. military expenditures in Vietnam the cost of the war to the Vietnamese is growing, and Vietnam needs substantial economic aid to meet these increased costs without imperiling its economic stability.

"We must convince our Asian friends that a reduced military presence does not mean we are abandoning them," Mr. Rogers said about East Asia. "Our economic assistance program is one of the most effective ways to maintain our credibility as an Asian power."

Mr. Rogers said "The House reduction by a third of the Alliance for Progress loan request means that to fulfill the President's intention (to give greater attention to export and tourism promotion, capital market development, and scientific and technological exchange) . . . we would have to cut existing high priority

programs in agriculture and education."

"Continued limitations on U.S. assistance could threaten our efforts to support both the national development and cooperation of African states and place in question our genuine interest in the people of Africa."

Secretary Rogers urged support of U.S. military assistance and military sales programs. "If we are to encourage our friends and allies to take on more responsibility for their own defense, and to reduce our own role accordingly, then we will have to help them become more self-reliant militarily."

"In this respect (the programs) complement our economic assistance policy which encourages self-reliance in the economic field. Both the economic and the military programs about which I have spoken today are important tools in the conduct of our foreign policy. I urge the support of the Committee for them," he concluded.

CHAPTER II

MIDSIM II: PROGRAM PLANNING AND NEGOTIATION

This round of the game simulates the processes whereby U.S. Foreign Assistance Policy is translated into a specific country program. It simulates the process whereby an American AID Mission scrutinizes its existing country program in the light of changing U.S. policy and budget, changing Mission objectives and priorities, and host country reactions to the program. It simulates the collaborative planning of technical assistance in seven development sectors: Health, Agriculture, Education, Public Safety, Commerce and Industry, Urban Development, and Development Administration. The output of the game is a revised Country Assistance Program for Nanesa which is congruent with the realities and expectations of both donor and host country.

The game occurs in the "field" -- a simulated country called Nanesa -- and has an added cross-cultural dimension if played with "real Nanesan" nationals.

A. GAME PREPARATION

The Nanesan Cabinet. This play of the game requires a Cabinet of nine: a Prime Minister, a Minister of Information, and a Minister for each of the following departments: Health, Agriculture, Education, Internal Affairs, Commerce and Industry, Urban Development, and Administration. The players are preferably senior graduate students from the "North Africa, Near East, South Asia" region, who have had some government or administrative experience, whose English is reasonably good, and who are willing to role-play. If people are available with some substantive knowledge in their areas of responsibility, so much the better; but this is not critical. Ministerial talent is commonly political and interpersonal rather than substantive.

In preparing these players to confront the Americans, several Cabinet meetings should be held. In the first, the Game Manager should give a thorough briefing on the country of Nanesa, and then ask each Nanesan to improvise a biography he can feel comfortable with: his region, schooling, family situation, political experience, etc. The rule of thumb is for him to create a Nanesan autobiography that approximates his real life story, so there is less likelihood of his being "tripped up" if questioned by an aggressive counterpart. The description of Nanesa's regions and cities is sufficiently varied that most players can find a spot that approximates their home base, and from then on the improvisation is relatively simple. The Nanesans must be warned to never lapse from role until the final critique session, when their true identities can be "revealed". This is important, because the informal, one-to-one sessions are a very important part of this play of the game. In forming the Nanesan Cabinet, we have found the following additional guidelines to be useful:

- a) To the maximum extent possible, the Cabinet should organize itself. Once the Prime Minister has been appointed, the remaining assignments can be worked out by them. They may wish to change assignments from game to game, if they prefer variety, although most prefer to remain in a single spot and build up a formidable expertise.
- b) The Cabinet should be encouraged to improvise and act autonomously. This is particularly important in their reactions to American actions or initiatives, and helps give the game greater freshness and authenticity. It also provides the Nanesans a vent for some of their own nationalistic or ethnocentric feelings under the protective cloak of role-playing. However, the Nanesans may have to be occasionally warned that the objective of the game is a training experience for the Americans, otherwise the game might be brought to a standstill if the Nanesans get immersed in internal Cabinet

politicking. In essence, a wide range of improvisation is to be encouraged, as long as it is in a form that the Americans can observe and react to, within the broad perspectives of the game.

- c) The Nanesans should be paid for their effort. It is not only a demanding exercise, but compensation also puts them in a staff or professional relationship with the Game Manager thus permitting him greater control over game resources. He must be able to count on a trained, cooperative, reliable staff.
- d) The Nanesans should also be aware of the learning opportunities inherent in the roles they are playing. The game provides foreign graduate students with an unusual opportunity to carry on high-level relationships with U.S. officials; and to act as a working government during a broad range of challenges and crises. Most members of the Nanesan Cabinet -- many of whom are minor government officials in their own countries -- have regarded this gaming experience as an absolutely unique opportunity for acquiring cross-cultural and interpersonal skills.
- e) Wherever possible, the Cabinet should reflect a range of "types", i.e. young-old, racial and religious diversity, male-female, and "rough" or "smooth" personal styles.

The American Roles. In this play of the game, the key roles are the Division Chiefs; they carry on the negotiations with their Nanesan counterparts. They may wish to have their deputies represent them -- or accompany them -- to the table once in a while, but essentially the heart of the game is seven, one-to-one negotiations. The U.S. Ambassador has a largely ceremonial role in this play of the game. Aside from responding to the Prime Minister's welcoming remarks, and a policy statement to the Mission, he is largely available in the

eventuality that military or matters of high policy somehow enter this play of the game. Other suggestions can be made in his role description (see sample). The Mission staff (Director, Deputy, Public Affairs Officer, and Program Officer) are usually played by those who played the NESAs team, and the AID Director in MIDSIM I. Their tasks are laid out in their role descriptions and largely entail goal setting, coordination, forward planning, and Mission management.

In assigning the roles, the following guidelines are useful:

- 1) Persons who had major roles in MIDSIM I, should be given relatively minor roles in this round. In fact, the role-casting for MIDSIM III should also be kept in mind, so that during the three rounds of the game, each person has at least one cut at a major role.
- 2) While it is certainly an objective of gaming to cast a person in a role that will call out skills and knowledge that are not a part of his real-life routines, one must not put a person in a position in which he has little realistic chance of performing with some degree of success. This requires that the game manager study the players in each play of the game with future role assignments in mind.
- 3) The Game Manager may wish to use role-casting to create individualized learning situations. These will vary with every group of players, but the following are examples:
 - a) To compel a specialist to perform as a generalist, or vice-versa
 - b) To compel rivals to work as a team.
 - c) To compel a dominant figure to assume a lesser role, or a "deputy" role.
 - d) To compel an "operational" type to engage in long-range planning.

or thinking.

- e) To compel a sector specialist to assume a role in another related, or competing sector to view his real-life sector from another perspective.
- f) To put a field man in a headquarters position, or vice-versa.

The Game Manager will develop other learning strategies as he works through each game, but he must not undertake this sort of thing unless he is prepared to follow up with one-to-one feedback on each such assignment he makes. It is not enough to simply make this kind of deliberately provocative assignment unless one works to assure that it does in fact become a learning experience for the person involved.

Game Materials. Each person's role packet, which is distributed at the outset of the Game Preparation session, should contain the following:

1. Schedule for the day
2. Roster of all role assignments
3. Role description
4. AID/Nanesa Table of Organization
5. Background Notes: Republic of Nanesa
6. Official Delegation: Government of Nanesa
7. Republic of Nanesa: Country Assistance Plan
8. Selected Economic Data for the Less Developed Countries (included inserted data for Nanesa)
9. Project Description forms, with instructions for preparing them
10. Individualized materials.

The following suggestions indicate the kind of individualizing that can be done in role packets:

- a) **Division Chiefs and deputies:** there should be clippings, reports, and other data referring to their specific development sectors, health, education, etc.
- b) **Special role instructions.** The manager may wish to give the Ambassador particular instructions. He can do this on White House stationary, or in a letter from President Sarto, or the traditional "Special Role Instruction" form.
- c) **Special roles may be created.** It is often feasible to assign a "consultant" to the mission. This should be a player with special experience or expertise. He can act as an advisor where needed; he can also be used as a "process observer" and make a contribution during the critique session. But his main assignment should be to try to establish himself as an effective aide to the Mission. This is not an easy role, and may be reserved until a particularly talented individual is available.

Game Setting. The floor plans indicate the space requirements of MIDSIM II. An important part of this game occurs in informal settings, over coffee, in small rooms, and especially over meals. The game opens at breakfast with a formal welcome by the Prime Minister, so there is an opportunity for atmosphere setting here that can be exploited (flags, special menus, etc.). The players must be aware that **THEY ARE IN NANESA.**

Homework. In conducting the Game Preparation session, the Game Manager should attend to the following things:

- 1) He should pass out the role packets and allow some time for the players to sift through them and see what they have.
- 2) He should go over the basic components of the packet, dwelling first

on the Country Assistance Program (CAP). This is the AID program currently in effect in Nanesa. The negotiations about to be undertaken are a review of this plan in terms of new policy, budget, and experience. What will emerge from the negotiations is the CAP for the forthcoming fiscal year. It may be a continuation of these projects; modification of one or more projects; or a whole new set. The Assistance Objectives themselves may have to be changed in the light of the Legislation passed in MIDSIM I. All this is the subject of the game.

- 3) The Game Manager should next explain the MIDSIM approach to Project Description. The cover page of the Project Description form should be self-explanatory, but several things may need emphasis. First, a Project Description is to be regarded as "self-contained", i.e. the description should include everything that is necessary and sufficient for the completion of the project within the time frame indicated. Second, it must be kept simple. This can never be over-emphasized. Third, it is to be a mutual product, mutually agreed upon.
- 4) Finally, the Game Manager should convert the meeting into the Mission Headquarters and step aside. The Mission Director will take over, set up a series of meetings for the next few hours, and give special assignments (such as setting up the "think tank"). It would also again be advisable for the Game Manager to be available during portions of the homework period.

B. GAME PLAN

The game plan for the day is summarized on the schedule, and detailed in the role descriptions. During the Game Preparation session, the Game Manager must make clear the objectives of the day's gaming, and the processes by which these objectives are to be attained. These have been stated at the outset

of this chapter, and restated in various forms in the role descriptions.

The actual plan of the game involves five stages, concluding with a critique session.

1) **Breakfast.** The game actually begins at breakfast. The setting is the Nanesan Conference Center. The Cabinet is seated at a long table; the Americans at a series of adjacent tables (see floor plan). Every attempt is made to adhere to protocol. The Prime Minister expresses the regrets of President Sarto who is on tour of the member nations of the Intergovernmental group. He then outlines Nanesa's basic policy of "dynamic neutralism" and its Development Objectives. He wishes the conferees well and introduces the members of his Cabinet. The U.S. Ambassador then responds with a statement of U.S. friendship, and may say a few words about U.S. Assistance Policy. He introduces the AID Mission Director. As breakfast ends, attempts are usually made at informal contacts with counterparts. This is facilitated by having all players wear name tags. At this time, the Ambassador may make an appointment with the Prime Minister for later on, and the Minister of Information will relay to the Public Affairs Officer his availability for a press conference.

2) **Headquarters Activity.**

AID: There may be informal meetings with counterparts; the Mission Director must be on top of all intelligence that is being gathered and making sure that his people are developing their project proposals and negotiating positions.

If a Press Conference is called, the Mission must make sure that its key questions are presented. Some time must be allowed for analysis of the information gathered.

Nanesa: The Cabinet simply determines what its goals are; what its priorities are; and what -- if any -- modifications of existing projects they will seek. Any instructions from President Sarto must always be attended to.

- 3) Staff and Cabinet Meetings. The AID Staff meeting will be taken up by the announcement of Assistance Objectives and their priority; presentations of each Division Chief of his project and budget request, and the allocation of the funds each Division will have as it enters negotiations. The Nanesan Cabinet undergoes a similar exercise so that both sides know what they want, what they are willing to give, and what they expect in return.
- 4) Project Negotiations. These occupy two and a half hours; occur in the Negotiating Room; and may be interrupted by the counterparts or by their superiors. The objective is simply to arrive at agreement on a project for each of the seven sectors. The time to be covered by the project is through FY 1974. It is generally assumed that the project will be related to the one presently underway, but this does not always happen.
- 5) Think Tank. While the negotiations are underway, the Program Officer -- or someone else designated by the Mission Director -- is chairing a planning group comprised of the Deputy Chiefs. The task is to design a sequence of projects in each sector extending forward through 1990 (i.e. three projects to follow the one currently being negotiated by the Division Chiefs). This exercise is in preparation for the next play of the game, but also provides a pool of contingency projects on which to draw in case new ideas are needed in the current negotiations. It is the first effort

in the game at long-range thinking.

- 6) Critique session. This is held at 3:30, and may be attended by the Nanesans. They should be cautioned to remain in character so as not to compromise their role-playing in MIDSIM III. Leadership in the critique will be taken by whatever observers have been used. The Game Manager, as usual, makes a major input; but he may be assisted by whoever was responsible for special preparation sessions (such as the person who taught a unit on collaborative planning, or on "futurism"). He may also have assigned a player -- usually the consultant role -- to act as process observer. He should provide feedback. It would probably be most appropriate for the Game Manager to give some feedback on the management of the Mission and contrast it with the management of the Cabinet (which will provide an entree for a Nanesan input into the critique).

A major portion of the time should be spent simply discussing the cross-cultural interpersonal dynamics that occurred during the day as individuals and groups sought to achieve agreement on projects that promote their objectives.

C. CRITIQUE.

In addition to the foregoing comments on the structure of the critique session, there are substantive questions that warrant highlighting. It may be useful to actually include an outline of "Things to Watch For" in the players kits (see example). Essentially, this round illustrates a wide range of "relationships" and "processes". At the Mission headquarters there are relationships with staff, ad hoc teams (think tank), field people, the Ambassador, Nanesans, and, if programmed, "outsiders" or consultants. In the field, there are relationships between Chief and Deputy, with counterparts, with superiors and outsiders. Any of these relationships can be instructive if behavior

can be observed, captured, and discussed with the participants.

The following processes can be observed, and questions asked:

- . Strategy-tactics (What do we want? How do we get it?)
- . Goal setting (How set; how changed; by whom?)
- . Cutting the pie. (What is an effective project presentation? How is the money allocated?)
- . Project description. (How do we identify problems, define components, specify contributions, agree on importance?)
- . Information flow. (How is data gathered, distributed, used? Do you get what you need?)

Questions such as these invariably yield a rich contribution to learning.

This round of the game is relatively straightforward on the surface, but provides a setting for some very intricate and subtle interpersonal relations.

Questions of personal style and effectiveness are often a major feature of the critique discussion.

D. GAME MATERIALS

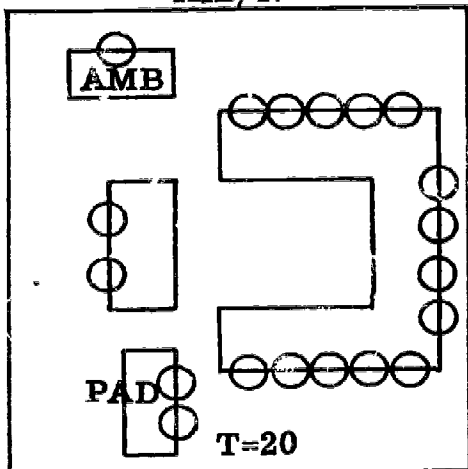
All the materials essential to the conduct of MIDSIM II have been assembled in the following collection. It should be noted that published materials, clippings, and other materials used for individualizing packets can only be hinted at, but add considerably to the success of the game. One particular item that all players should have is the following:

Selected Economic Data for the Less Developed Countries
Office of Statistics and Reports, AID (May 1970) 10¢

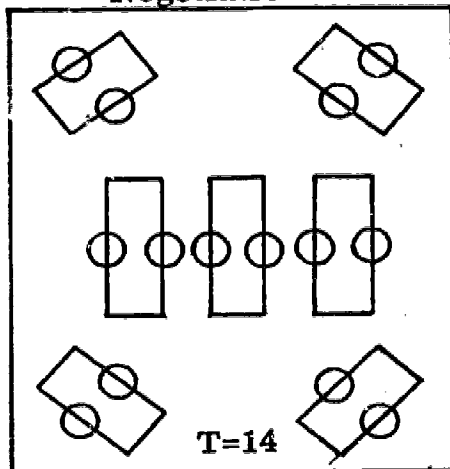
We have included a page from this document, in the present materials, to indicate how we alter it to include "Nanesa".

