

Dean Rusk Oral History Collection

Rusk YYY: Part 1 of 2

Dean Rusk interviewed by Richard Rusk, Thomas J. Schoenbaum, and Robert E. Clute

1985 June

The complete interview also includes Rusk ZZZ: Part 2.

RICHARD RUSK: --Dean Rusk about the U.S. in the developing world and the problems of the developing countries. And doing the interview are Professor Bob Clute, Tom Schoenbaum, and Rich. This is June, 1985. Why don't you go ahead with that first question?

CLUTE: Dean, I believe you were in the Office of Foreign Affairs at the Department of State at the time of the Uniting for Peace Resolution was passed.

DEAN RUSK: During the Truman administration.

CLUTE: Yeah. And I wonder if there was any discussion of the possibility of the Third World really becoming a dominant force in the United Nations at a later date.

DEAN RUSK: I think the explosion of states caught us somewhat by surprise. We knew that the colonial empires would break up, but we did not think that they would break up into such small pieces. In 1945, when the U.N. [United Nations] had fifty-one members, they had to instruct the architects as to the basis for planning the new headquarters building there on the East River. At that time they told the architects to prepare for a membership of sixty, with a possible expansion to seventy-five. Now, there are 159 members of the U.N. You see, in those days when decolonization appeared to be obvious, there was a lot of talk about a west African federation, an east African federation, a West Indies federation. But those didn't work out. So we have taken into the U.N. a very large number of very small countries: Gambia, the Seychelle Islands, all sorts of places. Indeed, we have taken in some members to the U.N. in recent years with a population of that of Athens, Georgia: forty-five to fifty thousand people. And each one of those has the same vote in the U.N. General Assembly that the United States has. So that part of it, I think, caught us by surprise. If those who drafted the Charter had realized that the world would break up into so many small fragments, I think it's very likely that we would have had two chambers in the General Assembly: something like a Senate, an upper-house, and then an assembly where every nation had one vote. But the direct answer to your question is that we were somewhat surprised by the explosion of the numbers of small states as members of the U.N.

CLUTE: Well, at the time you were Secretary of State, our relations, I think, with the Third world were very warm, and they were very supportive. What do you think has caused this anti-U.S. rhetoric which seems to dominate in the U.N. and in the world arena since the 1970s?

DEAN RUSK: At the beginning of the Kennedy administration we made a conscious and deliberate effort to improve our relations with the so-called nonaligned nations. We tried to break

away from the impression that had been left by John Foster Dulles that neutrality was immoral. We felt that wherever there was a country--

RICHARD RUSK: Did he actually say that?

DEAN RUSK: Yeah. But we felt that wherever there was a country which was independent, and secure, and concerned about the needs of its own people, and cooperative in the general international arena, that there was a situation that was in the interest of the United States. And so we set out to improve our relations with the leaders of the third world, such as [Gamel Abdel] Nasser of Egypt, [Ahmed] Ben Bella of Algeria, [Kwame] Nkrumah of Ghana, [Achmed] Sukarno of Indonesia, [Sekou] Toure in of Guinea. We made a conscious effort to do that. We didn't always succeed because one or two of those fellows were just plain rascals. And there was no way that we could have succeeded. And we found ourselves with attempts being made to draw us into Nkrumah's desire to be a leader of a Pan-African movement, Sukarno's desire to be a leader of a Pan-Malay movement, things of that sort. And so we had only moderate success. But in the process I think we did develop a much more relaxed relationship with many of the nonaligned countries. Indeed, at the time of the Cuban Missile Crisis about two-thirds of the nonaligned countries supported us. I think there are many reasons for this tension. Part of it is the North-South problem, the tension between the developed and the underdeveloped countries. When these countries broke out of colonial status to independence, during that campaign for independence they were tempted to say to their people that their misery, their poverty, grinding poverty, their illiteracy, their health problems were due to the presence of a colonial master, and that when the colonial master left these things would be different. Well, when the colonial masters departed they found that things weren't different. So these developing countries--the leaders--have had the hounds of hell barking at their heels because their peoples have learned that something can be done about the conditions under which they were living. That has led to considerable pressures from the developing countries to try to improve their situation through transfers of wealth, to deal with these issues at the consumer level. And that just won't work. If we--

RICHARD RUSK: For the purposes of this oral history, would you care to spell out what you mean?

DEAN RUSK: Yeah. If the developed countries try to improve the per capita standard of living in the developing world by ten dollars a year, which is trivial in relations with--

RICHARD RUSK: Per capita?

DEAN RUSK: Per capita. In relation to their needs, that would require the developed countries to generate something like thirty billion dollars this year. Well, that would be gone and next year it would be more than thirty billion dollars because there would be a good many more people in these countries. So--

CLUTE: Instead of generating the infrastructure, it would create more money.

DEAN RUSK: Yeah. And so that attempt to meet their problems by transfers of wealth to deal with these issues at the consumer level simply is not going to work. It is beyond both the financial and the political capacity of developing countries to meet it in that way. So it's taken the developing countries some time now to face the facts of life in this matter. And there's been some moderation in their approach to such things as a new world economic order; similarly with respect to capital. The developing countries need a lot of capital. But we can provide a considerable amount of capital through private channels. We have extraordinarily strong capital formation processes in the United States. And we can export anywhere from fifteen to twenty-five billions of capital a year through private channels. There is no way by which we can furnish that same amount of capital through tax money, through governmental channels. The developing countries want that assistance, that capital, to come through what they call "official channels." That means through government aid programs, international organizations, things of that sort. Now if a developing country wants capital from the United States, they have to recognize that, because we are the kind of society we are, that real capital comes from the United States through private channels. But if it's to come through private channels, they, themselves, have got to create in their own countries a climate which is attractive to the investor in private channels, and, indeed, to compete with all other demands for capital. So there is more and more realization on the part of these developing countries that there's a major role for private capital in terms of furnishing capital. But that has involved some tensions. I think, also, the very fact that we are large, and powerful, and rich, and so forth injects an element of envy and resentment as occurs among most poor people who are looking at a lot of rich people, or what they conceive to be rich people.

CLUTE: Well, you mentioned the fear of colonialism on the part of the Third World. They've continued to do this with their dependency theory and their neocolonialism rhetoric, blaming their present woes on this, or their lack of development on this. Do you buy this, that neocolonialism is an important factor in the lack of development?

DEAN RUSK: Well, this varies with individual country experiences. For example, one of the critical needs of the developing countries has been trained personnel. When the great, vast Belgian Congo became independent, they had twelve university graduates among the Congolese in the entire country. When Indonesia, a country of 100 million people became independent, they had something like seventy university graduates among the Indonesians. Now, the British did a much better job in their colonies building a strong and able civil service, of instituting education, and, indeed, in most places a college or university of higher education. And they had a lot more to leave behind in their colonies than did the French, or the Dutch, or the Belgians, or the Portuguese. And so the non-British territories which became independent found themselves with great scarcity of trained people. There was a scarcity among the formal British territories, but not nearly to the extent as one found among these others. For example, I was at the [John Davison] Rockefeller Foundation during the period when many of these colonial areas were becoming independent. And we found that they had nothing with which to begin a foreign office: no trained people, not even a working library. So we established a training program for young diplomats from these developing countries which was handled by the [Andrew] Carnegie Endowment for International Peace and that school in Geneva. We worked with the World Bank to establish a program for the training of middle-level financial officers in the developing countries. The World Bank still runs that. You see, in the fifties these newly independent

countries didn't even know how to fill out an application for a loan or a grant under an aid program. We put together a little care package of books, about 600 books, and gave those to twenty-five or thirty of these newly independent countries as the beginnings of a working library for their foreign office, because they had nothing. So I think we tend to underestimate the level from which they had to start in terms of trained peoples, sophistication, knowledge about what happening in the rest of the world, and so forth.

CLUTE: Well, you know, you are speaking of the level of development. A question I've always asked myself: I think a very important factor in development was this a formal feudal society or a formal folk society. Feudal societies have education, and institutions, and infrastructure, like India, for instance, or Latin American countries. Whereas if you look at Africa, it didn't have this infrastructure.

RICHARD RUSK: Your term was "folk" society?

CLUTE: You know, "folk" societies, being high rate of illiteracy--

DEAN RUSK: Tribes, chiefs--

CLUTE: --no really set institutions; you know, national institutions and so forth. You know, Africa didn't have roads; you know, when you talk about development in Spain and Italy. Hell, they used the roads the Romans built. They had an inherited infrastructure which Africa didn't have. Do you think that was ever recognized in our foreign policy? You know, we've been fairly successful with development in Latin America and Asian countries. We've had no conspicuous success in Africa.

DEAN RUSK: Well, as far as the United States and Africa is concerned, we played more or less the younger brother in aid programs for Africa. We saw that the formal colonial countries-- Britain, France, Belgian, others--were pretty much concentrating their foreign aid on their formal colonial territories which had become independent. But these European countries were not doing anything at all in Latin America, or for that part, in Asia. And so we remain the junior partner in foreign aid for Africa, as a kind of informal, but actual division of labor between ourselves and western Europe. That made some Americans unhappy. For example, an American ambassador in any country wants the United States to be "Mr. Big" in his particular country. But, nevertheless, that was one of the factors. But this element that you are talking about, Bob, went down to some pretty fundamental things. For example, in some of those societies there in Africa the ordinary economic motives that we think of as being just built-in to our approach to life, apparently didn't, simply didn't work in many of these places. I remember we had a team working with the Fedahins in Egypt, who were about as poor as anybody you could find on earth. And you would see a family with one copper bowl that it used for its cooking. They couldn't conceive of having a second copper bowl. It was just beyond their conceptual capability. So the ordinary economic motive of having more just wasn't within their terms of reference. So you really begin at the very beginning with a good many of these societies in trying to move toward economic development.

RICHARD RUSK: The very idea of progress, growth--

DEAN RUSK: Economic progress--

RICHARD RUSK: --appreciation of abundance--

DEAN RUSK: --was sort of beyond their kin. It was beyond their experience, beyond their capacity to aspire. And that has had some bearing on this.