MIDSIM II: Space Requirements

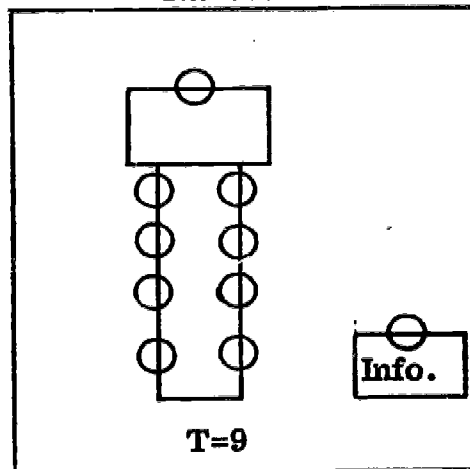
AID/N



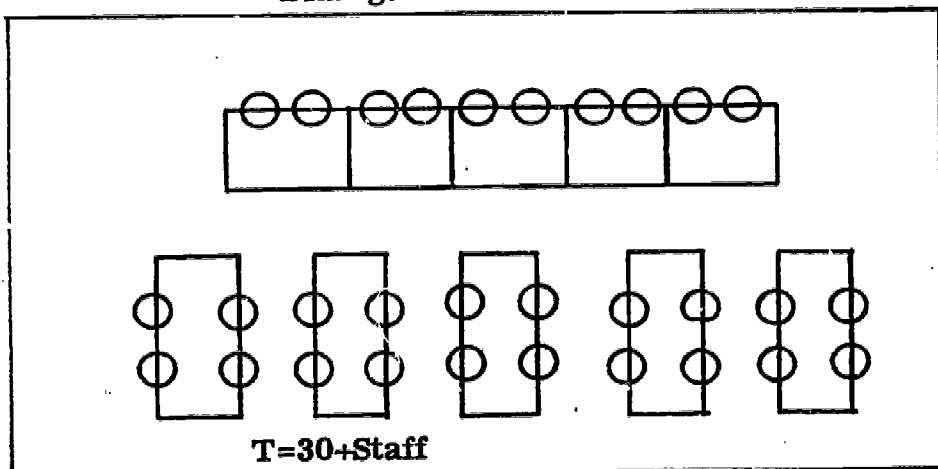
Negotiation



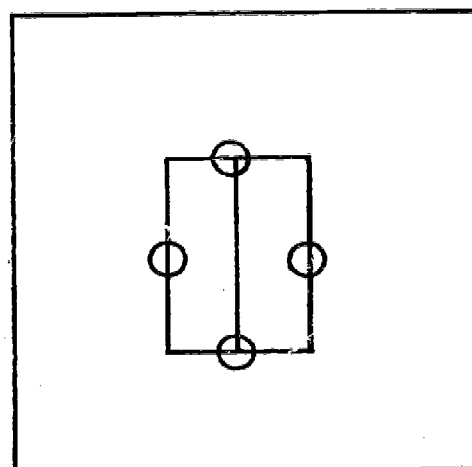
Nanesa

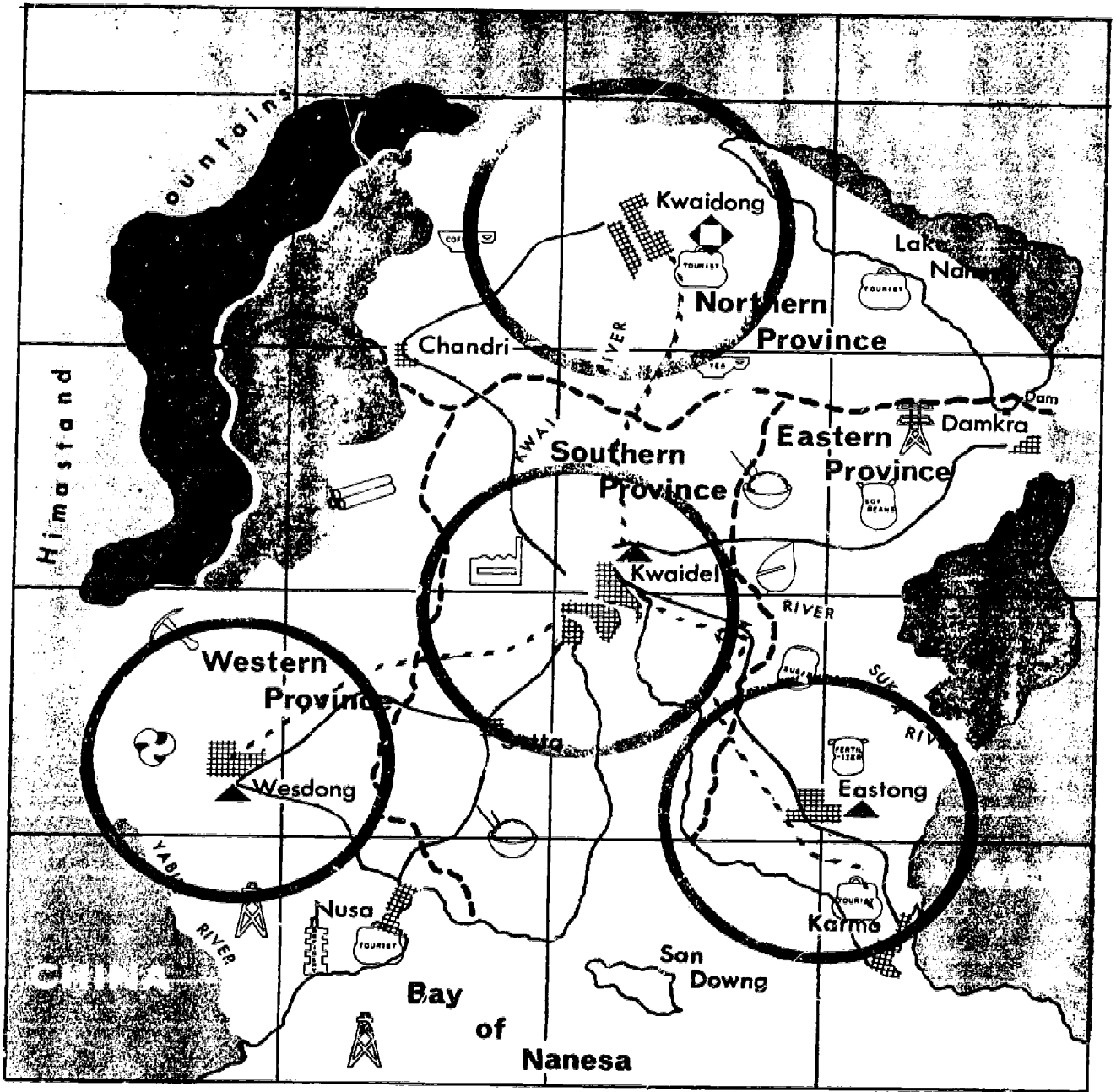


Dining: Breakfast & Lunch



Private Conferences





MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM II: PROGRAM PLANNING AND NEGOTIATION

| | | |
|--------------|---|---|
| 8 AM | BREAKFAST with Nanesan Cabinet Members | |
| 9 AM | AID/N Headquarters Nanesan Cabinet Room | Room 5-6 Room 1-2 |
| 10 AM | COFFEE AVAILABLE IN HALL | |
| 10:15 | AID Staff Meeting Nanesan Cabinet Meeting | Room 5-6 Room 1-2 |
| 12-1 | LUNCH HOUR | |
| 1 PM | PROJECT NEGOTIATIONS AID/N Headquarters Nanesan Cabinet Room | Room 3-4 Room 5-6 Room 1-2 |
| 3 PM | COFFEE AVAILABLE IN HALL | |
| 3:30 | CRITIQUE SESSION | Room 11-12 |
| 5 PM | ADJOURN | |

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM II: ROLE ASSIGNMENTS

JANUARY 15, 1971

| | |
|--|-------------------|
| U.S. AMBASSADOR TO NANESA | RICHARD ENEY |
| U.S. AID MISSION TO NANESA | |
| DIRECTOR | ROBERT WESSELMANN |
| DEPUTY DIRECTOR | DON OLSON |
| PROGRAM OFFICER | JUD WILLIAMS |
| PUBLIC AFFAIRS OFFICER | WILLIAM MEEKS |
| HEALTH DIVISION, CHIEF | PHILIP BUECHLER |
| DEPUTY | LOUIS MACARY |
| EDUCATION DIVISION, CHIEF | NORMAN OLSEN |
| DEPUTY | CLIFFORD BELCHER |
| AGRICULTURE DIVISION, CHIEF | ROBERT RICHARDSON |
| DEPUTY | RICHARD HILL |
| PUBLIC SAFETY DIVISION, CHIEF | CHARLES NESBITT |
| DEPUTY | MARION FORD |
| COMMERCE & INDUSTRY DIVISION, CHIEF | MICHAEL WISEMAN |
| DEPUTY | DAVID PAULSEN |
| URBAN DEVELOPMENT DIVISION, CHIEF | LOUIS ELDREDGE |
| DEPUTY | BOBBY RAMSEY |
| DEVELOPMENT ADMINISTRATION DIVISION, CHIEF | AUBREY BALLARD |
| DEPUTY | HAROLD VICKERS |
| MANAGEMENT CONSULTANT: | WILLIAM RHODES |

**MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR
GOVERNMENT OF NANESA: OFFICIAL DELEGATION**

| | |
|--|---------------------------------------|
| PRESIDENT | ABDUL SARTO (Unable to attend) |
| PRIME MINISTER | SAMIR EL ANNABI |
| DIRECTOR OF INFORMATION | MIRAN SARKISSIAN |
| MINISTER OF HEALTH | TRAN ANH TUAN |
| MINISTER OF AGRICULTURE | THIRAYUTH LOLERTRATNA |
| MINISTER OF EDUCATION | AHMED TAWATI |
| MINISTER OF INTERNAL AFFAIRS | VU KUAN HOAI |
| MINISTER OF COMMERCE & INDUSTRY | UMIT BERKMAN |
| MINISTER FOR URBAN DEVELOPMENT | PATOM MAMIROJANAMA |
| MINISTER FOR ADMINISTRATION | JAMES SANPHA KOROMA |

MIDSIM II: PROGRAM PLANNING AND NEGOTIATION

A simulation in which the players may test and observe the following:

A. RELATIONSHIPS

1. HEADQUARTERS (Chief, Deputy, IO, PA)
 - a) Staff
 - b) Line
 - c) Ambassador (and Washington,
 - d) Nanesan Officials
 - e) Consultants/outsideers

2. FIELD (Division Chiefs, deputies)
 - a) Chief-deputy
 - b) Nanesan counterparts
 - c) Superiors
 - d) Outsiders

3. CONSULTANT/OUTSIDERS
 - a) Definition of role
Establishment of position
 - b) Effective utilization of talent: by mission, by self

B. PROCESSES

- 1) Strategy-tactics (What do we want? How do we get it?)
- 2) Objectives (How determined and changed)
- 3) Cutting the pie (Project advocacy; decision-making)
- 4) Collaboration (with Nanesans; with Americans)
- 5) Project Description (Problem identification, component definition; contribution specification)
- 6) Information flow (gathering, distributing, using intelligence)

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM II: PROGRAM PLANNING AND NEGOTIATION

ROLE: DIRECTOR, AND DEPUTY DIRECTOR, AID/NANESA

RESPONSIBILITIES:

The overall objectives of this phase of the game are stated in the instructions to the Divisions (a copy is enclosed). Your specific responsibility is to manage the mission in such a way that those objectives are attained. Specifically, you should come up with a good Program, consisting of a project for each sector, that helps achieve the Agency's stated goals for Nanesa, and is consonant with the wishes of Congress and the Nanesans themselves. You set the priorities for the Mission; these should be set after discussion with the Ambassador and the Prime Minister. This is done by rank-ordering the five Development objectives. This should be announced to the members of your Mission, and should serve as guidelines in Programming. You also decide on the amount of money to be spent in each sector. Again, your sense of priorities should guide you.

YOUR TASKS:

8 AM BREAKFAST in the Dining Room of the Nanesan Conference Center. You should sit with the Ambassador. He will introduce you to the Prime Minister. This is a ministerial level meeting; you and your staff should dress and act accordingly.

You and the Ambassador should arrange to meet with the Prime Minister sometime between 9 and 10, for informal discussions about Nanesa/American goals and priorities.

9 AM AID HEADQUARTERS. Get your people organized. They should be meeting informally with counterparts; your PA officer should bring in the Nanesan Information Man for questioning. The deputies should be working with the Program Officer to make sure they have a good negotiating position. You should be seeing the Prime Minister. In short, a lot of intelligence is being gathered during this hour that will be extremely useful to you, providing you discover how to assemble it and use it.

10:15 STAFF MEETING. You preside. Go over the Development Objectives, in order of priority. Indicate what you have learned from PM, and see if any contrary information has been learned. Talk about the budget, in light of what you felt to be the sense of Congress last week.

The main portion of the meeting should be brief (10 minutes) presentations by your seven chiefs on their projects and their budget requests. Make sure they are consonant

-2- DIRECTOR & DEPUTY DIRECTOR

with your objectives. Your Program Officer should have done some screening, and have their budget requests within reason.

YOU MUST ALLOCATE THE AMOUNT THEY HAVE TO PLAY WITH IN THE AFTERNOON NEGOTIATION, together with any specific guidelines based upon your assessment of the situation.

WATCH THE CLOCK. By lunch time, you should have seven projects and the money allocated to each, with advice to your Chiefs on the flexibility they have in the forthcoming negotiations.

12-1 LUNCH HOUR. You may wish to seek out the PM for lunch; or meet with your key staff.

1 PM NEGOTIATION. You should remain available, and keep track of where the negotiations stand. You may wish to call some people in from negotiation for particular advice.

There may be impasses that you must settle at higher levels (if the impasses involves military or general foreign policy, be sure to immediately alert the Ambassador).

3:30 All Project Agreements should be turned in at this time. If some of your chiefs have been unable to reach agreement, this means that you have no program in that sector when the next round of the game begins. Negotiation in that sector will resume in MIDSIM III. The hope is that you have seven signed agreements by 3:30.

3:30 CRITIQUE SESSION. All staff and process observers.

WELCOME TO NANESA: TASH GONDO KAI!

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM II: PROGRAM PLANNING AND NEGOTIATION

ROLE: PUBLIC AFFAIRS OFFICER: AID/NANESA

YOUR RESPONSIBILITY:

Your role is information: for those within the agency, and for those outside. You should be on top of everything. During the staff meeting, you should man the black board so that the group has a picture of the overall program at any point in the discussion. You should be available if the Nanesans want a briefing on the U.S., AID, or anything else (be sure to clear information about which you feel there might be some sensitivity). Make yourself indispensable!

Your day starts at breakfast at the Conference Center at 8 AM.

Be sure your people are wearing their badges and have appropriate dress.

Between 9 and 10 (consult Director) you should bring in and introduce your counterpart, the Nanesan Minister of Information. He will respond to questions (press conference style) for a half hour.

You work for the Director, report to him, take orders from him, advise him on the optimal flow of information.

REMEMBER: YOU ARE IN NANESA!

TASH GONDO KAI!

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM II: PROGRAM PLANNING AND NEGOTIATION

ROLE: PROGRAM OFFICER

YOUR RESPONSIBILITIES:

You are the Director's right hand man, for you are on top of all the information about all the projects at any given moment.

Your task is to assure that the projects do, in fact, promote the stated objectives that AID has for Nanesa, and that this is done within the budget. It is important for you to keep informed as to what each negotiation is costing, so that an overage in one sector can be shifted to another sector to assure that the budget is most effectively used.

You chair the Program Planning Committee of the mission, which means that you work with the Deputies in designing a sequence of projects to extend to 1990. These projects should be related to present projects and in tune with the perceived needs of Nanesa and the probable direction of U.S. policy. This is a "think tank" exercise which should yield three projects for each sector, which can be the basis for discussion in MIDSIM III. They may also be available in case negotiation on the present project bog down and a different approach seems needed.

TASH GONDO KAI!

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM II: PROGRAM PLANNING AND NEGOTIATION

ROLE: U.S. AMBASSADOR TO NANESA

OBJECTIVE: As American Ambassador to Nanesa, you head the Country Team, speak for the President, and are the authority with regard to matters of high policy. For purposes of this simulation, all non-AID matters (such as military, relations with other countries, protocol, and security) should be referred for your decision. You are the interpreter of the President's Foreign policy, and should be familiar with the policy products of MIDSIM I and recent Presidential pronouncements. In general, you are to provide the broader policy context of which the foreign assistance effort is a part.

YOUR RESPONSIBILITIES: You are a Nixon appointee and have been in Nanesa less than a year. You may use your own name, and should have some biographical details of your career available in case you are questioned. Your role should be carried out with appropriate dignity, but feel free to improvise any personal style or characteristics you wish.

8 AM BREAKFAST. Nanesan Conference Center. You should make contact with the Prime Minister in any manner you deem appropriate. The Nanesan cabinet will be seated at the head table. You are in their country. They are the hosts. After the welcome by the Prime Minister, you should respond on behalf of the U.S., and you may wish to introduce key members of the American delegation.

9 AM AID/N Headquarters. You may wish to speak to the mission for not more than ten minutes on themes such as the following:

- 1) Importance of Nanesa to U.S. Foreign Policy.
- 2) Our objectives for Nanesa -- and theirs; the importance of joint efforts.
- 3) Our trend toward multilateral aid; our policy of having one good "presence" project in each development sector.

Between 9 and 10, you and the Mission Director should set up a meeting with the Prime Minister. This should have as its objective the attempt to discern Nanesa's development objectives, and its priorities.

- 10-12 YOU HAVE NO SPECIFIC ASSIGNMENTS UNTIL LUNCH, but should remain available to the Mission Director if needed.
- 12 LUNCH HOUR. Arrange to sit with the Prime Minister if possible.
- 1 PM You should remain at AID headquarters during negotiations, unless you receive other instructions from Washington. You settle all impasses having to do with military matters, or U.S. foreign policy.
- 3:30 CRITIQUE SESSION. All attend.

REMEMBER: You are in Nanesa.

TASH GONDO KAI!

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM II: ROLE

CONSULTANT TO THE AID/N MISSION DIRECTOR

Washington has offered your services to AID/Nanesa, at no cost to the mission, and the mission has accepted. Washington feels that this round of project negotiations is important and that with a new Mission director in charge, expert advice may be useful.

The role of the consultant is a difficult one and is, to a large extent, created by you. Think of the consultants you have worked with, and see if you can get an effective and useful relationship going with the Mission.

TASH GONDO KAI!

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM II: PROGRAM PLANNING AND NEGOTIATION

ROLE: DIVISION CHIEFS AND DEPUTY DIVISION CHIEFS

OBJECTIVE: The objective of this phase of the game is to translate the legislation which was the product of MIDSIM I into a development program for Nanesa. Specifically, you will negotiate with your Nanesan counterparts a program of seven technical assistance projects which are consonant with AID's objectives for Nanesa, are acceptable to the Nanesans, and are within the policy and budgetary constraints of the legislation. These projects may be continuations or modifications of existing projects, or they may be new. Together, they will constitute AID's technical assistance program in Nanesa to FY 1975.

YOUR RESPONSIBILITIES:

- 8 AM Breakfast in the Dining Room of the Nanesa Conference Center. The Nanesan Cabinet will be present, and we hope to have a few words from the Prime Minister and our Ambassador. You should attempt to meet your counterpart, and, if possible, arrange to meet him sometime between 9 and 10 for informal talks.
- 9 AM AID/N Headquarters. Chiefs and Deputies will work on the projects to be negotiated. Informal talks with your counterparts will occur, if you have been successful in arranging them. The Nanesan Minister of Information will visit the Headquarters and answer any questions about his country; this briefing will be chaired by the Mission Public Affairs Officer. Each division should be represented. The objective of this hour is to get some sense of Nanesan goals, priorities, and current situation.
- 10:15 AID Staff meeting. The Mission Director will chair, and each Division will be expected to explain and justify its proposed project and its estimated cost. Time will be limited, so work on a succinct and effective presentation that will get you your required cut of the pie.
- 12-1 LUNCH HOUR. You may wish to seek out your counterpart for lunch.

-2- DIVISIONS CHIEFS AND DEPUTIES

- 1 PM PROJECT NEGOTIATIONS. Your objective is to produce a mutually agreeable technical assistance project in your sector covering the period to FY 1975. It should be described on the official form, and signed by you and your counterpart. You should keep in touch with Headquarters by messenger -- or you may request a temporary adjournment to come back and consult with Headquarters. You may also be summoned back to Headquarters for special purposes.
- 3 PM COFFEE IS AVAILABLE IN THE HALL
- 3:30 Hand your Project Agreement to the Program Officer, and take a seat for the Critique session.
- 3:30-5 CRITIQUE SESSION. The events of the day will be discussed, and outside process observers will join the group for this discussion which will be chaired by the MIDSIM Director.

REMEMBER: You are in Nanasa!

TASH GONDO KAI!

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR
SYRACUSE UNIVERSITY

PROJECT DESCRIPTION

In simulation, it is essential to simplify in order to highlight the features to be studied. In attempting to describe a complex technical assistance project on a single page, while capturing its essential ingredients, it is even necessary to over-simplify (or "under-complicate").

We are interested in studying four basic components of a project:

- 1) Its targets, or goals. We limit ourselves to three; there may be fewer, but no more.
- 2) The actions necessary to reach those targets. We limit ourselves to three actions per target.
- 3) The contribution of the host-country to the project.
- 4) The contribution of the U.S. to the project.