CLUTE: I would certainly agree with you on what you've said about, you know, our taking a minor role in Africa in comparison with European countries.

DEAN RUSK: A less role.

CLUTE: Or lesser role, because, you know, if you look at the seventies, our aid to Africa rarely exceeds say, six-and-a-half percent of their total aid. But, yet, when our statesmen speak, one would believe that we were the dominant role in Africa. Very often we were speaking this way. Why do you think our political entities do that? You know, very often you would think that we were the dominant power in Africa. I think few Americans realize what a minor role we really play there.

RICHARD RUSK: Can you attach some numbers to the nature of our role there? What percent of our aid program went towards Africa?

CLUTE: I said during the seventies we supplied about six-and-a-half percent: you know, countries like Austria and Germany sometimes supply more than we do.

DEAN RUSK: At times even Israel.

CLUTE: Yeah.

DEAN RUSK: But I don't know why there seems to be some sort of feeling--

CLUTE: Is it for our black political vote, you think?

DEAN RUSK: --among politicians that somehow we have to be the leader everywhere. Nobody's elected us to that role. It is an exaggeration. Now, I've tried myself to spend a good deal of time with the nonaligned country representatives when I was Secretary of State. Rich has heard me say before that each year I would go up to the first three weeks or so of the United Nations General Assembly, where there would be collected some eighty to ninety foreign ministers and prime ministers from all over the world. And I would have a bilateral meeting with each one of those foreign ministers. It would go right through the day, sometimes into the night, meeting each one of them. And before I met with each one of them, I had a big, loose-leaf, black book briefing on that particular country. And I learned a lot about these countries from their own representatives. I spent a good deal of time with them. Occasionally I would have a group of six or eight of them to lunch at the same time. In any event, I would always meet with each one of them bilaterally. And it was a good learning experience for me to do that.

SCHOENBAUM: Was there a common theme to their concerns at that time, do you remember?

DEAN RUSK: Well, they were all concerned about their developing needs, of course, because they were under such great pressure from their own people to get on with improving the miserable condition of the masses of people. Now I will have to say that not all of the leaders of these developing countries were as much concerned as we felt about the development of their own people. Some of them just seemed not to care, so long as they, themselves, remained in power. It was rather discouraging when you ran across a situation of that sort.

CLUTE: Do you think subsequent administrations' Secretaries of State have carried on this? Or do you think they have just sort of abandoned the role to our ambassador to the U.N., of keeping in touch at the U.N. with world leaders?

DEAN RUSK: I don't think that subsequent Secretaries of State have spent as much time as I did with it. I know that--Well, I know they didn't. But I thought this was time well invested. And then we have had some of our U.S. representatives to the United Nations in recent years who have not looked upon their job as that of diplomacy--to listen, to persuade, to establish some kind of common bonds--but rather to draw back and scold these leaders of these countries, particularly their attitudes taken in the United Nations. We don't get very much--

CLUTE: The rhetoric of the depths--

DEAN RUSK: Yeah, you don't get very far by just scolding people. Now, a lot of these countries had a serious problem with corruption. I never took a holier-than-thou attitude toward these problems because I was always aware that organized crime and corruption cost the United States somewhere around fifty billion dollars a year, and that we were not in any position to point fingers too sharply at anybody else. But, nevertheless, it was something that had to be worked on. We did use various devices for cutting back on corruption related to our aid programs. For example we, for a period, to the dismay of many of these countries, tied our foreign aid to the purchase of American goods and services. We simply told them we did not have free dollars to give them because we had balance-of-payments problems of our own, but we could make available American goods and services. Well, if you give a crane to a country for its dock, it's pretty hard to clip that off and send it off to a Swiss bank account. And so that helped on the matter of corruption as it affected our aid programs.

SCHOENBAUM: That policy really started with the Kennedy administration as I recall.

DEAN RUSK: Yes, and, you see, during the [Lyndon Baines] Johnson years we had to put limits on the amounts of foreign goods that tourists could buy and bring back tax free into this country. And we had to work pretty hard during those years on our own balance-of-payments problem. But I think on the whole that we and the developing countries do share some pretty elementary commitments, beginning with--

RICHARD RUSK: Pop, before you get on to that, and you can spend a certain amount of time on that alone, I wonder if I could ask just a couple of follow-up questions to issues that Bob Clute raised.

DEAN RUSK: Well, speak up a little.

RICHARD RUSK: Okay, yeah. You raised the question of differences in our approach towards such things as progress and development and economic growth, contrasting the western values with values you encountered in Africa. It's true we've had some sensational progress in our society. And, yet, some of these values have brought us to the very edge of disaster. What makes you think--what makes you so sure that we're right and they're wrong, these folks who are more or less content with where they are and what they have?

DEAN RUSK: Well, let me go back a way. When I was born in Cherokee County in 1909, that area was almost, not quite, prescientific, and it certainly was underdeveloped. We planted our crops by the phase of the moon as set out in the Farmer's Almanac. Things like typhoid fever, goiter, pellagra, and malaria were just part of the environment in which the good Lord had put us. The schoolhouse was a one-room schoolhouse in which children from grades one through seven attended under a single teacher.

CLUTE: Even yours truly did that.

DEAN RUSK: When the first decade of the century came in, people like the Rockefeller boards from the North came down to, for example, to eliminate hookworm in the South. That only required that you take fifty cents worth of medicine and put something on your feet so you don't walk around barefooted. That was the answer to hookworm. But in a lot of communities in the South there was resistance to this effort. In some communities they drove these public health workers out with sticks and stones: just ran them out of town. Well, they soon discovered that they could not get very far with public health problems in the South without education. So they started to work on education. Then they realized that you could not support adequate education without improved economy, economic conditions. And so they began working on steady improvement in productivity. Well now, that combination of public health, education, and increasing productivity seemed to me to be, among others, the key to development because we had seen with our own eyes the transformation in the lives of our people through this powerful combination of these three elements. Indeed, during the sixties I helped to move the emphasis in our foreign aid program away from such dramatic things as steel mills and football stadiums, over to an emphasis on public health, education, agriculture as a basis for development. And I think that was a move in the right direction. But public health is important. For example, we found that during the planting season in India a lot of these Indian farmers just shriveled up. They just were reduced to rags because they were putting out far more calories than they were taking in for months on end, and they just withered away. And it was not until--And then they were subject to all sorts of public health problems. So unless there is adequate public health so that a worker can, indeed, work effectively throughout the year, then there is something missing. Of course, education was of overriding importance. In some of these countries there was simply no recognition, for example, of the germ theory of disease. Therefore, the most minimum steps in public health were difficult to take. I, myself, have visited a village in India where there was the usual water tank in the center of the village: a tank of water about ten feet across and about waist high. Well, I've seen a tank where a cow had its front legs over the wall and into the water tank. And next there was a barber who was shaving one of his customers. Next to him was a

women washing clothes in the pool. And right next to her was a woman dipping out drinking water for the family out of that same tank. No concept of the germ theory of disease. And so education has been vitally important in helping people understand how they can better take care of themselves, and do more with what they have.

RICHARD RUSK: Does the combination of public education, improved agricultural production, and better health necessarily lead to the adoption of western values? Is that also part of the same process?

CLUTE: (unintelligible) education was seldom involved with agriculture. That is one of the hangovers of colonialism.

DEAN RUSK: Yeah.

CLUTE: They adopted they classical European concept of agriculture. I mean of universities and schools: no agricultural training in any of these countries that I know of as a result of colonialism.

DEAN RUSK: Well, thirty or forty years ago you would not find in Latin America, Africa or Asia anything comparable to our land grant colleges in this country, where we have mobilized brain power for research, education, extension services, in those areas which are vital to development. Now, there has been some effort made here and there to turn toward a land grant colleges approach. There is such an institution in Nigeria. The Shah [Mohammed Reza Pahlavi] built one in Iran. I don't know what's happened to it under the Ayatollah [Ruhollah] Khomeini. But typically the education was the classical approach to education in the western or Islamic or Hindu or Chinese tradition. And then if they did get around to higher studies in these, shall we call them "technical fields," they would set up special institutes: the All India Institute of Agricultural Research near New Delhi, the Graduate School of Agriculture near Xenpingo, and things like that. But the shortcoming of these specialized institutes lies in the fact that real development, even just in respect to food production, soon ramifies into every aspect of society. And we learned in our Rockefeller Foundation program in Mexico, which was a major element in what is known as the "green revolution." We found that we had to go far beyond agriculture and get into all sorts of public policy issues, such as appropriation of money, the attitude toward exports and imports, the social standing of the agricultural scientists, the landholding system, all sorts of things. So you have to approach development as a whole. You have to think of it in the very broadest terms because, otherwise, you are simply punching a feather bed. You think you push in here with success and it just pops out somewhere else with another problem.

CLUTE: You know, you brought up a very interesting question, you know, the green revolution and so forth, that (unintelligible) was involved with the rice revolution and so forth. Why did they do this for Latin America and Asia? But why did they not do this for Africa with, you know--Green revolutions never touched Africa. They never developed strength. Africa is not a wheat or rice area, really, much. Why didn't they do this with things like sorghum, millet, and so forth? Why has Africa been left behind in the green revolution?

DEAN RUSK: Well, The Rockefeller Foundation was a private foundation with large, but nevertheless limited, resources. I thought the problems of these developing countries were so urgent that during my presidency at the Rockefeller Foundation we started spending capital to reinforce our annual income in order to do more of thing kind of thing. But we began by concentrating on the major basic food crops: corn, wheat, rice. Now, those were from the point of view of the--

CLUTE: Of the western world.

DEAN RUSK: --from the point of view of the earth as a whole.

CLUTE: Well, yes. I guess so.