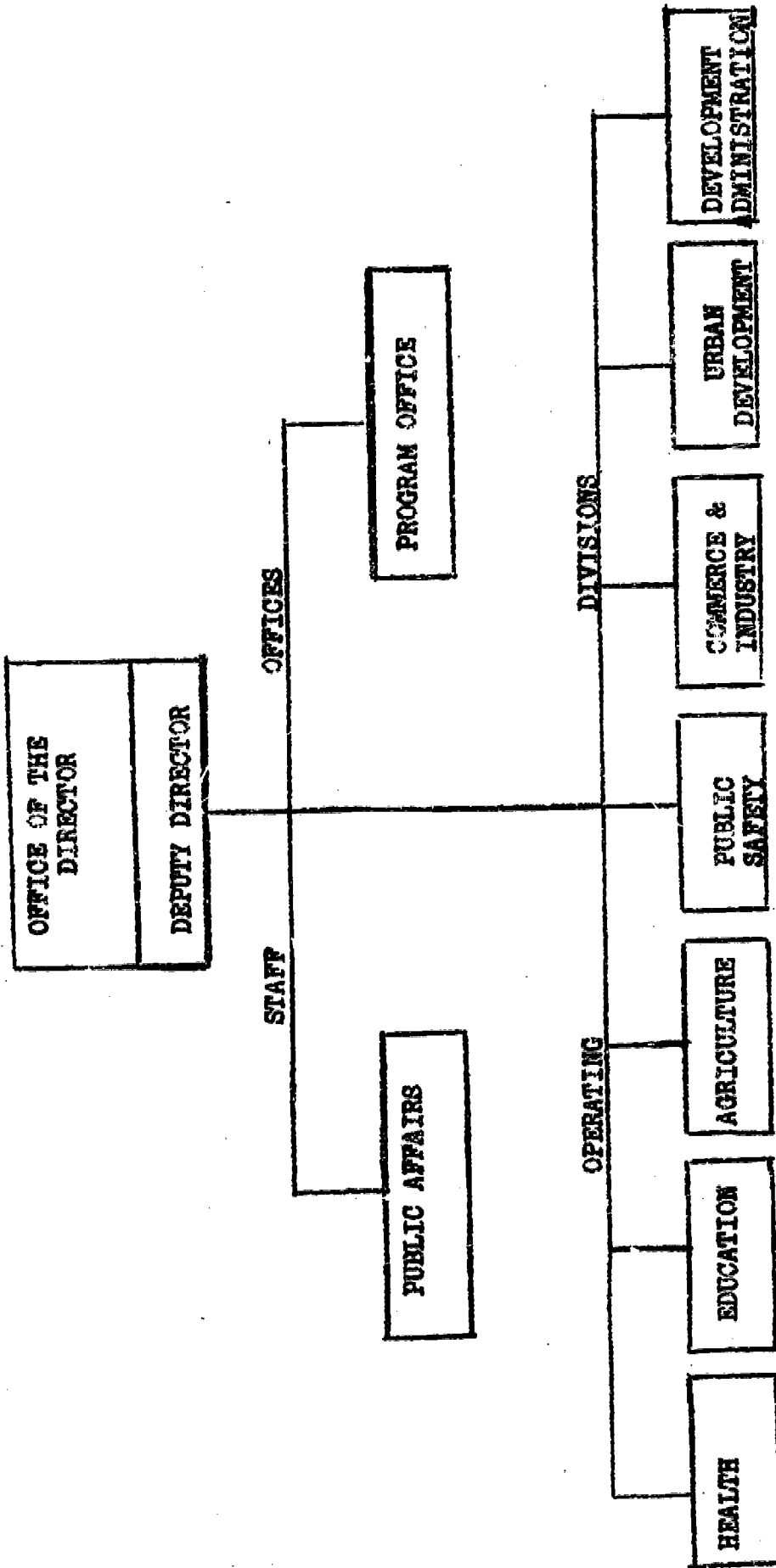
The Project Description should be conceived of as "self-contained", i.e. it should summarize everything that is necessary to attain the targets -- within the time frame designated at the top. In other words, if there are no outside interventions, and everything is done as stated on the Project Description, the Targets will be attained in the time period stated. Targets will not be attained if something goes wrong: actions cannot be taken, or contributions cannot be made. This will be due to unforeseen interventions: strikes, war, budget cuts, political changes, or numberless other factors. But if no relevant interventions occur, it will be assumed that the project will be completed as described. This, therefore, is an exercise in describing the necessary and sufficient ingredients of a jointly agreed upon technical assistance project.

| | |
|---------|-----------------------|
| let | Country Concur |
| Sector: | Final Obligation Year |

| <u>Project Targets</u> | |
|------------------------|-----------------------|
| U.S. Concur | Country Contributions |
| 1. | 1. |
| 2. | 2. |
| 3. | 3. |
| 4. | 4. |
| 5. | 5. |

| <u>Project Actions</u> | | <u>AID Contributions (U.S. dollar costs in thousands)</u> | |
|------------------------|--|---|--------------------------------|
| | | Components | Next fiscal year |
| | | | Total through final obligation |
| 1. | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |
| 5. | | | |
| 6. | | | |
| 7. | | | |
| 8. | | | |
| 9. | | | |
| TOTAL | | | 1831 |

ORGANIZATION OF US/AID NANESA





BACKGROUND NOTES

REPUBLIC OF NANESA

-85-

POPULATION: 50,000,000 (UN 1967 estimate)

CAPITAL: KWAIDONG

NANESA

The Republic of Nanesa is a South Asian mainland country with an area of approximately 500,000 square miles. It embodies most of the resources, problems and potentialities of that vast arc of countries extending from North Africa, through the Near East and South Asia, and as such it is frequently studied as an archetypical representative of the area. It is bordered by the USSR on the east, Communist China on the West, and India on the north. While Nanesa's climate is basically tropical, its mountainous and upland areas in the north provide a temperate contrast and escape from the heat of the lowlands and delta.

Nanesa is bowl-shaped; its rivers rise in the Himastandi mountains to the north and drain into the Bay of Nanesa, which opens onto the Pacific. The largest of the rivers, the Kwai, passes through the capital, Kwaidong, and its delta is the site of the largest city, Kwaidel. There are four provinces: the Northern Province has the national capital, Kwaidong, and its mountains and Lake Nanesa make it attractive to tourists and the site of many summer homes. It is often compared to Kashmir. The Western Province is dry with mountains and forests to the northwest and is separated from China by the Yabu River; its capital of Wesdong has 300,000 people. The Southern Province is the most densely populated and contains Kwaidel, a port city of two million people. It is hot and humid and lies on the Bay of Nanesa. The Eastern Province is the most productive, all-purpose agricultural region. Its capital, Eastong, has 500,000 people and is the site of the Agricultural University.

Nanesa's flag consists of five horizontal stripes. The central stripe is blue and symbolizes the courage Nanesans draw from Lake Nanesa; the blue stripe is banded by beige stripes—the Nanesan color for purity; and the outer stripes are orange, symbolizing knowledge. The motto of Nanesa—often used as a salutation—is "Tash Gondo Kai," which is usually translated as "May you dwell in the lap of Heaven." The Nanesan reference to their country as the lap of Heaven indicates their strong feeling that it possesses all that man could desire.

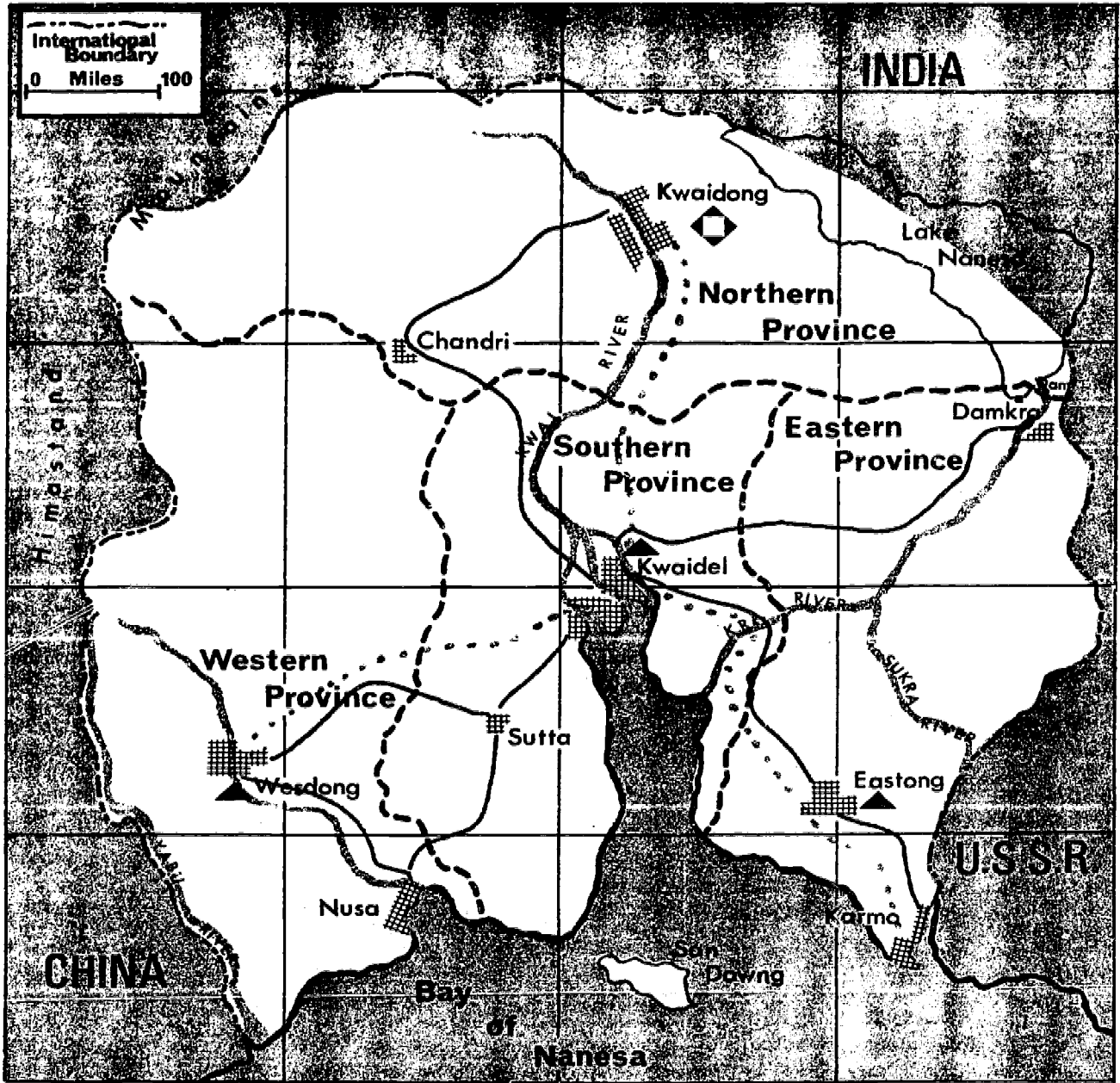
THE PEOPLE

Nanesa's 50 million people are its greatest resource. The country is 60% Muslim, and the remaining 40% is divided among Hindus, Buddhists and Christians. The Buddhists comprise the Chinese merchants, located in the cities. They tend to center in the Western Province and in the Kwai side of Kwaidel. The Hindus are found largely among the Indian merchants who are strongest in the Eastern Province in Karmo, and on the del side of Kwaidel. The Christians consist of some upper class Episcopalians left from colonial days. There are several Roman Catholic schools, and the Seventh Day Adventists operate a school and modern hospital in Chandri. Freedom of religion is guaranteed under the constitution, but incidents of religious strife are not uncommon. The official language is Nanesan (a mixture of Malay and Arabic), but English is the official second language. There is compulsory education through age 12, and the country is considered 40% literate.

The University of Nanesa has its main campus in the capital and its Agricultural School in Eastong. There is a Muslim University in Wesdong, and the Nanesa Institute of Technology is located at Kwaidel, with a smaller research branch at Damkra. There are several smaller agricultural schools in the provinces.

HISTORY

Nanesa has been the scene of an advanced civilization for almost 1000 years; it has also been the scene of repeated incursions by imperialist forces. To the west, China has repeatedly thrust beyond the Yabu, and to the east the Russians have pushed to the warm waters of the Bay of Nanesa. The Muslim civilization, stemming originally from merchant settlements, has managed to persist despite such incursions. During the 17th century, Nanesa came under British rule and remained a part of the Empire until its independence in 1945. The independence movement began among Muslim students early in the 20th century, and during the Japanese occupation the underground was split into two factions—the Communists and the Muslim



Nationalists—both of which emerged as political parties after the war. Meanwhile, a group of young officers—British and American-trained—joined in the liberation effort, and when the Japanese surrendered in 1945 this group, under Col. Oblong, began negotiations with the British for immediate independence. A settlement was achieved in 1947, and Nanesa became a member of the United Nations.

A charismatic leader, General Oblong gradually assumed full control of the country while maintaining the trappings of parliamentary democracy. By 1965, failing health, mismanagement and corruption led him to an adventurist foreign policy which opened the doors to increased influence by the Peking-oriented communists. Alarmed by this, the Army, under the leadership of young officers trained in the United States, seized control of the country and placed Oblong under house arrest. He was permitted to retire to the Riviera and General Abdul Sarto was declared president for a five-year term, at which time elections will be held.

GOVERNMENT AND POLITICS

The Nanesan Constitution is patterned after Western European parliamentary systems. The President has limited formal power and is elected for five-year terms. There is a unicameral parliament of 100 members, and the cabinet is responsible to the legislature. There are four legal parties with representation in the parliament. The government party—the New Order Party (NOP)—has 60 seats; the Muslim Nationalists (PMN) has 20 seats; the Merchants Alliance (HOB) has 10 seats; the Christian Socialists (SOC) has 10 seats. The Nanesan Communist Party (PKN) is Maoist; it is outlawed but claims an underground of a half million members. The PKN is served by an underground press and a radio station just over the Yabu.

The four provinces are ruled by governors appointed by the Prime Minister and subject to administrative control by the Minister of Internal Affairs. Their functions include the maintenance of law and order, the administration of justice, the conduct of elections, and the collection of taxes and revenue. The governor is assisted by a deputy governor whose function it is to oversee and coordinate development projects in the province, draw up development plans, and coordinate the field offices of the central ministries.

ECONOMY

Nanesa's size, fertility and abundance of natural resources give it the potential for self-sustaining economic growth. The Southern Province is the rice-bowl of the country; the East-

ern Province has much more diversified agriculture with its principal products being sugar, rice, tobacco and soya beans. Cotton is grown in the Western Province, and tea and coffee are grown on the slopes of the mountains in the north. The Western Province is rich in lumber resources and also has deposits of bauxite and manganese. There are also oil deposits in the Western Province and offshore explorations are also proving fruitful.

Nanesan industry is embryonic but growing. The power from the high dam at Damkra is the basis for a fertilizer industry and other light industry in the eastern half of the country. There is a textile and clothing industry in Kwaidel, sugar refineries in Karmo, cigars and cigarettes in Sutta, and paper mills near Kwaidong. A tractor plant is also in operation in Chandri.

Fifteen years of Oblong rule had made a shambles of Nanesan economy. Inflation has been reduced and the Rupik has remained relatively stable at 10 to the U.S. dollar. The Oblong structure of economic controls was dismantled, and there appears to be a return to free enterprise with a welcoming of foreign investment. Nationalized properties have been returned. Nanesan gross national product is now estimated at about 10 billion U.S. dollars per year.

Nanesa's recovery program had "stabilization" as its priority; it is now shifting to "development," guided by a Five-Year Development Plan. The United States has joined with nine other nations to form the Intergovernmental Group (IGG) to provide needed aid and coordination of assistance to Nanesa's economy. The IGG is chaired by the British and includes, in addition to the U.S., Japan, Australia, New Zealand, West Germany, France, Canada and Kuwait.

COMMUNICATIONS AND TRANSPORTATION

The Nanesan Broadcasting Company (NBC) is government-owned and offers nationwide radio as well as television in the four major cities. There is one nation-wide daily newspaper, The Times; but there are numerous regional papers. In addition, religious groups have weekly papers and magazines that usually offer commentary on public affairs.

There are 3000 miles of first-class paved roads in Nanesa. Most of the remaining roads are adequate during the dry season but impassable during the monsoon (mid-June to late July). Passengers and cargo are carried on all the rivers, and there is a growing merchant fleet consisting largely of Japanese bottoms obtained in reparation. The major port is Kwaidel, but Nusa in the west and Karmo in the east are growing in importance. The British-built railroad service (totalling 1500 miles) connects the four

major cities and carries both passengers and freight.

FOREIGN RELATIONS

Nanesa has traditionally favored a non-aligned policy which it calls "dynamic neutralism." Its central position between the three mainland giants of Asia make such a policy a matter of survival. Its historic record of invasion elevates "anti-imperialism" to a central tenet of its foreign policy pronouncements. Nanesa has had a running dispute with India over the water rights to Lake Nanesa. The issue is complicated by the fact that both countries have endowed the lake with religious or ritualistic importance. While Nanesa was originally sympathetic toward the Chinese revolution, it bitterly resents and actively resists the Chinese support of the PKN anti-governmental efforts. Toward the Soviet Union a *modus vivendi* has been arrived at through granting the Soviets certain rights in the port area of Karmo. The Russians have also participated in the construction of the high dam at the foot of Lake Nanesa and the development of the power net stemming from it. Nanesa has no military alliance and derives training and equipment from both the U.S. and the USSR, although the original cadre and organization of the army is clearly patterned after the British.

RELATIONS WITH UNITED STATES

The United States was an early supporter of Nanesan independence and mounted a considerable assistance program during the Oblong regime. But as Oblong's pro-Peking orientation became more apparent, this assistance was withdrawn. The virulent criticism of the U.S. and its policies, the harassment of its citizens, and the nationalization of its properties dictated a severance of relations in 1965. Today, this era is history. The new government of President Sarto has returned American property to its owners, compensation has been paid for losses, and there is every evidence that Nanesan leaders are conducting constructive and responsible relationships on the world scene. Both American trade and investment are increasing,

and the American role in economic assistance is growing. U.S. policies toward Nanesa reflect the following basic objectives: we seek a politically stable Nanesa, enjoying full independence under a responsive government and playing a responsible role in South Asia and the world. It is our policy to support Nanesa's own efforts to develop its economy and more widely disseminate these benefits to its people.

PRINCIPAL GOVERNMENT OFFICIALS

President: General Abdul Sarto (also Chief of Defense)
Prime Minister: General Gandu Primo (also Minister of Foreign Affairs)
Minister of Agriculture: Dr. Bakir
Minister of Commerce and Industry: General Fazza
Minister of Education: Dr. Longo
Minister of Health: Dr. Bandu
Minister of Internal Affairs: General Kali
Minister for Presidential Projects: General Rasho

PRINCIPAL U.S. OFFICIALS

Ambassador: Nelson Anderson
Political Counselor: Lippman Alsop
U.S. AID Director: Joseph Aldrich
Deputy Director: William Farnum
Public Affairs Officer: Grant Lee

The U.S. Embassy is located at No. 7 Camposh Circle, Kwaidong.

READING LIST

Heegaard, Fleming, Nanesa Statistical Abstract, Syracuse, 1969.
Iversen, Robert, The Nanesan Simulation, Syracuse University, 1969.
Reagen, Michael, Nanesan Management: A Unique Approach, Syracuse University, 1970.
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Sarto, Abdul, Beyond Oblong, Kwaidong, 1966.

EPUBLIC OF NANESA

COUNTRY ASSISTANCE PLAN: FY 1971

1. AID/N ASSISTANCE OBJECTIVES
2. SECTOR PROJECTS
 - A. HEALTH
 - B. AGRICULTURE
 - C. EDUCATION
 - D. PUBLIC SAFETY
 - E. COMMERCE AND INDUSTRY
 - F. URBAN DEVELOPMENT
 - G. DEVELOPMENT ADMINISTRATION
3. AID/N BUDGET SUMMARY

For Use By

MAXWELL INTERNATIONAL DEVELOPMENT SEMINARS
SYRACUSE UNIVERSITY

AID/N ASSISTANCE OBJECTIVES: FY 1971

- 1) **Strengthen Institutions that maintain stability and play key roles in development.**
- 2) **Assist educational system to better meet development manpower needs.**
- 3) **Support institutions and programs aimed at stabilizing population growth.**
- 4) **Encourage diversification of crops and industries to decrease reliance on a few vulnerable exports.**
- 5) **Encourage increased financing of development efforts by internal revenues, and by private capital.**

9/15/70

e: Family Planning

Sector: Health

Project Targets

1. Establish 150 clinics
2. Staff 150 clinics
3. Equip and supply 150 clinics

U.S. concur

Initial
Obligation FY 1970

Country concur

Final
Obligation FY 1974

Country Contributions

1. Identify existing clinics for rehabilitation
2. Provide site for new clinics
3. Recruitment construction labor
4. Recruit staff for training
5. Provide site for contra. plant

50

Project Actions

1. Ident. exist. clinics for rehab.
2. Construct new clinics where needed
3. Recruitment of staff
4. Training of staff (U.S. and 3rd country)
5. Contraceptive plant
6. Clinic furnishings and equipment
- 7.
- 8.
- 9.