DEAN RUSK: Those were the major crops. We did not get around initially--

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DEAN RUSK: --Of those crops which fed most of the world's people. I agree with you that we were perhaps a little negligent in getting into Africa early. Now we did do a good many things in Africa, particularly through fellowships in the public health field, in agricultural sciences, in education. We gave several hundred fellowships during my presidency to Africans to go to western Europe or come to this country for more advanced training. But, indeed, one of the problems in Africa, Bob, was that there were so few educated people that you didn't have many candidates for postgraduate training. We did work very hard on three or four individual universities in Africa.

SCHOENBAUM: Which ones were those?

DEAN RUSK: Well, let's see, there was Akure, there was one in--

CLUTE: Effa in Nigeria developed, I think, along those lines. Kanunah.

DEAN RUSK: Yeah, but there was also the principal university of Nigeria, the one at Lagos. You see, if you, even today, look out across all of Latin America, Africa, Asia, it would be very hard to find a university which would qualify to be a member of the American Association of Universities. It's an elite group of top universities in this country. Now, for historical reasons you can understand why that should be so. But if that is so twenty-five years from now it will be a great misfortune. So the Rockefeller Foundation did put considerable amount of money into trying to strengthen some of these key universities. And, indeed, in some places--Ribeirao Preto in Brazil--we helped to establish new medical schools starting out on a new basis. You see, there's been a kind of contest for a half-century or more between the European classical approach

to medical education and the Anglo-Saxon clinical approach. There was very little clinical work done in Latin America and these other places because it was largely a lecture. When [Juan Domingo] Peron was head of Argentina he would admit 3,000 students in the first year at the medical school in Buenos Aires. They couldn't even attend lectures because there weren't enough seats. And so these young people would simply go out to the nearest news stand and buy a syllabus of the lectures and then go take the examinations and become doctors. Well, whereas in the Anglo-American approach we've done a lot of clinical work in medical training. And it's taken quite a long time to break through that in the developing world.

CLUTE: You know, how much of our third world policy is dictated by economic reasons? For instance, take Public Law 480. Many scholars say, "Well, this was passed not to really give food aid, but to get rid of our agricultural surpluses." And that in doing so, we really supplied the food to third world countries so that they wouldn't have to face their problems of population explosion or improve their agriculture. They knew they would get food aid. So, in a way we harmed development. What would your response be to that?

DEAN RUSK: Well, it's relatively easy for professors to be cynical about something like that. It's quite true.

CLUTE: You better be careful. You're talking about yourself.

DEAN RUSK: (laughs) It's true that food aid could be defended in terms of the most selfish self-interest of the United States. But it would not have been possible, from a political point of view had there not been a streak of generosity among the American people, because this food that we sent out as food aid had to be paid for in dollars. We, at home here, had to pay dollars to generate the food that we sent out as food aid. Now bear in mind that I think the largest annual shipment we ever made of food under food aid was something like twelve million tons, which is a trifling amount compared to the food needs of the world, so that it wasn't all that much of a big deal. Now there were times, for example, in the Kennedy administration we had a--

CLUTE: I think about seventy-four percent of food aid came from us, though.

DEAN RUSK: Yeah, I think that's right. And one thing that we missed doing along the way was to say to the other industrialized countries, such as Germany and so forth, "But although you don't grow the food that you can export to help these developing countries, you damn well can provide the money to help pay for it!" Even though the United States, Canada, Australia, and Argentina had access to provide most of the actual food, that they could help to develop the resources required to get and move that food to the needy places. But we learned at a fairly early stage that you can't meet the food problem by furnishing food to people to be used at the consumer level. You've got to help them learn how to grow more food, more effectively, where they live. And we put a lot of effort in that through technical assistance and through work with private foundations and other forms because the numbers are just too big for us. We could not, ourselves, grow the food required to deal with this problem on the consumer level. And it would certainly be an impossible fiscal problem for us to raise the funds required from a tax point of view. So the idea of helping these countries grow more food has to be, I think, central. Now, Bob, you're an Africanist: Africa, south of the Sahara. Let's leave the Sahara for a moment.

Africa, south of the Sahara, has major food problems today. Yet, Africa has the capability of growing a lot of food based upon known science and technology or known information. There is so much that could be done there to put them in a much stronger position in respect of feeding themselves. And somehow it hasn't yet clicked to the degree that it should.

CLUTE: Well, you know, I think a lot of the third world countries have equated modernization with urban-industrial development.

DEAN RUSK: Yes, I think--

CLUTE: They don't realize that we modernized on the basis of agriculture.

DEAN RUSK: That's right.

CLUTE: And how do we--You know, Africa is certainly a perfect example of this. Probably over seventy-five percent of their foreign aid has gone to urban-industrial development when probably eighty to ninety percent of their people are engaged in agriculture.

DEAN RUSK: Yeah.

CLUTE: How can we get away from this? How can we steer these countries more into agricultural development? We seem to have succeeded more, and certainly in India and Asia as a whole. Why have we not been more successful in this in Africa?

DEAN RUSK: My guess is you have to begin by enlisting the interest of their own leaders in this problem, because without that it's very hard to get anything done. And that has not been easy. I think we perhaps ought to do more and better in that regard. But you can't do much about helping people do for themselves in their own country without the interest and support and leadership of their own leaders.

CLUTE: One other thing that interests me. You know, we see so often that our third world aid and policy is dictated by security reasons. For instance, during the Vietnam War we annually, probably gave not more military but more economic aid to Vietnam than we did to subs here in Africa. Africa's the second largest continent in the world. We can easily think in terms of \$5 billion programs for a tiny Central America. But--

DEAN RUSK: We've--

CLUTE: --You know, right now for Egypt, Somalia, Kenya and Sudan we give more money than we do in development to all of sub-Sahara combined, you know, at times. How can--You know--How does a Secretary of State try to work vis-a-vis Congress, the Department of Defense, and so forth to try to counteract this?

DEAN RUSK: Well,--

CLUTE: Or can a Secretary of State--

DEAN RUSK: It's difficult. Back during the Truman administration at a time when minds and spirits, shall I say purged in the fires of the great war, we were willing as a people to make some major efforts to bind up the wounds of war and get the world started again economically. So we came up with all sorts of resources for that purpose, including the [George Catlett] Marshall Plan, Point-4, and loans to Britain and so forth. I remember one time we were putting more than 3 percent of our Gross National Product into such purposes during the Truman administration. Now it's like pulling teeth to get one-half of one percent of our Gross National Product for such purposes. I, myself, appeared before committees of Congress thirty-two times in eight years in support of foreign aid. Each committee insisted that I personally be there. That means four times each year: once in each house at the appropriations stage, once in each house at the authorization stage, and then once in each house at the appropriation stage. Each committee wanted me to come before them personally and to give them a new speech on foreign aid. Well, you try to write thirty-two new speeches on foreign aid and you've got a problem. I think in one sense boredom became a problem in getting foreign aid money out of the Congress, because after all is said and done, two sentences explain the necessity for foreign aid. George [Pratt] Shultz gave these two sentences to a big group in Atlanta about two years ago.

RICHARD RUSK: Did he get than from you?

DEAN RUSK: No. There's no way that the United States can be prosperous if two-thirds of the world is in abject misery, poverty. There's no way that the United States can be safe at peace if two-thirds of the world is in turmoil. Foreign aid, in its boldest terms, is like paying an insurance premium. And we should keep our wits about us. But you see there is no normal constituency for foreign aid in the United States as the politicians see it. No politician thinks he is going to win votes by voting for foreign aid, except perhaps for Israel.

CLUTE: Not even that now.

DEAN RUSK: Politicians do know that they can win votes by opposing foreign aid. Herman [Eugene] Talmadge of Georgia decided to run against Senator Walter [Franklin] George on the issue of foreign aid. And he not once in his life voted for anything in the Senate that could be called foreign aid. So foreign aid does not have a strong political constituency among the American people as the politicians see it. So it's been tough.

CLUTE: Well, I'm glad you mentioned the Marshall Plan because, you know, the Marshall Plan required Europe to arrive at an overall plan for development. And then they required them to put their own local currencies in as counterpart funds. I can remember when Doris Clute was on the bi-zonal secretariat. One day I met her for lunch and she said, well, the Reinekold Kazell-Shoff had given her a check for \$3 million that bounced. And I said, "Well, what did you do?" And she said, "I called Washington and told them to stop any further assistance to them until they paid up." Now, why have we not done this with other foreign aid programs? You know, governments may not have foreign currency, but if they have to invest their own currency in this, and if neighboring countries have to agree on a development plan, it seems to me that that's our only really outstanding example of developmental success. And why has it never been repeated?

DEAN RUSK: Well, there are some complications about these counterpart funds. I personally think that counterpart funds of local currencies for many kinds of aid would be entirely appropriate. But our own Congress required us to get dollar appropriations for any use we made of these counterpart funds. Now these counterpart funds were, in a sense, wooden nickels. But Congress would not appropriate counterpart funds as such. They insisted on our getting dollar appropriations for them. And then from the point of view of the receiving country, we amassed more than five billion dollars of counterpart funds in India for various types of aid. Well, we wanted very much to use those rupees in India for development purposes in India. But the Indian government would not permit that because they were afraid that that would simply kick off a big round of inflation to inject money of that sort into the economy. So finally during the seventies, we just cancelled off some five billion dollars of those rupees, just cleared the books, because there was no--We did use counterpart funds in a number of countries to pay the local expenses of our embassies and a few things like that. But it was not always easy to get the local governments to use those counterpart funds for, if you like, permanent purposes, long standing development that would leave something behind. And so those funds were very troublesome to administer.

CLUTE: Well, how do we see then that countries just don't keep a low tax base, and not put their own resources into development, and depend on foreign aid for development as indeed many countries have done?