AID Contributions (U.S. dollar costs in thousands)

| Components | FY 1971 | Total through final obligation |
|-----------------------------|---------|--------------------------------|
| 1. U.S. Personnel | 100 | 200 |
| 2. Part. trng. U.S. | 50 | 200 |
| 3. Part trng. (3rd country) | 300 | 1,000 |
| 4. Commodities | 900 | 3,850 |
| 5. Other costs | 150 | 750 |
| Total | 1,500 | 6,000 |

Project: Vocational Schools

Sector: Education

Project Targets

1. Construct 50 schools (500 students each)
2. Equip each school
3. Trained staff (25 per school)

9

Project Actions

1. Select fifty sites ASAP
2. Standard school plan (Max. local materials)
3. Construction (Max. local mpr)
4. Select and train staffs
5. Equipment and materials in place
6. Educational program planned
- 7.
- 8.
- 9.

| U.S. concur | Country concur |
|---|--------------------------|
| Initial obligation FY 1970 | Final obligation FY 1974 |
| Country Contributions | |
| 1. Sites | |
| 2. Identify personnel for trng. (50 to U.S. per year) | |
| 3. Construction labor | |
| 4. Local construction materials | |
| 5. Ed. planning | |

| AID contributions (U.S. dollar costs in thousands) | | Total through final obligation |
|--|--------------|--------------------------------|
| Components | FY 1971 | |
| 1. U.S. Personnel | 200 | 750 |
| 2. Part. trng. | 450 | 1,000 |
| 3. Commodities | 200 | 2,000 |
| 4. Other costs | 150 | 1,250 |
| 5. | | 2 |
| Total | 1,000 | 5,000 |

ERIC
Full Text Provided by ERIC

Title: Assistance to Agriculture

Sector: Agriculture

Project Targets

1. Agricultural 5 year plan
2. Expand Ag. extension service
3. Student Ag. Volunteers (SAVE) demon. farms

Country Contributions

1. Identify senior trainees for U.S. (20 per year)
2. Identify trainees for 3rd country (50 per year)
3. 50 farms for demonstration
- 4.
- 5.

U.S. concur

Initial
Obligation FY 1970

Country concur

Final
obligation FY 1974

Project Actions

1. Planning advisors from U.S.
2. Extension advisors
3. Partic. training (U.S.)
4. Partic. training (3rd country)
5. Demonstration Farms
6. Seed, stock, equip. demo farms
- 7.
- 8.
- 9.

AID Contributions (U.S. dollar costs in thousands)

| Components | FY 1971 | Total through final obligation |
|----------------------|---------|-----------------------------------|
| 1. U.S. Personnel | 100 | 400 |
| 2. Part. train. (US) | 100 | 400 |
| 3. Part. trng. (3rd) | 100 | 600 |
| 4. Commodities | 250 | 1,000 |
| 5. Other costs | 150 | 600 |
| Total | 750 | 3,000 |

Project: Manesa Border Patrol

Sector: Public Safety

U.S. concur
Initial
obligation FY 1970

Country concur
Final
obligation FY 1974

Project Targets

1. Lake Manesa Patrol (update trng. & equip)
2. Yabu River patrol (update trng. & equip)
3. Mountain Patrol (est. trng. academy)

Country Contributions

1. Facility for Mt. Patrol Academy (to be rehab. and expanded)
2. Construction labor
3. 8 BP officers for U.S. training
4. Assist. on equip. surveys
- 5.

Project Actions

1. U.S. trng. advisors
2. Site for M.P. Academy
3. Equip. surveys
4. Trainees to U.S.
5. 20 Patrol boats
6. Equip. supplied
7. Training in use & maintenance of all equip.
- 8.
- 9.

AID contributions (U.S. dollar costs in thousands)

| Components | FY 1971 | Total through final obligation |
|-------------------|------------|-----------------------------------|
| 1. U.S. Personnel | 50 | 150 |
| 2. Part. trng. | 50 | 300 |
| 3. Commodities | 300 | 1,500 |
| 4. Other costs | 100 | 550 |
| 5. | | |
| Total | 500 | 2,500 |

Title: Tourism

U.S. Concur

Country Concur

Sector: Commerce & Industry

Initial
Obligation FY 1970

Final
Obligation FY 1974

Project Targets

Country Contributions

1. Construct or rehab. 14 hotels
2. Stimulate private investment
3. National tourism plan & promotion

1. Existing hotels for rehab. (NRE 10)
2. Sites for new hotels (4)
3. 40% of cost of new hotels
4. Select staff for U.S. trng. (2 from each hotel)
5. Construction labor

Project Actions

AID Contributions (U.S. Dollar costs in thousands)

1. Select 10 hotels for rehab.
2. Plans for rehabilitation
3. Construction
4. Trng. key staff
5. 4 sites for new hotels
6. Construction
7. Overall tourism plan
8. Promotion plan launched
9. Equipment for hotels

| Components | FY 1971 | Total through final ob. |
|-------------------|---------|-------------------------|
| 1. U.S. Personnel | 50 | 200 |
| 2. Part. Trng. | 100 | 500 |
| 3. Commodities | 800 | 3,000 |
| 4. Other costs | 50 | 1,300 |
| 5. | | 95 |
| Total | 1,000 | 5,000 |

Title: Urban Service

Sector: Urban Development

Project Targets

1. Water system for Kwaidel
2. Experimental waste disposal plant
3. Residential electrification

U.S. concur

Initial Obligation FY 1970

Country Contributions

1. Right of way for all lines
2. Recruitment of labor
3. Maximum local materials
4. Reservoir sites
5. Maximum local engr. skills
6. Recruitment of A.P.T. trainees

Country concur

Final obligation FY 1974

Project Actions

1. U.S. planning team
2. Contract out waste disposal experiment
3. Reservoir construction
4. Pipe line construction
5. Kwaidel service plan
6. Damkra high line
7. Participant training

AID contributions (U.S. dollar costs in thousands)

| Components | FY 1971 | Total through final obligation |
|-------------------|---------|--------------------------------|
| 1. U.S. Personnel | 200 | 1,000 |
| 2. Part. trng. | 50 | 500 |
| 3. Commodities | 500 | 1,000 |
| 4. Other | 250 | 800 |
| 5. Contract | 1,000 | 6,700 |
| Total | 2,000 | 10,000 |

Name: Internal Revenue Service

Section: Development Administration

U.S. Concur

Country Concur

Initial

Final

Obligation Year FY 1970

Obligation Year FY 1974

Project Targets

1. Overhaul revenue plan and legislation

2. Academy for IR agents

3. Data Bank

Country Contributions

1. 10 trainees for U.S.

2. Site for IR Academy and Data Bank

3.

4.

5.

Project Actions

1. U.S. Advisory team

2. Participant trainees to U.S.

3. Construct and equip Academy

4. Design and begin trng. program

5. Legislative Program

6. PR Program

7. Data Bank designed and launched

8.

9.

AID Contributions (U.S. dollar costs in thousands)

Components

Next fiscal year

Total through final obligation

1. U.S. Personnel

50

200

2. Part. Trng.

100

400

3. Commodities

10

40

4. Other (EDP)

90

360

5.

TOTAL

250

1,000

AID/N BUDGET SUMMARY FY 1971

(in thousands of U.S. dollars)

| <u>Appropriation Category</u> | <u>FY 1970</u> | <u>FY 1971</u> |
|--|----------------|----------------|
| Development Loans | 23,000 | 24,000 |
| Supporting Assistance | 20,500 | 19,500 |
| Intergovernmental Group | 250 | 250 |
| Contingency Fund | 100 | 100 |
| Administrative Expenses | 150 | 150 |
| Technical Cooperation/ Development Grants | <u>6,000</u> | <u>7,000</u> |
| TOTAL | 50,000 | 51,000 |

NEAR EAST AND SOUTH ASIA
TABLE 1 - POPULATION, AREA, AND GNP

| COUNTRY | POPULATION (1969) [†] | | | AREA | | | GNP AND POWER | | | |
|---|--------------------------------|----------------|-------------|---------------|-----------------------|------------------------|--|------------|-----------------|------------------|
| | TOTAL | RATE OF GROWTH | DENSITY | TOTAL | AGRICULTURAL LAND | | GROSS NATIONAL PRODUCT ^a (1968) | | | POWER PER CAPITA |
| | | | | | TOTAL | PERCENT OF TOTAL AREA | TOTAL | PER CAPITA | INVESTMENT | |
| | MILL. | PERCENT | PER SQ. MI. | 1,000 SQ. MI. | PERCENT OF TOTAL AREA | ACRES PER CAPITA | \$ MILL. | DOLLARS | PERCENT OF GNP | KWH PER YEAR |
| NEAR EAST TOTAL^b.... | 138.2 | 2.4 | 51 | 2,690 | 29^c | 3.6^c | 48,307 | 360 | n.a. | 293 |
| CYPRUS..... | 0.6 | 1.5 | 176 | 4 | 57 | 2.1 | 438 | 704 | 23 | 836 |
| GREECE..... | 8.9 | 1.0 | 173 | 51 | 69 | 2.5 | 7,550 | 858 | 24 | 789 |
| IRAN..... | 27.9 | 3.2 | 44 | 636 | 11 | 1.6 | 8,020 | 297 | 23 | 178 |
| IRAQ..... | 8.8 | 1.8 | 52 | 168 | 27 | 3.3 | 2,400 | 278 | 15 ^d | 174 |
| ISRAEL..... | 2.8 | 2.3 | 343 | 8 | 60 | 1.1 | 4,042 | 1,472 | 21 | 2,006 |
| JORDAN..... | 2.2 | 3.0 | 58 | 38 | 14 | 1.5 | 575 | 286 | 12 ^e | 70 ^e |
| KUWAIT..... | 0.6 | 3.5 | 90 | 6 | * | * | 2,220 | 4,111 | 26 ^e | 3,407 |
| LEBANON..... | 2.8 | 2.4 | 700 | 4 | 30 | 0.3 | 1,362 | 496 | n.a. | 377 |
| SAUDI ARABIA..... | 4.7 | 2.3 | 6 | 830 | 40 ^c | 44.8 ^c | 2,200 | 478 | n.a. | 195 |
| SOUTHERN YEMEN.... | 1.2 | 2.2 | 11 | 111 | 32 | 18.9 | 185 | 155 | n.a. | 209 |
| SYRIAN ARAB REP... | 5.9 | 2.9 | 83 | 71 | 62 | 4.8 | 1,425 | 248 | n.a. | 131 |
| TURKEY..... | 34.4 | 2.6 | 114 | 301 | 67 | 3.8 | 11,600 | 346 | 19 | 205 |
| UNITED ARAB REP... | 32.5 | 2.4 | 84 | 387 | 3 | 0.2 | 5,740 | 183 | 16 ^f | 205 |
| YEMEN..... | 5.0 | n.a. | 66 | 75 | n.a. | n.a. | 550 | 110 | n.a. | n.a. |
| SOUTH ASIA TOTAL^b.... | 703.3 | 2.5 | 361 | 1,957 | 45 | 0.8 | 63,401 | 92 | 13 | 82 |
| AFGHANISTAN..... | 16.5 | 2.3 | 66 | 250 | 21 | 2.1 | 1,370 | 85 | n.a. | 24 |
| CEYLON..... | 12.2 | 2.3 | 483 | 25 | 29 | 0.4 | 1,781 | 149 | 16 | 54 |
| INDIA..... | 537.0 | 2.5 | 428 | 1,262 | 54 | 0.8 | 44,320 | 84 | 14 | 95 |
| NEPAL..... | 10.8 | 1.9 | 200 | 54 | 30 | 1.0 | 800 | 75 | n.a. | 4 |
| PAKISTAN..... | 126.7 | 2.7 | 345 | 365 | 30 | 0.6 | 15,130 | 121 | 12 | 43 |
| NANESA | 53.0 | 3.0 | 106 | 500 | 25 | 1.5 | 9,150 | 178 | 18 | 180 |

† - Includes population of occupied territories. b - total for country data shown. c - includes large areas of rough grazing land. d - 1965. e - 1967. f - 1966.

TABLE 2 - EXPORTS, TRANSPORT, EDUCATION AND HEALTH

| COUNTRY | EXPORTS | | | | IM-PROVED ROADS | EDUCATION | | | HEALTH | |
|---|------------------|-----------------------------|-------------------------|-------------------------|------------------------|-----------------|---------------------------------|-----------|-----------------|----------------------|
| | VALUE (1968) | LEADING EXPORT | PERCENT 1966-68 EXPORTS | MILES PER 1,000 SQ. MI. | | LITERACY | STUDENT ENROLLMENT ^a | | LIFE EXPECTANCY | PEOPLE PER PHYSICIAN |
| | | | | | AS % OF 5-14 AGE GROUP | | AS % OF 5-19 AGE GROUP | YEARS | | |
| | \$ MILL. | ITEM | | | PERCENT | PERCENT | PERCENT | | | |
| NEAR EAST TOTAL^b.... | 9,017 | Oil & Prod. | 65 | 46 | 36 | 41 | 38 | 50 | 2,260 | |
| CYPRUS..... | 89 | Minerals | 32 | 1,542 | 76 | 73 ^c | 71 ^c | 66 | 1,310 | |
| GREECE..... | 468 | Tobacco | 26 | 419 | 82 | 67 | 65 | 69 | 700 | |
| IRAN..... | 1,879 | Oil | 90 | 25 | 15-20 | 33 | 32 | n.a. | 3,670 | |
| IRAQ..... | 1,043 | Oil | 92 | 41 | 20 | 41 | 38 | n.a. | 5,000 | |
| ISRAEL..... | 640 | Pol. Diam/Citrus | 51 | 311 | 90 | 77 | 66 | 72 | 420 | |
| JORDAN..... | 40 | Veg./Fruit | 35 | 67 | 35-40 | 57 | 54 | 52 | 3,910 | |
| KUWAIT..... | 1,397 | Oil | 97 | 81 | 47 | 51 | 59 | n.a. | 840 | |
| LEBANON..... | 120 ^e | Fruits | 19 ^d | 1,114 | 86 | 52 | 47 | n.a. | 1,480 | |
| SAUDI ARABIA..... | 1,945 | Oil | 95 ^d | 7 | 5-15 | 15 | 12 | 30-40 | 6,870 | |
| SOUTHERN YEMEN.... | 110 | Oil Products | 80 | n.a. | n.a. | 13 | 13 | n.a. | 9,800 | |
| SYRIAN ARAB REP... | 168 | Cotton | 45 | 84 | 35 | 45 | 43 | 30-40 | 5,080 | |
| TURKEY..... | 496 | Cotton/Tobacco | 47 | 100 | 47 | 45 | 39 | 48 | 2,820 | |
| UNITED ARAB REP... | 622 | Cotton | 49 | 33 | 30 | 46 | 43 | 53 | 2,320 | |
| YEMEN..... | n.a. | Coffee | 30-50 | n.a. | 10 | 5 | 4 | 30-40 | 62,500 | |
| SOUTH ASIA TOTAL^b.... | 2,995 | Jute & mfrs./Tea | 40 | 219 | 27 | 35 | 34 | 50 | 5,270 | |
| AFGHANISTAN..... | 70 ^f | Fruits/Nuts | 37 | 29 | 8 | 11 ^e | 9 ^e | n.a. | 21,360 | |
| CEYLON..... | 342 | Tea | 60 | 892 | 70-80 | 60 | 65 | 62 | 4,180 | |
| INDIA..... | 1,813 | Textiles | 29 | 279 | 28 | 40 | 38 | 50 | 4,860 | |
| NEPAL..... | 50 ^e | Rice/Jute | 70-80 | n.a. | 5-10 | 15 | 13 | 25-40 | 41,110 | |
| PAKISTAN..... | 720 | Jute & mfrs. | 44 | 98 | 20 | 21 | 22 | 51 | 6,660 | |
| NANESA | | Rice | 45 | 40 | 40 | 48 | 44 | 55 | 3,000 | |

a - Community schools. b - total for country data shown. c - includes Turkish schools. d - 1965-67. e - Public education only.

REPUBLIC OF UGANDA

MINISTRY OF FINANCE

(IN THOUSANDS OF
U.S. DOLLARS)

Summary of Estimated Revenues,
and Expenditures for FY 1970¹

REVENUES

| | |
|----------------------------|----------------|
| Taxation | 696,000 |
| Debt Receipts ² | 60,000 |
| Earnings | 50,000 |
| Misc. | <u>20,000</u> |
| TOTAL | 826,000 |

EXPENDITURES

| | |
|--|---------------------|
| National Defense | 125,000 |
| Legislation | 7,000 |
| Social Improvement | 11,000 |
| Public Debt | 50,000 |
| Pensions and Gratuities | 25,000 |
| Administration of Justice | 8,000 |
| Contingency Fund | 5,000 |
| General Governmental Administration | 47,000 |
| Internal Affairs | 25,000 |
| Education | 80,000 |
| Agriculture and Natural Resources | 170,000 |
| Public Health and Sanitation | 38,000 |
| Commerce, Industry, Communication and Transport: | 138,000 |
| Urban Development | 50,000 |
| Counterpart Funds | <u>47,000</u> |
| TOTAL | 826,000, 000 |

¹ a summation of general fund, special fund and bond fund accounts.
includes domestic bond sales and foreign assistance loans.

Rice Boom in Asia Raises Doubts

By PHILIP SHABECOFF
Special to The New York Times

LOS BANOS, the Philippines—The new strains of rice, wheat and corn that are producing the so-called green revolution in Asia, holding out a promise of plenty for underfed millions, are beginning to stir objections.

Some of the traditional rice-exporting countries such as Thailand and Burma—and even a few voices in the United States, which is also an exporter—have been complaining that the new strains will produce a glut.

Dr. Robert F. Chandler, a 63-year-old Yankee from Maine who is head of the research institute here that developed the high-yield "miracle rice," commented: "Only three years ago people were screaming, 'How are we going to feed the teeming millions of Asia?' Now some of those same people are yelling about overproduction and lost export markets."

The miracle rice was developed at the neat, quiet experimental farm, set among coconut palms and framed by blue mountains, that is run here by the International Rice Research Institute.

The new miracle strains, which have brought about a tremendous rise in South Asian agricultural productivity, raises a variety of problems that have led experts such as Clifton R. Wharton Jr., president of Michigan State University, to ask if the green revolution was a "cornucopia or Pandora's Box."

Marketing Often Disrupted

Certainly the skyrocketing rice yields have caused new problems in many Asian countries without adequate storage, drying and transportation facilities. Age-old marketing systems have been disrupted.

Some critics have charged that the new seeds will only serve to make the rich richer and the poor poorer in Asia. Because of the high monetary investment and management skills needed to cultivate the new rice, the critics say, it is largely the landlords with already large resources who can afford the outlays that bring such high rewards.

The poor farmer, this argument runs, falls further behind because he cannot afford to increase his own production, while generally higher world productivity means he gets a lower price for the amount of rice he does grow.

Dr. Chandler, a former president of the University of New Hampshire, who saw his first growing rice plant when he was 40 years old, reacts vigorously when these criticisms are

Problems Accompany Change

"Sure there are problems—there must be when a new technology is introduced," he said. "But how can it be wrong to increase the amount of food for people who eat and to increase the incomes of farmers?"

"Don't forget, it is true that half the world still goes to bed hungry every night. Next year there will be 15 million more Indians, a million more Burmese, a million more Thais, a million more Filipinos to feed."

He acknowledged that the new strains of rice and other food staples might create a food surplus during the next decade but said: "We should be planning for 1980, 1990 and beyond instead of worrying about a temporary recession in rice prices in 1971."

"The long-term future still looks awfully grim despite the technological increases in food production," he asserted. The recent advances, he said, are just a stopgap arrangement to stave off hunger.

"It will take more than high yield rice plants to stop disaster," he went on. "We must curb our populations. After all, the amount of land, water and air available for food is constant, but people are not."

It was in the planting season of 1965 that the institute's first high-yield strain—IR-8—was made available to farmers in the Philippines and several other countries.

The results were so immediately dramatic that even conservative peasants saw the value of changing over. Rice yields began doubling and tripling. Two crops were possible

where only one had been reaped in the past.

Despite high expenditures on fertilizers, insecticides and herbicides required by the new rice and despite a declining trend in world rice prices, farmers who have planted the miracle strains have also doubled their incomes in many cases.

Dr. Chandler estimates that this year there will be at least 15 million acres of paddy field planted with the strains developed in his fields. Four years ago it grew only at the institute, which was established by the Ford and Rockefeller Foundations in 1960 in association with the Manila Government and the University of the Philippines.

'Miracle' Rice Improves Life of a Filipino Family

Special to The New York Times

BARRIO PANSOL PILA, Philippines—Lucio Matienzo, a rice farmer with less than five acres of wet paddy fields, has six children and is able to send all of them to school.

He is proud of that. Only three years ago he was deeply in debt and more worried about feeding his family than giving his children an education.

In 1968 Mr. Matienzo decided to switch to the new "miracle" rice developed by the International Rice Research Institute at Los Banos, about 20 miles from his barrio. After a year his crop yield and his income doubled. After two years his debts were paid and his children were in school.

"I had heard about the new rice, IR-8, since 1966," Mr. Matienzo told a visitor to his two-story house as children, puppies, cats, chickens, white pigeons and a piglet or two swarmed on the dirt floor of the first story.

"I didn't want to give up the old variety of rice because it fetched a higher price per pound and took less time than IR-8," he continued. "But for three years in a row I had a bad crop and each year I went more into debt."

"I had to do something. So when the extension man came around from the agricultural college, I let him show me how to plant IR-8."

The farmer found that it took a lot of work to plant the new rice and that it took a lot of money for the necessary fertilizer, pesticides and herbicides. But the local rural bank lent him the money he needed when he told them he was going to IR-8.

Crops Doubled

"My crop doubled to about six tons," the farmer said. "And I was able to plant two crops instead of one."

Although his family is much better off, life has not changed dramatically in most respects. The house still lacks electricity and running water. Mrs. Matienzo still cooks over charcoal on a raised hearth. Her husband must still bend long hours over his fields in the sun.

The good times may be passing, however. Mr. Matienzo is not sure he will be able to plant the new variety of rice again this year because the price of fertilizer is going up so fast.

"Everything is going up," Mrs. Matienzo said. "The only thing that isn't going up is the price we get for our rice."

THE NEW YORK TIMES, MONDAY, APRIL 6, 1970

The Right to Breed

By GARRETT HARDIN

SANTA BARBARA, Calif.—Is it wise to maintain that the "decision with regard to the size of the family must irrevocably rest with the family itself"? That's what the United Nations says. We would like to believe it. Having given up so many freedoms already, it is natural to resist giving up this additional one, the freedom to breed. We remember Nazi Germany; we fear 1984.

Unfortunately, logic and experience show that continuing to support the right to breed is suicidal. The space-ship we call Earth is already overpopulated. We suffocate in our own waste products. We need to have Zero Population Growth now; better yet, we should have a negative rate of growth for a while, if we are to improve the quality of life. Actually, not a single nation in the world has yet attained ZPG. Why not? The answer is simple. "Overpopulation" is a national or global concept but the decision to use (or not to use) birth control is made by the individual woman on the basis of forces impinging on her personal life. Does any woman ask, "What does my nation need?" before she takes the Pill? And if one woman does, what about the multitudes who don't?

Birth control is not population control; it is merely the means whereby a woman can have the number of children she wants. If she wants too many, a perfect system of birth control enables her to produce too many. Everywhere in the world, the average woman wants more than the ZPG number. In the United States this number is now about 2.1 children per woman, but the average woman wants about 2.8. Population control is impossible so long as there is freedom to breed.

World population is now doubling every 35 years. During the 50,000 years before A.D. 1650 the doubling period was 5,800 years—almost ZPG conditions. How was this relative stability maintained?

Partly, as everybody knows, by the cruel "negative feedback" controls of starvation, disease and war; but only partly. "Family planning" also played a role (though it wasn't called that). Contraception was not as good as it is now, but it helped. When contraception failed, a woman might resort to abortion, even though it was rather dangerous under primitive conditions. If abortion did not solve the planning problem there was always infanticide to fall back on. It was easy to pass off infant deaths as accidents when babies were born in the home.

Most people think that the practice of infanticide is confined to savages. This is not true. The Harvard historian William L. Langer has conclusively shown that infanticide was an important means of family planning in

Freedom to Procreate Equals Freedom to Starve Children

Europe all through the 19th century, extending even into the 20th.

Why were nominally Christian families willing to use such drastic means? The answer is blunt: because they were fully responsible for the care of their children. If a poor couple had too many children, when hard times came some of the children had to die. Until recently charity was only a minor hobby of the rich, and had little effect. The community was willing to let excess children starve to death. Poor parents knew this. They had the power to control their own breeding, and they were fully responsible for their decisions. Power and responsibility were joined. The result was population control.

In the 19th century all this began to change with the growth of the idea of the welfare state. Men came to believe that it was a disgrace for a community to allow its children to starve to death. If the parents could not take care of the children, the community would; not well, perhaps, but well enough to keep them alive and adding to the population problem—and well enough to make the offspring resentful when they grew up.

What are we to do? We have only two options. We can go back to the world of two hundred years ago, eliminating the welfare state and making the family once more fully responsible for its breeding decisions. Population control can be achieved in this way—but only if we can, with equanimity, watch children starve.

If we are unwilling to go back, then we must go forward and bring power and responsibility together in a new locus, in the community itself. If the community has the responsibility of keeping children alive it must also have the power to decide when they may be procreated. Only so can we save ourselves from the degradation of runaway population growth.

It is not a question of freedom vs. nonfreedom. If we defend the freedom to breed, we shall ultimately lose all other freedoms as a result of unbearable overcrowding. By denying the right of individuals to breed without limit we can at least make it possible to preserve other freedoms that may, on examination, be deemed more precious than the freedom to breed.

Garrett Hardin is professor of human ecology at the University of California.

New York
Times

April
1971

CHAPTER LII

MIDSIM III: PROGRAM IMPLEMENTATION AND EVALUATION

This is the most complex round of the game, simulating twenty years of U.S. assistance to Nanesa. Starting with the Country Program that was the product of MIDSIM II, the game moves forward to 1990, and affords a wide range of situations that challenges the managerial and interpersonal skills of the players. The major new gaming technique is the use of "interventions" which are injected into the game and must be attended to. The interventions come in the form of cables, newsevents, legislation, reports, policy statements, personnel re-assignments, rumors, and political upheavals in Nanesa or the world. Their impact on the AID program must be assessed, and adjustments made. The game also introduces a Program Evaluation technique which not only enables a cross-cultural assessment of the twenty-years of assistance programming, but also has an impact on mission management and programming throughout the period. Among the processes studied in this play of the game are: mission management, cross-sectoral cooperation, responsiveness to contingencies, long-range planning, communication flow and information utilization, and program evaluation.

A. GAME PREPARATION

Role Assignments. In this play of the game, the role of Ambassador is critical, and he should be provided a Deputy Chief of Mission (DCM) to assist him. There is an additional role, that of the Nanesa Desk Officer in Washington. This role simulates the difficulties of headquarters-field relationships, as well as the frequently counterproductive nature of communication and paper flow. The roles of the Division Chiefs involve both the negotiation of new projects, and the assessment of project progress in the light of relevant interventions.

There is another ad hoc team in this play of the game; this time it is concerned with program evaluation -- specifically, with the generation of a set of development indicators for use in the final stage of the game. The heaviest burden in the game is on the Mission Director and immediate staff, for the game compresses twenty years of complex activity into a few hours.

In casting the roles, the Game Manager should again make sure that there has been an equitable apportionment of opportunity. By this time, the players will be sensitive to any hint of "favoritism". But, again, the Game Manager may make assignments to promote a desired learning experience for a particular individual, and he should again be prepared to follow through to assure that the experience is maximized.

Because of the complexity of this play of the game, more guidelines are included in the actual role descriptions; these need not be repeated here. The Game Manager may also find it necessary to supplement these with "Special Role Instructions" or verbal suggestions.

Game Materials. The role packets should contain the following:

1. Schedule for the day
2. Roster of role assignments
3. Individual role description
4. Official Delegation: Government of Nanesa
5. Country Assistance Plan for FY 1972 (product of MIDSIM II)
6. Project Description forms
7. Development Indicator form
8. Development Evaluation Matrix form
9. AID/N memo paper
10. Individualized materials

In individualizing the packets, special sector materials will again be useful, especially the projects that were designed in the "think tank" in MIDSIM II. Other major new materials are forms that facilitate the paper flow that characterizes this play of the game. The following forms should be distributed in the appropriate packets:

1. U.S. Embassy stationary
2. AID/Nanesa: Press Release form
3. Department of State: Airgram (to Desk Officer)
4. Log of Messages
5. Notification of Personnel Action

Players may also utilize materials accumulated for the previous play of the game (e.g. the descriptive material on Nanesa), or may obtain material from their predecessors.

Game Setting. The setting is essentially the same as for MIDSIM II, however, additional space is required. First, an office for the Ambassador which will double as a small conference room for his sessions with the Prime Minister and others; second, a room simulating Washington, for the Nanesan Desk Officer. The Game Manager will also work out of this room in preparing and distributing interventions. The dining hall will again be the scene of activity, but only for lunch. The Negotiation Room can serve as the scene for the final Joint Development Evaluation Meeting. The flexibility of the facility used is important in simulating some events. For example, the earthquake which occurs in 1975, can be simply simulated in the Negotiation Room (while the players are in their respective headquarters) by overturning the tables and chairs, skewing the venetian blinds, scattering the contents of ashtray and wastebaskets, and flashing the lights of the building on and off. From there on, improvisation

Homework. In conducting the Game Preparation session, the Game Manager should attend to the following things:

- 1) He should pass out the role packets and allow the players to get the feel of the contents.
- 2) He should go over the basic items in the packet concentrating first on the new CAP. This is simply the seven Project Agreements that were reached in the MIDSIM II negotiations. In the eventuality that there was no ProAg in some sector; that Division Chief will start the day's game by continuing to reach an agreement. The CAP should also indicate what the current Assistance Objectives are. Attention should be called to these. They may be changed during the day, but everyone in the Mission should be kept informed as to what they are, and how they are ranked in priority. This is important not only to programming, but to the continuing evaluation process which will be described later.
- 3) The Game Manager should explain the MIDSIM approach to Program Evaluation. Two instruments are central to this process. The first is the "Development Indicator". The cover sheet should be self-explanatory, but may need some elaboration. It should be emphasized that this is an attempt to get more objectivity into what is usually a subjective judgement, but -- even so -- no claim should be made as to the precision of the instrument or the approach. This, too, is a simulation of a more complex process being developed within AID. MIDSIM's simulated Program Evaluation emphasizes the following:
 - a) The desirable interplay between goal-setting and project design.
 - b) The process of defining goals in terms that can be measured.
 - c) The search for indicators that do, in fact, represent the essential features of the goal being sought.

- d) The utility of the evaluation process being centered in the Mission, and involving field people.

The Mission Director will assign the Evaluation task to one of his staff, who will assemble a group to assure that there is a set of Indicators for each of the five Mission Objectives. There will be running interplay between this group and the Mission Director which should have some effect on Goal definition and project design.

The second instrument, the "Development Evaluation Matrix", is also explained by its covering sheet. A column is filled out by each Division, with the results collated by the Program Evaluation Officer to form the Mission Matrix. In making sector judgements, the divisions are guided by the Indicators, by a statistical picture of Nanesa, and by their own records and impressions of sector accomplishment. In collating the returns from the Divisions, no effort should be made to iron out the discrepancies, as these will form a very important basis for discussion during the final Evaluation Meeting.

- 4) The Game Manager should also explain the MIDSIM approach to management -- both at the Mission (or Program) level, and at the Project level. Both involve reacting to contingencies within the framework of Assistance Objectives and available resources, and both involve forward and sequential planning. For purposes of the game, the Division Chief is the Project Manager of the project in his sector. He sits down at the table with his Nanesan counterpart and places the ProAg at one side of the table. They then begin to prepare the Project that is to follow the present project. If there are no interventions that impact on the present project, it is assumed that it will be achieved as described. The Project Manager attends to his project only when there is trouble; he then assesses the

impact that the trouble has on his project; notes it on the ProAg; and takes it into account in planning the succeeding project.

At the Mission level, a macroversion of this process occurs, with the Mission Director attempting to assure the successful achievement of all seven projects, on the assumption that this will further the attainment of his stated Assistance Objectives. The process is more intricate here because the Assistance Objectives may be changed for a variety of reasons (they may prove to be immeasurable, contrary to Nanesa's own objectives, or incongruent with Congressional or Executive policy. In short, there may be interventions that compel the modification of Mission objectives).

- 5) Finally, to conclude the Preparation session, the Game Manager should once again convert the meeting into a Mission, and put the Mission Director in charge. If the session has been successful, the players will immediately get to work with a noticeable air of anticipation which can be attributed to the new ingredient -- the "interventions". They expect the unexpected. The result is that they often overprepare, or fantasize the worst. This too can be discussed later.

B. GAME PLAN.

MIDSIM III is divided into five stages, culminating in the Joint Development Evaluation Meeting which transforms into the final critique session and is attended by all players. It is particularly important that the schedule be adhered to in this round; there is a natural reluctance to let forty-five minutes equal five years, but the game cannot be kept moving unless this basic simulation is adhered to.

- 1) Staff Meetings. Both the Americans and Nanesans have a half-hour meeting to finalize their strategies. During this meeting -- or even earlier -- it is important that the Game Manager establish some limitations on

Nanesan improvisation. These should be minimal, but, again, they are necessary in the interests of keeping the game moving and assuring that certain situations are created. Specifically, the Nanesans should know that in each time frame there will be a major intervention; there will be no need to reveal too much detail, nor to indicate any of the minor interventions. The major interventions that have been fruitful are:

1971-75 Family Planning. In this situation, the Nanesans differ with the American effort to limit population. The precise nature of the crisis varies: it can be ideological or religious; it can be concealed under a desire for broader utilization of clinics; it can be an open statement that Nanesa has enough space to support a larger population.

and/or

Public Safety. This is usually an ideological or nationalistic crisis, in which the Nanesans question the growing influence of the U.S. in the Nanesan police establishment.

1975-80 Crisis attributable to a natural disaster. We have experimented with floods, droughts, and found earthquakes to be best. The crisis is patterned after the Peru or Turkish experience, and can be used to completely divert the resources and talent of the Mission to the emergency.

1980-85 A Political Crisis. This can be a compound of interventions, drawing heavily on Nanesan improvisation. Generally the following work to produce the desired situation:

A strike of construction workers

The Nationalization of American property

A kidnapping of an American official

Internal Cabinet disaffection with Sarto's closer ties to U.S.

The Americans are not informed of this scenario in even this sketchy detail. The only reason for informing the Nanesans is that otherwise they might begin the political crisis in the first time-frame, and it would distort the entire play of the game toward politics, with little opportunity for creating other kinds of situations.

- 2) Project Management. There are three Project Management sessions, interspersed with Program Review Sessions back at Headquarters. The actual process of management has been described, and is also found in the role instructions to the Division Chiefs. The main thing to assure is that the managers pay attention to interventions that may impact on their projects; and that they estimate the achievement of project targets at the end of each period, note it on the ProAg, and turn it in to the Program office for use during the Review Session. Otherwise, the Chief spends the 45 minutes negotiating the succeeding project with his counterpart.

- 3) Program Review Sessions consist of the following ingredients. The Ambassador passes along information he has received in the National Security Council Situation Report (see examples), noting the size of the AID/Nanesa budget for the coming five years. The Mission Director will announce any changes in Objectives or strategies that are deemed necessary in the light of interventions and the Situation Report. The Program Officer summarizes the achievements of the past five years; and each Division Chief describes his needs and plans for the next five years.

It is a packed forty-five minutes, but it permits stock-taking and course-setting.

- 4) Evaluation Session. This session is a continuation of the afternoon Program Review Session (1980-85). At the close of the Review Session, it will be announced that the AID program in Nanesa has been suspended because of the political crisis. It is assumed that the suspension will last to 1990. A statistical picture of Nanesa, as of 1990, will then be passed out to all players, and the Mission meeting will be concerned with Evaluation. Specifically, we will be attempting to assess the impact of the AID program on Nanesa from 1971-90, drawing on: The Nanesa, 1990, document; the Mission's own record of achievement in terms of its objectives; the Development Indicators; and the personal judgement of the Division Chiefs. Each Division will be asked to make out the Matrix column for its sector in accordance with the instructions, and hand it in to the Program Officer, who will place it on a Master Matrix. This should be completed and given to the Game Manager by the 3:15 coffee break. During the coffee break, it will be transposed onto a larger Matrix in the Negotiation Room for later discussion. NOTE: No effort should be made by the Program Officer to correct any discrepancies in the data he receives from the Divisions.

- 5) Joint Development Evaluation Meeting. This meeting occurs in the Negotiation Room and is attended by both Americans and Nanesans. On the board, side-by-side, will be the AID Matrix and a Nanesa Matrix. The latter will be prepared without the benefit of Development Indicators, but with the Nanesan data at hand.

The Game Manager leads the discussion in this final session. The following questions and topics have proved fruitful.

- a) Compare the two lists of objectives. Similarities, equivalencies, specificity vs. generality, what do they reveal about the two parties. To what extent were they known? To what extent did they play a part in programming?
- b) Compare the priorities given the objectives by the two countries. How do you explain the differences in priorities? What effect did this have on programming?
- c) Study the estimates of goal achievement (this is facilitated by computing averages in the total column), this is the lower half of the cell. What do these estimates say about optimism, pessimism, realism? On what were they based?
- d) Study the estimates of participation (upper half of cell) the higher the figure the more general the feeling of having made contribution. If the estimates were realistic, the total would be 100%. What does the deviation from 100 mean?
- e) Breadth of sector contribution to Mission Objectives. Did sectors contribute to more than one objective? Which sector programming attended to most objectives?
- f) Were there objectives that received relatively little attention? Why?
- g) In terms of costs of the program, which sectors contribute more to the attainment of stated objectives? Was it worth the money if one heavily-budgeted sector contributed to only one partially achieved objective?

Other questions will stem from the players and the discussion itself.

Proceed at a relatively leisurely pace, so that the data can be studied and massaged.

When this data has been exhausted, switch the direction of the session to an overall critique of the day, drawing on whatever observers were used. The Game Manager should be sure that situations, behavior, and events that were not generally witnessed are recapped and discussed -- for example, the internal activities of the Nanesan Cabinet.

At the close of this session -- which should not exceed an hour -- introduce the Nanesans and identify their "real" homeland, and call the game to a close.

- 6) Interventions. The movement of this round of the game depends upon the successful use of "interventions". These may be viewed as variables which are deliberately injected into the game to modify the situation and call for new behavior. The nature, timing, and follow-up on the interventions make this a most demanding round for the Game Manager. It is further complicated by the fact that both sides very quickly begin to generate their own interventions, and the task of assessing the impact of each is indeed formidable and probably impossible.

The basic rule for the Game Manager to follow is: each intervention should have a purpose, i.e. you want something to happen as a result. You must then attempt to find out if it did indeed happen, and if not, why not? Random seeding of the game with interventions only gives rise to impossible confusion and frustration. As is essential in gaming, your task is to "keep it clean and simple" so that behaviors will stand out for observation and discussion.

An indispensable practice is to create a "stockpile" of interventions in a master indexed book. At present the MIDSIM intervention book contains 49 items which have been used with varying effect. New ones are generated for each game, but the tried and true ones can always be counted on to create a useful learning situation. Samples of these are included among the game materials.

The Game Manager, working within the basic structure of the game, should decide the kinds of situations he wishes to create in each time period, and feed the appropriate intervention into the game at the right moment. As he gives the cable, for example, to the messenger, he drops a carbon in the in-box of the Nanesa Desk Officer. The Desk Officer logs it, and later attempts to try to discover what action was taken. The frustration of the Headquarters man becomes monumental as he attempts to get information from the field in response to certain interventions.

The spontaneous interventions of the players should be captured wherever possible for later discussion. For example, both sides will issue press releases, and there will be letters between the Ambassador and Prime Minister. The Game Manager has the right to read any material generated in the game. He alone must try to acquire an overview of the entire action for later feedback. But he must be philosophical about his ability to do this. Thirty spirited players can generate more crises, rumors, espionage, and memoranda than can possibly be surveyed by the GM; he must rely on the players themselves sharing episodes with the entire group during the critique session.