DEAN RUSK: Well, it's true that many of these countries were not generating as much money through taxes as we thought at the time would be reasonable. In other countries, whatever the law said, your taxes were paid on the basis of a personal negotiation between you and the tax collector each year. I remember when I was at the Rockefeller Foundation we sent out a letter to our staff overseas telling them that we expected them to pay the local taxes as the law of the country required. And if that resulted in any inequity we would take care of that in New York. Well, I remember we got a letter back from our chief representative in Brazil. And he said, "If I were to go down to the tax office and volunteer to pay the tax that was on the books, they would put me in an insane institution because I would be the only person in Brazil who would do that." And he explained that paying taxes was a negotiation between each person and the tax collector each year. I remember one year we sent a team down from the IRS [Internal Revenue Service] to help the Argentines do a better job of collecting the taxes that were on the books. And in one year they increased their tax take by eighty percent without changing the law simply by collecting what was on the books to pay. So that's been a problem. Of course, many of these countries don't have very much of a margin by which to get money out of their own people through taxes. They're living on such narrow margins that that itself is a major problem.

RICHARD RUSK: Pop, before you move on to something else. How did you sell foreign aid to the Congress? You mentioned the Marshall Plan. And despite this generous streak of the American people, Truman was advised to sell the Marshall Plan in terms of the language of containment and the Soviet threat in Europe, the threat of Communism. Did you have to resort to such language in the sixties whenever you attempted to sell foreign aid, or AID [Agency for International Development], or any type of developmental program to the Congress?

DEAN RUSK: I suppose that I used some of that at times. I don't recall that I emphasized that part of it. I tried to put it in terms of U.S. national interest and also a reflection of the kind of

people we are and what we were all about in the world. A kind of appeal to a certain sense of generosity on the part of these congressmen and to a good many of them that made a considerable appeal.

CLUTE: How would you compare the attitudes of your two Presidents on the question of development in Third World countries?

DEAN RUSK: President Kennedy had a very strong interest in the third world and an improvement of our relations with them. As an intellectual matter, he recognized that this simply was something we had to try to do. It didn't come out of anything in his own experience. He had been a rich man's son, and he had no real experience in poverty as did his Secretary of State. Lyndon Johnson had an interest, but he did not use the resources of his own office to press for foreign aid with the Congress. He expected each one of his Cabinet officers to take the primary responsibility for getting his own legislation through Congress. And it was only on rare occasions that he would evoke the Presidency into pushing for this legislation. Quite frankly--I don't think this is an exaggeration--I don't, myself, recall Lyndon Johnson ever giving much support in the Congress through his own efforts in support of foreign aid. I pretty much had to carry that ball myself with the head of the AID Administration and so forth. But I think Lyndon Johnson had more of a sympathy for foreign aid than, just emotionally, than Kennedy did. But Kennedy perhaps put more of his own effort into it. Lyndon Johnson was especially interested in the western hemisphere in these matters. For example, he used to say to us, "This hemisphere is our home. This is where we live. These are our neighbors. If we can't make sense here where we live, how do we expect to make sense anywhere else?" He put a lot of emphasis on Latin America. For example, the Alliance for Progress was developed during the Kennedy administration. Actually, it built upon work which had been done in the [Dwight David] Eisenhower administration by [Clarence] Douglas Dillon and by Milton [Stover] Eisenhower. But the Kennedy administration put a new label on this--Alliance for Progress--and lost it with considerable fanfare. But, when Johnson became President, he felt that the conceptualizing was over with, that the talking was over with. He wanted something done. And you'll find that in terms of actual expenditure of money and actual work in the local areas, that that cur went up rapidly when Johnson became President. I remember he once asked me what we were doing under the Alliance for Progress. And I gave him a kind of State Department kind of an answer. And he said, "I don't mean that, I mean, what are we actually doing? Who's doing what down there in Latin America?" And he kept pressing us to get on with it. If it was a housing project, or schools, or whatever it was, to get going with it. So you'll find that action under the Alliance for Progress stepped up very fast when Lyndon Johnson became President.

RICHARD RUSK: Pop, I've got a couple questions about the Alliance. The first one is [Warren I.] Cohen and some others, including Arthur [Meier] Schlesinger [Jr.] made the statement that you played a very limited role in the formation of the Alliance, that this was more the production of John Kennedy and the White House staff, and people like Schlesinger himself and Dick [Richard Naradof] Goodwin--that you were a little bit indifferent to it, or at least certainly more involved with other problems. But, can you comment on that?

DEAN RUSK: Well, I think over in the White House, they did take the lead in developing the slogans connected with the Alliance for Progress. I think it was Dick Goodwin who invented this

term Alliance for Progress, and that sort of thing. But in terms of operations, the State Department and the AID Administration did the guts of the work. As a matter of fact, we soon unified the Bureau for Inter-American Affairs in the State Department with the Bureau of Latin American Affairs in the AID program and put them together in a single bureau so that you'd have a concentrated responsibility for both kinds of efforts. And I personally think that worked out pretty well. But I think that's now been separated again for bureaucratic reasons.

RICHARD RUSK: What has happened to the Alliance? It started out with a great deal of fanfare and enthusiasm and--

DEAN RUSK: Well, the Alliance for Progress ran into two kinds of opposition in Latin America: First the extreme left who didn't like this kind of program coming from the United States, and secondly from the entrenched interests, the ruling families, the wealthy people down there, the conservatives, because the Alliance for Progress was aimed toward major economic and social reform almost revolutionary in character. And some of the entrenched interests in Latin America were quite hostile toward it. But, I think that it made a contribution. One of the key things that we did was to establish some inter-American committee to supervise the Alliance for Progress, so that applications from individual countries came before this committee, on which several Latin Americans served, to review it and to pass judgment on whether or not it was a good idea, whether it was worthwhile, and so forth. Well, that sharing of responsibility with the Latin Americans for decisions taken under the Alliance for Progress proved to be a very helpful political aspect of the entire situation.