C. CRITIQUE

The basic structure, and even some of the content, of the final critique

session have already been suggested. This round of the game, above all, will benefit from the maximum contributions by the players as "participant observers". There are, however, several key sources of feedback that can also be relied upon. The Game Manager, of course, has desperately attempted to keep on top of the entire production. His observations are an important contribution. The Nanesan Desk Officer, who has attempted to form a picture from his office in Washington, will contribute an eye-opening perspective. The Ambassador's perspective is an important one. He will have been privy to frequent conversations which no other players could observe, and will bring a high-level "insider" perspective. The actual management of the Mission should be a subject for critique; but the Mission Director -- at the eye of the hurricane -- will usually appreciate an outside perspective on this. It is useful, if there is a respected management man among the players, to assign him the role of consultant to the Mission during this round, and additionally, give him a spot during the critique session to make observations about the processes he observed.

Finally, there will be complaints about this play of the game. The following are the most common:

- 1) Too much to do, with too little time to do it.
- 2) Some of the players were flooded with work, others did not have enough to do.
- 3) Projecting the game twenty years into the future is unrealistic; our Agency lives from year to year.
- 4) There was too much paper floating around; you couldn't possibly attend to all of it.
- 5) We didn't have the information we needed to act.

but behind each of these complaints, one can see an unresolved problem that

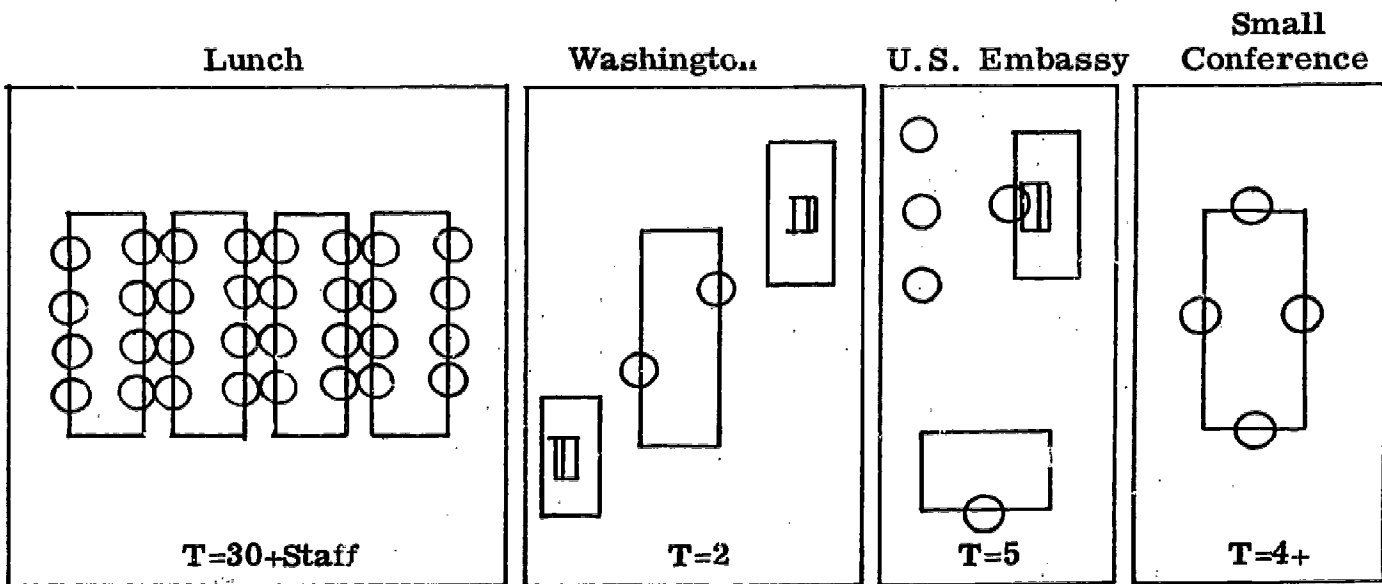
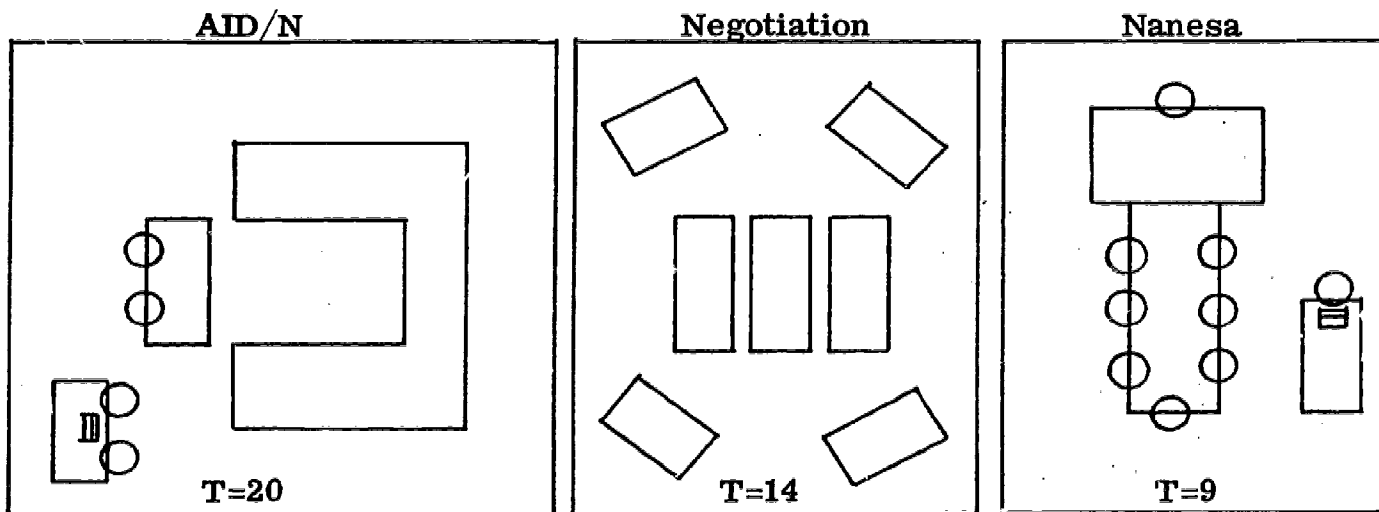
does not necessarily represent an inadequacy of the game. These are real-life management problems; and this had been a laboratory in which these were surfaced and might have been worked out. With each play of the game, one hopes that more of these problems will be tackled with greater success. For accompanying most of these "complaints" are comments such as the following: "We really are flooded with paper". "Washington doesn't really have a picture of what is going on" (and, they may add, "we intend to keep it that way"). "We really should be thinking in longer-ranged terms", and "We don't spend enough time in trying to really evaluate what we do".

In many ways, for all its blooming confusion, this play of the game comes closer to real life than most will admit. In any event, it provides ample chance for testing a wide range of behaviors under very challenging circumstances.

D. GAME MATERIALS

The essential materials for conducting MIDSIM III follow. It will be noted that the Nanesan Materials have not been repeated, and can be found in MIDSIM II. The CAP for MIDSIM is simply an assemblage of the Project Agreements from MIDSIM II to which is attached the Assistance Objectives. The key features of this play of the game are the "Interventions". We have included a range of examples, including the most effective ones. New ones will occur to the Game Manager each time the game is played. He should attempt to assess the effectiveness of each intervention for future use.

MIDSIM III : Space Requirements



 = Typewriters

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM III: PROJECT IMPLEMENTATION AND EVALUATION

| | | |
|---------|---|----------|
| 9:00 AM | AID/N Staff Meeting | Room 5-6 |
| | Nanesan Cabinet Meeting | Room 1-2 |
| 9:30 | PROJECT MANAGEMENT | Room 3-4 |
| | 9:30-10:15 Manage 1971-75; plan 1975-80 | |
| | 10:30-11:15 Program Review Session (return to respective Headquarters) | |
| | 11:15-12:00 Manage 1975-80; plan 1980-85 | |
| 12:00 | LUNCH | |
| 1:30 | PROJECT MANAGEMENT | Room 3-4 |
| | 1:30-2:15 Manage 1980-85; plan 1985-90 | |
| 2:15 | PROGRAM REVIEW AND EVALUATION | |
| | 2:15-3:15 Review program and prepare Matrices; respective Headquarters | |
| 3:15 | COFFEE | |
| 3:30 | JOINT DEVELOPMENT EVALUATION MEETING | Room 3-4 |
| | Comparison and discussion of the ISAID and Nanesan Evaluation Matrices. | |

IT IS IMPORTANT THAT THIS TIMETABLE BE ADHERED TO

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM III: ROLE ASSIGNMENTS

August 28, 1970

| | |
|---------------------------------------|--------------------|
| U.S. AMBASSADOR TO NANESA | George Peters |
| U.S. AID MISSION TO NANESA | |
| DIRECTOR | Joseph Marceny |
| DEPUTY DIRECTOR | Arthur Wong |
| PROGRAM OFFICER | Daniel Leaty |
| PUBLIC AFFAIRS OFFICER | Melvin Morris |
| HEALTH DIVISION, CHIEF | Charles Weinberg |
| DEPUTY | Harry Houck |
| EDUCATION DIVISION, CHIEF | Robert Anderson |
| DEPUTY | Jack Williamson |
| AGRICULTURE DIVISION, CHIEF | James Powell |
| DEPUTY | Carl Ekstrom |
| PUBLIC SAFETY DIVISION, CHIEF | Karl Mahler |
| DEPUTY | Roger Robinson |
| COMMERCE AND INDUSTRY DIVISION, CHIEF | Stanley Handleman |
| DEPUTY | Herbert Springer |
| URBAN DEVELOPMENT DIVISION, CHIEF | Robert Mc Candliss |
| DEPUTY | Ronald Witherell |
| DEVELOPMENT ADMIN. DIVISION, CHIEF | Dwane Hammer |
| DEPUTY | Lauryn Drengler |
| CONSULTANT (TRANSPORTATION) | Lee Marsden |
| NANESA DESK OFFICER/W | Timothy Bertotti |

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR
GOVERNMENT OF NANESA: OFFICIAL DELEGATION

| | |
|---------------------------------|--------------------------------|
| PRESIDENT | ABDUL SARTO (Unable to attend) |
| PRIME MINISTER | SAMIR EL ANNABI |
| DIRECTOR OF INFORMATION | MIRAN SARKISSIAN |
| MINISTER OF HEALTH | TRAN ANH TUAN |
| MINISTER OF AGRICULTURE | THIRAYUTH LOLERTRATNA |
| MINISTER OF EDUCATION | AHMED TAWATI |
| MINISTER OF INTERNAL AFFAIRS | VU XUAN HOAI |
| MINISTER OF COMMERCE & INDUSTRY | UMIT BERKMAN |
| MINISTER FOR URBAN DEVELOPMENT | PATOM MAMIROJANAMA |
| MINISTER FOR ADMINISTRATION | JAMES SANPHA KOROMA |

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM III: PROJECT MANAGEMENT AND EVALUATION

ROLES: MISSION HEADQUARTERS STAFF (Director, Deputy Director, Program Officer, Public Affairs Officer, Consultants)

OBJECTIVE: The objective of this phase of the game is to manage the United States technical assistance program in Nanesa through twenty years (1970-90) and evaluate its impact at the conclusion of this twenty year period.

MAJOR RESPONSIBILITIES:

MISSION MANAGEMENT: The Director and his staff must be on top of the total program (comprising all the projects) and all the interventions at all times. You should familiarize yourselves with the enclosed instructions that have been distributed to the Divisions, and there must be a general sharing of information at all times. For purposes of this game, Mission Management has three major components:

- 1) PERSONNEL. You should attempt the optimal use of all personnel over the twenty year period. Try to give your people both field and headquarters experience, and it may be useful to give them experience in more than one Division. You may transfer personnel by using the "Notification of Personnel Action" form. A copy must be sent to the Government of Nanesa, so that they are aware when expected to deal with a new face. The GON will also inform you of any Cabinet shuffles that occur over time.
- 2) PLANNING/BUDGETING. You must assure that your mission plans ahead for a twenty year program, and at the same time has contingency plans which may be used when interventions require a change or modification. You must also be sure that your budget is used most effectively -- it may be necessary to switch money from one sector to another. The Program Officer must be on top of the expenditures at any given time. You should also be sure that your programming aims at the achievement of AID/N stated assistance Objectives for Nanesa.
- 3) COMMUNICATION. You must keep in touch with the field -- by message, or by calling your man in. You must make sure that he is aware of, and responds to, relevant interventions. You should be sure to involve the Ambassador in decisions with broad political or military implications. You may request information or guidance from Washington, through the Desk Officer, and you should keep in touch with the Nanesans (formally and informally) and share relevant intelligence with your staff, and higher authorities.

PROGRAM EVALUATION. The Director is responsible for a continuing evaluation of his program, to ascertain that it is, in fact, attaining the Mission's Assistance Objectives. He is similarly responsible for assembling the data that will make possible a broader evaluation of the impact of twenty years of U.S. assistance programming on Nanesa. The following are the major ingredients of this evaluation responsibility:

- 1) **AID/N ASSISTANCE OBJECTIVES.** These are limited to five, and are stated in the Country Assistance Program. The Mission Director should assign priorities to these objectives, and make sure that his staff is aware of these as guidelines to its project development efforts. Over the twenty year period, the objectives, or their priority, may be changed. This is the Director's prerogative, but should be done on the basis of changing situations, consultation with the Ambassador, the Mission staff, and other relevant information.
- 2) **PROGRAM REVIEW SESSIONS.** These are held every five years. The status of projects in each sector is determined and collated and the Director leads a discussion on the impact of events on the overall program. The Ambassador contributes intelligence and interpretations that may cause a new look at the mission's program, a revision of assistance objectives, and suggestions for new directions or emphases in project design. The meeting should look at alternate ways of responding to events, and in general should be the scene for getting your staff set for the next five years through the announcement of personnel shifts, new priorities, or other relevant information.
- 3) **DEVELOPMENT INDICATORS.** These will be explained in a separate instruction. The Director is responsible for seeing to it that there is a set of indicators for each of the Mission's five Assistance Objectives. If he changes the objectives, he must have new indicators. He should also recognize that those responsible for the generation of indicators may play a significant role in stating Assistance Objectives more realistically. An up-to-date set of Development Indicators must be available for use in the final Program Review and Evaluation Session.
- 4) **DEVELOPMENT EVALUATION MATRIX.** This will be explained in a separate instruction. It will be prepared at the final Program Review and Evaluation Session, and will represent the Mission judgement of the effectiveness of twenty years of U.S. assistance to Nanesa. The Nanesans will also be preparing such a matrix (against their own objectives); the two Matrices will form the basis of the Joint Development Evaluation Meeting that concludes the game. The Nanesan Cabinet will participate in this final meeting.

PROCEDURE:

This is a complicated play of the game, and it is essential that you follow the time-table on the calendar for the day. It is particularly important that you realize the time-frame in which you are working during the 1971-90 period. The following time-frame will be on the board in each room to assure the necessary synchronization:

| <u>REAL TIME</u> | <u>TIME PERIOD</u> | <u>MANAGE</u> | <u>NEGOTIATE</u> |
|------------------|---------------------------------------|---------------|------------------|
| 9:30-10:15 | 1971-75 | 1971-75 | 1975-80 |
| 10:30-11:15 | PROGRAM REVIEW SESSION | | |
| 11:15-12:00 | 1975-80 | 1975-80 | 1980-85 |
| 12:00-1:30 | LUNCH AND PROGRAM REVIEW | | |
| 1:30-2:15 | 1980-85 | 1980-85 | 1985-90 |
| 2:15-3:30 | PROGRAM REVIEW AND EVALUATION SESSION | | |
| 3:30 | JOINT DEVELOPMENT EVALUATION MEETING | | |

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM III: PROJECT MANAGEMENT AND EVALUATION

ROLE: DIVISION CHIEFS AND DEPUTY DIVISION CHIEFS

OBJECTIVE: The objective of this phase of the game is to maintain a sequence of mutually-agreed-upon projects in each development sector, in the face of unforeseen interventions representing the years 1970 to 1990. Projects must be agreed upon; the impact of interventions on the projects must be assessed; planning for future projects must be continuous and coordinated with the total mission program as well as changing needs and situations in Nanesa.

KEY TERMS:

PROJECT DESCRIPTION: Each development project is described on a standard form which indicates the time frame of the project (beginning date and estimated finish date) and the four essential elements of the project; its targets (not more than three); the actions necessary to achieve those targets; the contribution of the United States; and the contribution of Nanesa. When completed and agreed upon by the two governments, the Project Agreement (ProAg) contains all the elements necessary for success. Thus, with the passage of the time indicated at the top it will be assumed that the project is completed, unless there are interventions that require its modification.

INTERVENTIONS: These are events that represent the passage of time and may modify the setting in which the project is being implemented. You must attend to them; they may or may not be relevant to your particular project. If an event is relevant you must estimate -- with your counterpart -- its impact on the project you are managing, and note this impact on the ProAg. For example, an intervention could wipe out one target, or mean that only half of a necessary action could be completed. Interventions can be of many sorts: instructions from superiors, news events, visits from outsiders (VIPs, auditors, Congressmen), actions by Nanesans, rumors or other random information. You must determine what impact, if any, each of these has on your project.

PROJECT STATUS REPORT: At the conclusion of each five year period, you must assess the extent to which your project has been achieved, and note its status on the ProAg, and hand it in to the Program Officer who must compile a status report on the entire Mission program. If the interventions have had no impact on your project, simply write "Completed" across the ProAg. If there has been an impact, the magnitude of the impact must be assessed and noted. For example, if a strike of construction workers occurred during the five year period, you must judge how this affected targeted ten schools, (you may end up with only five). Write the amount of the target that was achieved in the margin beside the statement of the target on the ProAg. This can be either an absolute figure or a fraction.

PROGRAM REVIEW SESSION: These sessions occur at Mission headquarters at the end of each five year period. The Project Status Reports are all collected and collated, and a discussion is held as to how the Program (i.e. all the Mission's projects) has done in the light of the events of the preceding five years. Alternative ways of coping with interventions will be discussed, and there will be conjecture about the future of the program in the light of its current status.

PROCEDURE:

- 1) The game will be played in three five-year periods. At the end of each you will return to Headquarters to review the program in the light of your progress and the state of the world. See the attached timetable. It is important that you adhere to the schedule.
- 2) There should be only two people at each sector table; an American and a Nanesan. These may rotate over time. You may communicate with Headquarters by messenger or in person. Remember, a relevant intervention may occur during your absence.
- 3) You should bring to the table the project negotiated for your sector in MIDSIM II (ProAg, 1971-75). You should also have drafts of a sequence of projects you would like to see follow the present project. For purposes of this game, we want three more five-year projects (1975-80, 1980-85, 1985-90). They may or may not be related; but they should be prepared in consultation with the Program Officer and approved by the Mission Director.
- 4) Upon reaching the table you have two tasks: Project Management, and Project Negotiation. Management consists of laying the Project Agreement on the table and attending to it only if there is an intervention that affects it. If there are no interventions that require its modification, it is assumed that the project will be successfully completed at the end of the time period. Negotiation consists of reaching an agreement on the project which will be managed in the next time period. This will probably result in simpler project descriptions. If you are unable to reach a Project Agreement, you will not have a project to manage the next time around. Your objective should be to have a successful project in each time period. The two processes are synchronized as follows:

| <u>REAL TIME</u> | <u>TIME PERIOD</u> | <u>MANAGE</u> | <u>NEGOTIATE</u> |
|------------------|---------------------------------------|---------------|------------------|
| 9:30-10:15 | 1971-75 | 1971-75 | 1975-80 |
| 10:30-11:15 | PROGRAM REVIEW SESSION | | |
| 11:15-12:00 | 1975-80 | 1975-80 | 1980-85 |
| 12:00-1:30 | LUNCH AND PROGRAM REVIEW SESSION | | |
| 1:30-2:15 | 1980-85 | 1980-85 | 1985-90 |
| 2:15-3:30 | PROGRAM REVIEW AND EVALUATION SESSION | | |
| 3:30 | JOINT DEVELOPMENT EVALUATION MEETING | | |

- 5) At the signal for the end of any time period, return to your Headquarters and turn in the status report on the completed project, and the description of the project for the next round (ProAg).