CLUTE: How were you involved with the creation of the Peace Corps? And I would be interested in your response to criticism that--did the Peace Corps, as its critics say, become an agent of American foreign policy and specifically the CIA [Central Intelligence Agency]?

DEAN RUSK: Well, the Peace Corps idea had been bubbling around before Kennedy took office. I think Hubert [Horatio] Humphrey [Jr.], for example, had been very much interested in it. And while I was still at the Rockefeller Foundation we made a grant to a college out in Colorado to do some preliminary planning for a possible Peace Corps. Well, then Kennedy came in and launched it, and put his brother-in-law Sarge [Robert Sargent] Shriver [Jr.] in charge of it. I have great admiration for the job that Sarge Shriver did in launching the Peace Corps. He was very good on Capitol Hill, and I will say categorically that it was our purpose to divorce the Peace Corps from the political aims or activities of the Department of State or any other agency of the United States government. They were there for what they were there to do; they were not there as an arm of American foreign policy. We made that clear to our ambassadors; we made it clear to CIA in categorical terms. And that nonpolitical aspect of the Peace Corps, I think, was quite accepted in the countries in which they were located for a good many years. But then later on, some of these Peace Corps young people themselves got involved in politics, either in the politics of the country in which they were stationed or on such political issues as Vietnam. And so the young people in the Peace Corps themselves found it difficult to stay outside of politics. Now, but there was an extraordinary enthusiasm among young people in those days to take Peace Corps service, and it was really quite astonishing. There was one major disappointment about the Peace Corps experience. We had hoped that when we sent these educated young people off to Third World countries to do all sorts of jobs, including a lot of just plain menial jobs, we had

hoped that a good many of the educated young people of the host country would come forward to join them and participate in this kind of work. On the whole, that simply did not happen, and we were disappointed that the responses of the young people of the host countries to that kind of work in behalf of their own people.

CLUTE: Well, you know, in Africa at Fourah Bay College in Freetown the students would let their forefinger nail grow long to show that they were elite and didn't have to work. They'd ask me in class, "When will we get modern?" And I'd say, "You get modern when you cut your damn fingernail off and go out to the country and work for your people like the Peace Corps workers are."

DEAN RUSK: Yeah, yeah. Well, that--

RICHARD RUSK: --that kind of example--

DEAN RUSK: The Third World has had a major problem in what I would call the aristocratic view toward work. We have sent back hundreds of Ph.D.s in agriculture to the Third World. But when they get home, they want a job in the ministry, or on the faculty of a university, or in a research institute, or in that heaven of heaven for bureaucrats, the FAO in Rome. Very hard to get them to roll up their sleeves and roll up their britches and get out in the fields, get their hands dirty and help farmers grow more food.

CLUTE: I've often wondered if we shouldn't train them as county farm bureau agents instead.

DEAN RUSK: Well, it would make a lot of sense for them to be exposed to that kind of thing. You see, one of the great benefits that we in this country got from the establishment of the land grant college system, beginning with the administration of Abraham Lincoln, was to make the point that it is dignified and worthy for an educated person to work. We started out with agriculture and with engineering. But you don't find that generally in the developing countries. For example, a good many of these developing countries have armies of reasonable size, substantial. But they don't do anything very much except train and keep the government in power. So, we remembered that the army had--

CLUTE: Or overthrow it if they get greedy for power themselves.

RICHARD RUSK: That's right. Well, there are fifty military dictatorships in the Third World these days. But we had remembered that our own army had made a considerable contribution to the development of our own country in communications and in transportation and all sorts of things in the West during the period of the development of the west. So we devised what was called civic action programs that could be undertaken by the armed forces of these third world countries. Again that didn't work very well. For example, if an engineer battalion went out and built a bridge and then took it down and brought it home with them, that was training; that was okay. But if an engineer battalion went out and built a bridge and left it there for somebody to use, that was work. They weren't supposed to do that. So we found it very difficult to get these armed forces really pitching in to help out with the development needs of their own countries.

SCHOENBAUM: Let me switch the conversation to broach another topic that I think is very important. The question of what our attitude should be and our reaction should be to governments that we don't happen to agree with or like particularly in the developing world. Of course this is a major issue today with respect to Central America, but we don't have to be specific. But, honing in on the question specifically of covert action. McGeorge Bundy, in an article in the *New York Times*, wrote that Kennedy was very disillusioned with covert action and that McGeorge Bundy played some role in that disillusionment because of the--he was convinced, and Kennedy was convinced also, of the futility and counter-productivity of covert action. McGeorge Bundy, for instance, in Central America thinks that, separates the question of covert action aid to the Contras from the--

END OF SIDE 2