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM III: PROJECT MANAGEMENT AND EVALUATION

ROLE: U.S. AMBASSADOR TO NANESA

OBJECTIVE: The objective of this play of ~~the~~ game is to simulate a twenty year assistance program in Nanesa. Projects will be managed against events simulating the period 1970-90. They will succeed or fail to the extent that they adapt to changing circumstances. In 1990, there will be an attempt to evaluate the extent to which the program has, in fact, helped attain the U.S. Assistance Objectives for Nanesa.

YOUR ROLE: You are a career foreign service officer whom the President has appointed to succeed his previous political appointee. You may wish to consult with your predecessor about the job, but may develop it in any way you see fit. Remember, you represent the President of the United States, and it is assumed that you will be involved in all matters of high policy -- particularly as they involve political or military affairs. You should be available to the AID Director as he is confronted with a broad range of problems. You should also feel free to visit Mission headquarters, inspect the projects, call on the Prime Minister, and in general assure that the AID effort is in harmony with U.S. interests. You will receive Situation Reports from the National Security Council. You should be sure that members of the country team are aware of intelligence that affects their operations. You should attend the Program Review Sessions that are held in the Mission every five years, and contribute your judgement to the discussion.

You will be assisted by a Deputy Chief of Mission (DCM) who should be fully informed and empowered to act for you in your absence.

MAXWELL INTERNATIONAL DEVELOPMENT SEMINAR

MIDSIM III: PROJECT MANAGEMENT AND EVALUATION

ROLE: NANESA DESK OFFICER/WASHINGTON

YOUR RESPONSIBILITIES: You are the only Washington-based person in the game. You will work out of the office of the MIDSIM DIRECTOR, and you will receive a copy of every intervention he injects into the game. Your primary task is to see to it that the field responds to interventions, and note the nature of the response at the bottom of your copy. These copies should be available for the inspection of the MIDSIM Director at any time, and should be turned in to him at the end of the day.

You will have several problems: you will discover that it is difficult for Washington to have a sense of what is going on in the field; you will sometimes feel that the field either doesn't respond at all or takes too long; you will feel that they do not check with you when they have questions that you might answer. The problems are frequently just a matter of communication. You should keep in touch by cable. You may call in the Mission Director for consultation in cases of real crisis. You should promptly respond to field inquiries (check with the MIDSIM Director when you have doubts). You may also originate some interventions (again, check with the MIDSIM Director).

In short, you should know what is going on, and should represent Agency headquarters to the field. You should serve them, check up on them, straighten them out, and try to understand their problems from afar. It is a frustrating task.

You should attend the five-year program review sessions at Mission Headquarters; and you will lunch with the others; but during the actual play of the game, you should remain in Washington, and try to form a picture from afar.

You should attend the Joint Development Evaluation Meeting at the end of the game.

THE REPUBLIC OF NANESA: THE STATE OF THE NATION 1970

Statistical Summary:

| | | |
|---------------|---------------------------|-------------------------|
| 1) Population | Total | 56.4 million |
| | Rate of Growth | 3.0 percent |
| | Density | 109.0 per sq. mi. |
| | % Urban | 10.9 percent |
| | Age Distribution | |
| | 0-4 | 21.0 percent |
| | 5-14 | 23.0 percent |
| | 15-65 | 50.0 percent |
| | 66-over | 6.0 percent |
| | Birth Rate | 44.0 per 1000 |
| | Death Rate | 14.0 per 1000 |
| 2) Area | Total | 500.0 1000 sq. mi. |
| | Agricultural Land | 25.0% total area |
| 3) GNP | Total | 10.0 million |
| | Per Capita | 183.0 \$ |
| | Per Capita Urban | 200.0 \$ |
| | Investment | 18.0 percent |
| 4) Power | KWH per year | 360.0 |
| 5) Transport | Miles of Improved Road | 40.0 per sq. mile |
| | Motor Vehicles | 250.0 thousand |
| 6) Education | Literacy | 40.0 percent |
| | % of pop 5-14 in school | 48.0 percent |
| | Primary students enrolled | 6.07 million |
| | Primary School Teachers | 40.4 thousand |
| 7) Health | Life Expectancy | 55 years |
| | People per physician | 3,000 |
| | Infant mortality rate | 115 per 1000 live birth |

8) Exports

| <u>Major Exports</u> | <u>% of total 1970</u> |
|-----------------------------------|------------------------|
| Rice | 45 |
| Cotton | 5 |
| Textiles | * |
| Sugar | 15 |
| Tobacco | 15 |
| Cigars | * |
| Coffee | 5 |
| Soya Bean Extract Health Tonic | ... |
| Tractors | * |
| Oil | 4 |
| Soya Beans | 1 |

* less than 1%

DESCRIPTIVE SUMMARY

- 1) Agricultural production has increased by 150%.
- 2) Agricultural import substitution nearly complete
- 3) Foreign capital in Nanesa has increased by 90% during period.
- 4) The upper 10% of the population receives 55% of the National income annually; a decrease of 15% from 1970.
- 5) Level of income tax evasion estimated to have decreased by 30% during period.
- 6) Absolute number of violent crimes has remained constant over period.
- 7) Population of urban areas has increased by 200% during period.
- 8) 18% of work force is unemployed; generally the result of a mis-matching of skills with skill requirements and an overly capital intensive mix of production methods in private sector.
- 9) Facilitation of urban distribution systems including water, sewage, electricity, and paved streets is complete to 85% of all urban households.
- 10) Buddhist discontent and frustration and Chinese racial tensions have grown of the last 20 years.
- 11) The strength of the NLF has reached near crisis proportions although their activities have received little world attention.
- 12) International recognition has been accorded many Nanesans during the past twenty years: Chandu and Longo have won Nobel Prizes for Science; a Nobel prize for fiction has been awarded Iver Sen for his "The Nanesan Simulation", Soo Sarto was Miss Universe for 1984; the Camposh Gourd Band, and the Kwaidong Symphonette have had successful international tours, and, in addition to the annual Rice Bowl Games at Kwaidong, Nanesa is proud of its Olympic champions: Bandu and Bakir, for their triumph in the double sculls.

MAXWELL INTERNATIONAL DEVELOPMENT SEMINARS

DEVELOPMENT INDICATORS: INSTRUCTIONS

Development Indicators attempt to identify more precise units for measuring the achievement of development goals. They compel the user to think in terms of the components of success, and describe these components in quantifiable terms so that some measurement of goal attainment can be made. These remain approximations, but they attempt to be more precise than the usual impressionistic or subjective judgments of success that are commonly made.

For example, assume that one of the objectives of development is stated as follows:

"A healthy, educated, stable population".

To generate indicators of the achievement of this objective, one might break it into its three component parts by asking:

- 1) What is an indicator of a "healthy population"?
- 2) What is an indicator of an "educated Population"?
- 3) What is an indicator of a "stable population"?

In the first instance, one might assume that longevity is a sign of health. One might then choose a target figure for achieving 100% of the goal as being the life expectancy of a "healthy" nation, such as England, 70 years. One might take the present life expectancy of the country (40 years) and estimate gradations. I.e., 25% achievement of the goal would be life expectancy of 48 years; 50%, 55 years; 75%, 63 years, and 100% 70 years.

One would next generate some indicators for an "educated population"; let us say, % of population that is literate. The present rate is 40% literate. Japan has a rate of 98%. Let us assume 90% as our top target. An achievement of 25% of the objective would be 52% literacy; 50% of the goal, 64% literacy; 75% of the goal, 76% literacy, and 100% of the goal, 90% literacy.

Indicators of a stable population would obviously relate to natural increase (i.e., the excess of births over deaths). A country like Japan, with a relatively stable population, has a natural increase in population of 12.2 per 1000, or a 1.2% increase per year. The United States is even less. Assume that the present growth rate is 30 per 1000 (a 3% rate) and a target is 10 per 1000 (a 1% rate). A 25% achievement of the target would be a rate of 2.5%; a 50% achievement would be a rate of 2%; a 75% achievement would be a rate of 1.5% and a 100% achievement would be a 1% rate of population growth.

Having generated these indicators, one could look at combinations of them, and attempt to assess what level of overall achievement of the stated goal the country had achieved at any given point.

DEVELOPMENT INDICATORS

DEVELOPMENT OBJECTIVE:

INDICATORS OF 100% ACHIEVEMENT OF OBJECTIVE

- 1.
 - 2.
 - 3.
 - 4.
-

INDICATORS OF 75% ACHIEVEMENT OF OBJECTIVE

- 1.
 - 2.
 - 3.
 - 4.
-

INDICATORS OF 50% ACHIEVEMENT OF OBJECTIVE

- 1.
 - 2.
 - 3.
 - 4.
-

INDICATORS OF 25% ACHIEVEMENT OF OBJECTIVE

- 1.
- 2.
- 3.

SYRACUSE UNIVERSITY

Development Evaluation Matrix

Instructions:

1. On the right axis of the Matrix, list the Development Objectives that were an output of MIDSIM I.
2. Reading down in your sector only, place a diagonal mark in the cell opposite those objectives on which the projects in your sector -- over the past twenty years -- have had some impact.



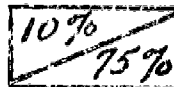
3. In the lower half of the cell, which you have marked as indicating impact, estimate what percentage of the objective you feel has been attained over the past twenty years. Refer to Indicators developed in MIDSIM III.

e.g.



4. In the upper half of each cell you have marked, estimate what percentage your sector's projects have contributed to the attainment of the objective.

e.g.



5. At the bottom of your sector's column, add all the estimated sector contributions (upper half of each cell). The total may be more than 100%.
6. You will now rejoin your larger group (AID mission, or Nanesan Cabinet) and a COMPOSITE Development Evaluation Matrix will be assembled (by the Mission Chief or Prime Minister) and discussed.
7. Upon completion of the allotted discussion time, the two groups (AID/mission, and Nanesan Cabinet) will assemble to compare and discuss Matrices.

The following should be noted:

- 1) Similarities and differences in Development Objectives.
- 2) Similarities and differences in estimates of success
- 3) Similarities and differences in relative contributions to success or failures.

DEVELOPMENT EVALUATION MATRIX

| DEVELOPMENT OBJECTIVES | HEALTH | AGRI-CULTURE | EDU-CATION | PUBLIC SAFETY | COMMERCE INDUSTRY | URBAN DEVELOP. | DEVELOP. / ADMIN. | TOTALS |
|------------------------|--------|--------------|------------|---------------|-------------------|----------------|-------------------|--------|
| 1. | | | | | | | | |
| 2. | | | | | | | | |
| 3. | | | | | | | | |
| 4. | | | | | | | | |
| 5. | | | | | | | | |
| TOTALS | | | | | | | | |

MEMORANDUM

DEPARTMENT OF STATE

CLASSIFIED

19

AID/N KWAI DONG

AID/W

MULTI-YEAR APPROPRIATIONS

CONGRESS HAS GIVEN FINAL APPROVAL TO THE PRESIDENT'S REQUEST FOR LONG-TERM FINANCIAL COMMITMENTS TO TECHNICAL ASSISTANCE PROGRAMS.

EFFECTIVE FY 1975, FIVE-YEAR APPROPRIATIONS FOR DEVELOPMENT GRANTS HAVE BEEN AUTHORIZED BY CONGRESS. UNTIL THEN, OBLIGATIONS MAY BE ASSUMED TO REMAIN AT PRESENT LEVELS.

THIS SHOULD BE IMPORTANT IN ALL FUTURE PROGRAMMING AND DISCUSSIONS WITH NANESANS. PLEASE INSTRUCT YOUR PEOPLE TO USE THIS AUTHORIZATION FOR MAXIMUM EFFECTIVENESS.

HANDER

PAGE 09

MIDS: rwi



REPUBLIC OF NANESA

Office of the President

DEAR SAMIR:

I AM INCREASINGLY CONCERNED THAT THE U.S. IS BECOMING DEEPLY ENTRENCHED IN INTERNAL NANESAN INTELLIGENCE MATTERS THROUGH ITS AID/PUBLIC SAFETY PROGRAMS. PLEASE EXPRESS OUR CONCERN THROUGH APPROPRIATE CHANNELS, AND ASCERTAIN TO WHAT EXTENT IT WOULD BE FEASIBLE FOR THE U.S. TO REDUCE THESE PROGRAMS WHILE INCREASING THEIR CONTRIBUTIONS TO OTHER SECTORS.

Sant.

UNCLASSIFIED

46

AMEMBASSY/KWAIDONG

STATE

LONG-RANGE THINKING

IN VIEW OF RECENT LEGISLATION PERMITTING FUNDING IN FIVE-YEAR BLOCKS, WE WISH TO ENCOURAGE LONG-RANGE THINKING WITH REGARD TO OUR ASSISTANCE PROGRAMS.

ASK THAT YOU SET UP A MEETING WITH PRIME MINISTER AND ADVISORS OF HIS CHOICE, TO DISCUSS ALTERNATIVE FUTURES THROUGH 1990. DRAW ON THE BEST THINKING IN OUR MISSION, AND SEE IF THERE IS AGREEMENT ON EMPHASES, OBJECTIVES AND STRATEGIES.

OBJECTIVE OF THE MEETING IS SIMPLY TO GET BOTH SIDES THINKING IN LONG-TERMS AND TO ASSURE THE NANESANS THAT WE HAVE NO INTENTION OF PROVIDING A FLY-BY-NIGHT ASSISTANCE EFFORT.

PLEASE PROVIDE ME WITH A ONE-PAGE SUMMARY OF CONCLUSIONS OF THE MEETING.

RAJAH

MIDS: rwi

DEPARTMENT OF STATE

UNCLASSIFIED

Classification
For each address class use

AMEMBASSY/KWAIDONG

STATE/AID

INTERGOVERNMENTAL GROUP/NANESA

THE INTERGOVERNMENTAL GROUP (IGG) IS A CONSORTIUM OF NINE DONOR NATIONS WHO COORDINATE THEIR ASSISTANCE TO THE GOVERNMENT OF NANESA. MEMBERSHIP CONSISTS OF AUSTRALIA, CANADA, FRANCE, GREAT BRITAIN, NEW ZEALAND, KUWAIT, UNITED STATES, JAPAN, AND WEST GERMANY. IGG IS CHAIRED BY THE BRITISH.

IGG MEETS ANNUALLY TO DISCUSS NANESAN NEEDS AND DONOR PROPOSALS. AN ATTEMPT IS MADE TO ASSURE EACH MEMBER PROJECTS IN ITS SPECIALTY WITH A MINIMUM OF GAPS, OVERLAPS, AND COMPETITION. NANESAN PREFERENCES ARE CONSIDERED TO BE OVERRIDING.

IGG PROCEDURES ARE RELATIVELY SIMPLE. THE GOVERNMENT OF NANESA INFORMS EACH DONOR OF NEEDS IT FEELS IT MIGHT BEST MEET. GON ALSO INDICATES ACTIVITY THAT IT PREFERS PARTICULAR DONOR NATIONS OPERATE OR NOT OPERATE. EVERY EFFORT IS MADE BY DONOR NATIONS TO COMPLY WITH NANESAN EXPRESSED JUDGEMENTS.

THIS DOES NOT RULE OUT DISCUSSION IF WE FEEL WE ARE BETTER ABLE TO PERFORM AN ACTIVITY NANESA HAS "ASSIGNED" TO ANOTHER DONOR. DISCUSSION MAY PROCEED THROUGH MINISTERIAL LEVELS TO PM, IF NECESSARY.

IT IS U.S. POLICY TO DO EVERYTHING POSSIBLE TO CONDUCT OUR ASSISTANCE EFFORT THROUGH IGG FRAMEWORK. THIS IS MULTILATERALISM AND LOW PROFILE. HOWEVER, "LOW PROFILE" DOES NOT PRECLUDE CONTINUING EMPHASIS ON ONE GOOD U.S. PROJECT IN EACH SECTOR.

RAJAH.

MIDS: rwi

DEPARTMENT OF STATE

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45

AMEMBASSY/KWAIDONG

STATE/AID

AID REORGANIZATION

RELUCTANCE OF CONGRESS TO CONFRONT AID'S URGENT NEEDS FOR REORGANIZATION COMPELS PRESIDENTIAL INITIATIVE BY EXECUTIVE ORDER. ACCORDINGLY, AS OF THIS DATE, THE FOLLOWING REORGANIZATION STEPS ARE TO BE PUT INTO EFFECT IN YOUR MISSION:

- 1) THE AID MISSION WILL HENCEFORTH NOT CONCERN ITSELF WITH LOANS. THIS FUNCTION WILL BE PERFORMED BY A NEW UNIT -- THE DEVELOPMENT LOAN FOUNDATION-- WORKING CLOSELY WITH INTERNATIONAL BANKS.
- 2) THE AID MISSION WILL HENCEFORTH NOT CONCERN ITSELF WITH PUBLIC SAFETY PROJECTS. THE MISSION'S DIVISION OF PUBLIC SAFETY WILL BE IMMEDIATELY TRANSFERRED TO THE EMBASSY, AND WILL REPORT DIRECTLY TO THE AMBASSADOR. ITS FUNDING WILL NO LONGER COME FROM AID FUNDS, BUT UNDER THE DIRECTION OF THE AMBASSADOR.
- 3) THE AID MISSION WILL HENCEFORTH CONCERN ITSELF WITH TECHNICAL ASSISTANCE AND DEVELOPMENT GRANTS. THE MISSION WILL BECOME LARGELY A MONITORING OPERATION, AND THERE WILL BE MAXIMUM FEASIBLE USE OF CONTRACTING. IT IS U.S. POLICY IN NANESA TO CONTINUE TO HAVE ONE BILATERAL PROJECT IN EACH DEVELOPMENT SECTOR. THIS MUST BE THE BEST POSSIBLE PROJECT TO ASSURE THE BEST POSSIBLE U.S. PRESENCE.
- 4) THE AID MISSION WILL HENCEFORTH CONCERN ITSELF WITH GREATER COORDINATION WITH THE INTERGOVERNMENTAL GROUP (IGG) AS A MEANS OF DEMONSTRATING OUR COMMITMENT TO MULTILATERALISM AND LOW -PROFILE. IN PRACTICE, THIS MEANS

AIRGRAM

DEPARTMENT OF STATE

CLASSIFICATION

For trans address check box AIRMAIL

TO - AMEMBASSY/KWAI DONG

DATE

CLASSIFICATION

REORGANIZATION, CONTINUED

THAT EACH MEMBER OF THE IGG DOES WHAT IT CAN DO BEST -- THE FINAL JUDGE BEING THE NANESANS THEMSELVES. THAT IS, IF THE NANESANS DECIDE THAT THEY WANT JAPAN TO HANDLE TA IN MASS TRANSIT, WE MUST NOT HAVE A MASS TRANSIT PROJECT IN OUR URBAN DEVELOPMENT SECTOR. GON WILL KEEP US INFORMED AS TO TYPES OF PROJECTS IT WISHES IGG MEMBERS TO HANDLE OR NOT TO HANDLE.

WE DO NOT SEE THESE INSTRUCTIONS LEADING TO ANY APPRECIABLE REDUCTION IN MISSION FORCE AT THIS TIME. IT DOES, HOWEVER, MARK A DRAMATIC NEW EMPHASIS IN OUR AID PROGRAM, FULLY IN HARMONY WITH THE PRESIDENT'S GUAM DOCTRINE.

PLEASE REPORT ON COMPLIANCE TO THESE INSTRUCTIONS.

RAJAH

PAGE 2 OF 2

| INITIALS | OFFICE | PRECEDENCE | DATE | APPROVED BY |
|-----------|--------|------------|------|-------------|
| MIDS: rwi | PPC | | | HANDER |

THIS MESSAGE IS UNCLASSIFIED

CLASSIFICATION

For trans address check box AIRMAIL

FORM 100-10 79



REPUBLIC OF NANESA

Office of the President

TO: REPRESENTATIVES OF THE INTERGOVERNMENTAL GROUP

SUBJECT: DONOR SPECIALTIES APPLICABLE TO NANESA

In recent visits to ICG member nations, I have been impressed that each has a particular area of expertise which, insofar as possible, I would like applied to the development of Nanasa. This list is impressionistic, but should be the basis for discussion. I would be anxious for your reaction to this notion, as I am anxious that each nation provide assistance in the area of its excellence.

Great Britain: education, health

France: Tourism, amenities, vineyard culture

West Germany: heavy industry, mass production

Japan: family planning, electronics, mass transit

Australia: Livestock management

New Zealand: Tourism, and dairy industry

Canada: Grain and forest management

Kuwait: Loans and relations with foreign investors

United States: Public administration, urban development, and education

My Prime Minister is prepared to open discussions on this scheme at your earliest convenience.

Sarto

GRAM

DEPARTMENT OF STATE

CLASSIFIED

CLASSIFICATION

For each address check one ACTION

TO: AMEMBASSY/KWAIDONG

FROM: STATE/AID

SUBJECT: U.S. CONTRACTOR MALEFEASANCE

DATE SENT

N.Y. TIMES CLAIMS RELATIONS BETWEEN ROOT-KNUDSEN AND GON ON SUKHA ROAD PROJECT HAVE BROKEN DOWN AND ARE REFLECTING ADVERSELY ON U.S. IMAGE.

TIMES CLAIMS: ROOT-KNUDSEN PRIME CONTRACTOR FOR \$6 MILLION ROAD FROM CHANDRI TO SUKHA. ROAD ESSENTIAL TO OPENING OF MINERAL RICH NORTHERN MOUNTAIN AREA. R-K DESIGN SAID TO BE TOO SHOWY, EXPENSIVE, AND VULNERABLE TO SLIDES. STILL INCOMPLETE AFTER FIVE YEARS. R-K EXECUTIVES USING CONTRACT MONEY TO BUILD PERSONAL VILLAS. GON PLANNING TO EXPEL CONTRACTOR AND COMPLETE PROJECT WITH NANESAN ARMY ENGINEERS. EVEN TALK OF USING CHINESE ROAD GANGS. WE HAVE LOANED \$2 MILLION TO THIS PROJECT.

CHECK FACTS, AND ASSURE GON OF OUR CONCERN THAT SITUATION BE IMMEDIATELY RECTIFIED, AND THAT THERE BE NO RECURRENCE.

PLEASE RECOMMEND:

- 1) PROCEDURES WHEREBY AID CAN APPROVE INITIAL DESIGN OF ROAD
- 2) PROCEDURES WHEREBY AID CAN ASSURE CONTRACTOR COMPLIANCE.
- 3) PROCEDURES WHEREBY AID CAN ASSIST GON IN BRINGING PROJECT TO MUTUALLY FAVORABLE CONCLUSION.

RAJAH

PAGE OF PAGE

| | | | | |
|--------------------------|--------|-------------|------|-------------|
| PREPARED BY MIDS: rwi | OFFICE | PROJECT NO. | DATE | APPROVED BY |
|--------------------------|--------|-------------|------|-------------|

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

AA/AA, GC, AG, ENG, DCL

CLASSIFICATION

DATE OF DECLASSIFICATION

DATE OF REVIEW



MEMORANDUM

DEPARTMENT OF STATE

CLASSIFICATION

For each address check one ACTION

TO - AMEMBASSY/KWAIDONG

FROM - WASHINGTON

SUBJECT - NANESA EARTHQUAKE EMERGENCY

TAKE IMMEDIATE STEPS TO ASSURE GON OF FULL U.S. SUPPORT IN COPING WITH THIS TRAGEDY. EMPOWER AID TO DIVERT M&N, EQUIPMENT, COMMODITIES AS NEEDED. INVENTORY NEEDS AND SUBMIT YOUR RECOMMENDATIONS FOR OUR ACTION. DISASTER RELIEF DIVISION AVAILABLE AS NEEDED. USE PERU PROCEDURE AS MODEL, BUT MAKE ADAPTATION SUITED TO NANESAN NEEDS. RESPOND SOONEST.

RAJAH

MIDS: rwi

| | | | |
|--------|--------------|------|----------------|
| OFFICE | INDEXING NO. | DATE | CLASSIFICATION |
| | | | |

6P 2575

CLASSIFICATION

For each type below



UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
REPUBLIC OF NANESA

PRESS RELEASE

DATE: December 30, 1975

The AGENCY FOR INTERNATIONAL DEVELOPMENT is playing a leading role in relief efforts for victims of the massive earthquake that struck a Nanesan mountain valley today.

More than 100,000 persons, out of an area population of 300,000, are homeless in the Zappapur Valley of the Mastandi Mountains southwest of Chandri. The dead have not been counted, but the toll may run as high as 10,000. The area affected by the quake covers over 10,000 square miles, and the greatest deterrent to relief operations has been that the dust has not settled, landslides and fog block the roads, and most landing strips have been destroyed. While emergency needs for supplies are being met from Disaster Relief stocks, much more will be needed for recovery, rehabilitation, and reconstruction. Nanesan authorities estimate urgent needs in the amount of \$100 million.

Countries contributing to the relief effort include all members of the Intergovernmental Group (IGG) which was established in 1965 to coordinate assistance to Nanesa's long-term development. China and Russia have also sent teams to the disaster area to determine the nature of the aid they might provide.

The American effort is being conducted directly from the Office of the U.S. Ambassador, who is in constant communication with both Kwaidong and Washington.

REPUBLIC OF NANESA

Office of the President

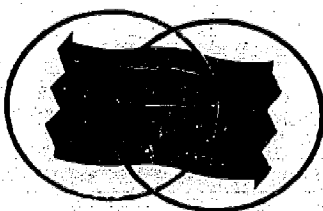
PROCLAMATION

STATE OF NATIONAL EMERGENCY

IN VIEW OF THE DISASTER THAT HAS BEFALLEN OUR COUNTRYMEN IN THE MOUNTAINS OF THE WEST, I HEREBY DECLARE A STATE OF NATIONAL EMERGENCY, EFFECTIVE IMMEDIATELY

- 1) NO UNAUTHORIZED TRAVEL IN OR OUT OF THE DISASTER AREA.
- 2) ALL COMMUNICATIONS LINES ARE TO BE KEPT OPEN FOR OFFICIAL USE.
- 3) ALL ROADS AND VEHICLES IN THE AREA ARE TO BE COMMANDEERED FOR OFFICIAL USE IN COPING WITH THE DISASTER.
- 4) LABOR WILL BE DRAFTED AS NEEDED, AND CITIZENS WILL BE COMPENSATED FOR THEIR TOIL.
- 5) SUPPLIES WILL BE COMMANDEERED AS NEEDED FOR THE RELIEF OPERATION. OWNERS WILL BE DULY COMPENSATED.
- 6) ALL EFFORTS ON BEHALF OF OUR STRICKEN BRETHREN WILL BE COORDINATED OUT OF THE OFFICE OF THE PRIME MINISTER.

I URGE ALL NANESANS TO PRAY FOR THE SOULS OF THOSE DECEASED, THE HEALTH OF THOSE LIVING, AND THE FUTURE OF OUR BELOVED LAND.



ORDERED THIS DAY, AND EFFECTIVE
UNTIL FURTHER NOTICE

Sarto

ABDUL SARTO
PRESIDENT OF THE REPUBLIC
COMMANDER OF THE DEFENSE FORCES
GENERAL OF THE ARMY
SERVANT OF GOD AND THE PEOPLE

DEPARTMENT OF STATE

UNCLASSIFIED

CLASSIFICATION

AID/N KWAI DONG

AID/W

PROGRAM EVALUATION

PURSUANT TO M.C. 1026.1 YOU ARE HEREBY INSTRUCTED TO DESIGNATE A MISSION "PROGRAM EVALUATION OFFICER"

HIS DUTIES SHALL BE:

- 1) TO ASSURE THE PREPARATION OF DEVELOPMENT INDICATORS FOR EACH OF AID'S FIVE ASSISTANCE OBJECTIVES FOR NANESA. (SEE CAP)**
- 2) THE INDICATORS MUST BE XEROXED AND READY FOR USE IN THE PREPARING THE MISSION'S DEVELOPMENT EVALUATION MATRIX AT THE STAFF MEETING TO BE HELD AT 1615 HOURS.**

EITHER THE DEPUTY DIRECTOR OR THE PROGRAM OFFICER WOULD BE AN APPROPRIATE DESIGNEE. PLEASE FORWARD THE NAME OF YOUR SELECTION.

RAJAH

MIDS: rwi

KONTOS

PROGRAM

DEPARTMENT OF STATE

UNCLASSIFIED

CLASSIFICATION

DATE OF DECLASSIFICATION

TO

USAID/KWAIDONG

FROM

AID/W

SUBJECT

ECOLOGICAL REVIEW OF PROJECTS

REFERENCE

IN ACCORD WITH DIRECTIVE FROM PRESIDENTIAL COUNCIL ON ENVIRONMENTAL QUALITY, AID HAS ESTABLISHED QUALITY OF ENVIRONMENT DIVISION (QED) TO ASSURE THAT IMPACT-ON-ENVIRONMENT IS PRIORITY CONSIDERATION IN ALL FUTURE PROGRAMMING. EACH MISSION TO APPOINT AN ECOLOGICAL REVIEW OFFICER (ERO) WITH RESPONSIBILITY TO REVIEW IMPACT-ON-ENVIRONMENT OF PROJECTS UNDER CONSIDERATION, RECOMMEND MODIFICATION IF NECESSARY, AND REVOKE IF DAMAGING. ATTACHED FORM DESIGNED BY QED SHOULD BE USED BY ERO IN REVIEWING PROJECTS FOR IOE. BOTH SIGNATORS TO PROAG MUST AGREE THAT IT DOES NOT DAMAGE ENVIRONMENT. ERO MUST CERTIFY TO QED THAT HE HAS REVIEWED APPROVED PROJECTS AND INDICATE MODIFICATIONS THAT HAVE BEEN MADE TO MAKE THEM ECOLOGICALLY ACCEPTABLE (ECO-OK)

HANDER

1 2

MIDS:rwi

ECOLOGICAL REVIEW FORM

PROJECT TITLE _____

PROJECT MANAGER _____

ECOLOGICAL REVIEW OFFICER _____

1. Will Project damage or diminish food yielding resources such as land or waters? Yes _____; No _____.
If "yes", how can this be avoided? _____

2. Will project adversely affect the subsoil? Yes _____; No _____

3. Will the project have a negative impact on the health of the people in the area? Yes _____; No _____. If "yes", how can this be avoided?

4. Will the project contribute any non decomposable or non recyclable waste products? Yes _____; No _____. If "yes" what kind, and how could they be disposed of?

5. Will the project utilize non-renewable raw materials and energy resources (minerals, fossil fuels, etc.) Yes _____; No _____.

6. Will any pollution, waste, etc. extend outside the country's borders? Yes _____; No _____. If "yes", what and where?

MIDS: 10/10/70

UNITED STATES GOVERNMENT
NATIONAL SECURITY COUNCIL

SITUATION REPORT: DECEMBER 31, 1975

A. THE INTERNATIONAL SCENE

1. Mao dies. The take over of the relative unknown Lung Pu is seen as a liberalization of Chinese leadership. Continued tension on Sino-Soviet border.
 2. World population growth is 2.4% per year over the five year period.
 3. A stronger more respected U.N. Security Force is formed. The creation of a new technical skills training program provides educational opportunities for security force personnel during their tour of duty. This program is an incentive for greater manpower contributions by LDC's who see the program as technical education for nationals.
 4. World growth in GNP for the period has been estimated at 5% per year or 2.4% per capita.
 5. Strains of new wheat and rice are unstable. "Green Revolution" falters. World turns to research on synthetic foods as last hope.
-

B. THE UNITED STATES

1. U.S. carries on talks with China. Subjects include nuclear disarmament, increased trade, student exchanges, and increased operation in the development of LDC's.
 2. U.S. population growth is 1.0% per year during period. Year 2000 projections readjusted downward.
 3. U.S. strongly supports U.N. security force. Provides majority of funds for technical skills training program.
 4. GNP grows at 4% per year or 3% per capita.
 5. U.S. food reserves fall to 6 months reserve. Congress cuts back on domestic agricultural supports, and eliminates PL 480.
-

C. REPUBLIC OF NANESA

1. Nanasa accepts China aid program consisting mainly of highly skilled labor intensive road building crews. Road from Westdong to Chandri. (U.S. technical assistance aid is \$8 million/year during period 1975-80.
2. Nanesan population growth is 3% per year over period.
3. Insurgency in northern mountains thought to be Chinese supported. U.N. observers deny any connection between Chinese road building crews and insurgency activity.
4. Nanesan GNP grows at 6% per year or 3% per capita.
5. Crop failure causes 35% inflation for '73 and '74. Strikes spread.

UNITED STATES GOVERNMENT
NATIONAL SECURITY COUNCIL

SITUATION REPORT: DECEMBER 31, 1980

A. THE INTERNATIONAL SCENE

1. Famine in Northern China. Wheat sent by Canada and U.S. with Chinese payment in gold restoring confidence in dollar.
 2. World population grows at 2.5% per year during period.
 3. Tribal and racial conflicts in Africa reach major proportions. U.N. Security Force unable to take sides or mediate a solution because of the complexity of the situation.
 4. World GNP grows at 6% per year or 3.5% per capita.
 5. Palestinian form new state combining territory from Jordan and Israel. Suez Canal opened to all ships.
-

B. THE UNITED STATES

1. U.S. sells food to China via neutral countries to avoid pressure for Chinese expansion.
 2. U.S. population grows at 1.2% during period. Census data collected annually.
 3. African strife causes racial tension in U.S.
 4. GNP growth rate is 3.5% per year or 2.3% per capita.
 5. Lack of food surplus causes U.S. to adopt policy of high intensity cultivation.
-

C. REPUBLIC OF NANESA

1. U.S. food for China goes through Nanesa. Food trains are attacked by peasants near Nanesan border, often in Nanesa territory.
2. Population grows at 3% per year during period. Air pollution levels in Kwaidel have become severe health hazard.
3. U.S. foreign assistance money decreases world wide because of U.S. domestic problems. (Nanesan technical assistance equals \$6 million per year 1980-85).
4. Nanesan GNP grows at 6% per year during period or 3% per capita. Unemployment experiencing secular increase resulting from overly capital intensive method of production in Nanesan industries.
5. Nanesa accepts U.S. food imports despite balance of payments problems. Recovery complete from 1975 earthquake.

UNITED STATES GOVERNMENT
NATIONAL SECURITY COUNCIL

SITUATION REPORT: DECEMBER 31, 1985

A. THE INTERNATIONAL SCENE

1. Pacific Assistance Exchange (PAX) formed to keep the peace throughout the Pacific. Members include: Japan, U.S., Nanesa, India, Pakistan, Korea, Thailand, Australia. Members have agreed upon a free exchange of military and economic assistance, with the objective of securing the entire area through the strengthening of each member.
 2. World population growth is 2.5% per year during period.
 3. Period of European uncertainty and instability. East Germany breaks with Russia. Common market weakens, but NATO receives new life.
 4. World GNP grows at 5.5% per year during period of 2.9% per capita. Growth rate expected to slow in the future because of greater world pollution controls. Unemployment becoming world problem as a result of breakthrough in the ability to create almost anything out of molded plastics.
 5. Harvesting of the sea by international organization started.
-

B. THE UNITED STATES

1. U.S. places top military emphasis upon new PAX alliance. Seeks standardizing of military equipment throughout alliance on the U.S. model.
 2. U.S. population grows at 1.0% per year during period.
 3. U.S. attention turns to Europe. Entrance of Israel into NATO causes renewed U.S. political confrontation with Russia.
 4. U.S. GNP growth rate 3% per year or 2% per capita. Growth mainly found in service sectors; principally communications and information systems.
 5. Unemployment up to 7%. The centers of the large northeastern cities have become piles of rubble and stench. Full time Army presence needed in these cities to keep order.
-

C. THE REPUBLIC OF NANESA

1. Nanesa modifies neutralist stance by taking leadership in organization of PAX. This results not only in increasing Nanesan military strength with U.S. equipment; but an increase in technical assistance (averaging \$10 million per year for next five years, 1985-90).
2. Population grows at 3% per year. Yabu river becomes polluted by Chinese nuclear waste materials.
3. Nanesa signs border agreement with India and cultivates better trade relations. Nanesan Liberation Front (NLF) growing influence in Western Province.
4. GNP grows at 6% per year of 3% per capita.
5. Power sources are inadequate for continued economic expansion. No LDC's as yet have solar energy plants.

THE REPUBLIC OF NANESA: THE STATE OF THE NATION 1990

Statistical Summary:

| | | |
|---------------|---------------------------|---|
| 1) Population | Total | 98.7 million |
| | Rate of Growth | 3.0 percent |
| | Density | 197.0 per sq. mile |
| | % Urban | 29.4 percent |
| | Age Distribution | |
| | 0-4 | 20.0 percent |
| | 5-14 | 22.0 percent |
| | 15-65 | 51.0 percent |
| | 65--over | 7.0 percent |
| | Birth Rate | 40.0 per 1000 |
| Death Rate | 10.0 per 1000 | |
| 2) Area | Total | 500.0 100 sq. mile |
| | Agricultural Land | 26.0 % of total acre 0.84 acres/cap. |
| 3) GNP | Total | 31.8 billion |
| | Urban Contribution | 50.0 percent |
| | Per Capita | 313.0 \$ |
| | Per Capita Urban | 540.0 \$ |
| | Investment | 18.0 percent |
| 4) Power | KWH per year | 360.0 |
| 5) Transport | Miles of Improved Road | 28.0 per 1,000 sq. miles |
| | Motor Vehicles | 1,000.0 thousands |
| 6) Education | Literacy | 60.0 percent |
| | % of pop. 5-14 in school | 90.0 |
| | Primary students enrolled | 20.33 million |
| | Primary school teachers | 508.0 thousand |
| 7) Health | Life Expectancy | 60 years |
| | People per physician | 2,000 |
| | Infant mortality rate | 40 per 1000 live births |

8) Exports

| <u>Major Exports</u> | <u>% of total 1990</u> |
|-----------------------------------|------------------------|
| Rice | 25 |
| Cotton | 7 |
| Textiles | 15 |
| Sugar | 5 |
| Tobacco | 15 |
| Cigars | 5 |
| Coffee | * |
| Soya Beans | 5 |
| Soya Bean Extract Health Tonic | 2 |
| Tractors | 5 |
| Oil | 10 |

* less than 1%

DESCRIPTIVE SUMMARY

- 1) Agricultural production has increased by 150%.
- 2) Agricultural import substitution nearly complete.
- 3) Foreign capital in Nanesa has increased by 90% during period.
- 4) The upper 10% of the population receives 55% of the National income annually; a decrease of 15% from 1970.
- 5) Level of income tax evasion estimated to have decreased by 30% during period.
- 6) Absolute number of violent crimes has remained constant over period.
- 7) Population of urban areas has increased by 200% during period.
- 8) 18% of work force is unemployed; generally the result of a mis-matching of skills with skill requirements and an overly capital intensive mix of production methods in private sector.
- 9) Facilitation of urban distribution systems including water, sewage, electricity, and paved streets is complete to 85% of all urban households.
- 10) Buddhist discontent and frustration and Chinese racial tensions have grown of the last 20 years.
- 11) The strength of the NLF has reached near crisis proportions although their activities have received little world attention.
- 12) International recognition has been accorded many Nanesans during the past twenty years. Chandu and Longo have won Nobel Prizes for Science; a Nobel prize for fiction has been awarded Iver Sen for his "The Nanesan Simulation"; Soo Sarto was Miss Universe for 1984; the Camposh Gourd Band and the Kwaidong Symphonette have had successful international tours; and, in addition to the annual Rice Bowl Games at Kwaidong, Nanesa is proud of its Olympic champions, Bandu and Bakir, for their triumph in the double sculls.

ERIC Clearinghouse

OCT 25 1971

on Adult Education