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POINT IV IN MEXICO

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The Point IV program in Mexico centers its main emphasis on providing technical assistance to Mexican agencies in the fields of: (1) industrial productivity; (2) the training of mechanics and operators of heavy equipment; and (3) health and sanitation services. In addition to conducting major projects in these three areas, Point IV supplies a metallurgist who advises the Commission on Mining Development; a geologist who serves as an adviser to the Institute of Geology in the National University; an economist who acts as a part-time adviser to a regional center on central banking techniques; and an expert in public administration who is advising the Ministry of Health on problems of organization and administration. Finally, the Point IV mission administers an important program of scholarships through which many Mexicans are able to study in the United States.*

During the fiscal year which ended June 30, 1956, the cost to the U. S. Government of the Point IV program in Mexico was approximately \$900,000. There are 62 people in the mission (including everybody from the messenger boy to the chief), of whom one-half are from the United States. The others are citizens of Mexico. Among the group are 22 technicians who constitute the core of experts for carrying out the major part of the program. They are

* See JGM-1-157, "Mexicans Study Abroad."

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supplemented from time to time by short-term specialists who are brought down from the United States to work on some particular phase of an ongoing project or to give advice with respect to an unusually thorny problem. Judged by almost any standard, the Point IV program in Mexico is a small affair. It is surpassed in size by similar programs in at least eight or nine other Latin American countries; the help it offers is just a drop in the bucket in relation to Mexico's needs for technical development; finally, the Point IV staff represents less than 10 per cent of the total number of all U. S. Government employees in Mexico.

The Mexican situation with respect to Point IV technical aid is both interesting and challenging to those who specialize in the study of national attitudes and conflicts of national interest. The main dimensions of the situation are as follows:

- (1) Involved are two adjoining countries, one of which is large, rich, powerful, and a recognized leader in utilizing science and technology to raise the standard of living of its citizens--while the other is considerably smaller, much poorer, and far behind its northern neighbor in making use of scientific and technological developments;
- (2) The two nations are friendly to each other, and have co-operated to their mutual advantage in a long list of intergovernmental undertakings;
- (3) Thousands of private citizens of the two countries are constantly engaged in millions of business transactions ranging from simple buying and selling of each other's products to complicated intercorporate arrangements for financing and managing joint enterprises;
- (4) Yet the governments of these two

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countries have not developed a really significant and important program for exchanging technical knowledge--a program of a type that would make a major and continuing contribution to the raising of levels of living in Mexico.

This situation poses a basic question: why hasn't the Point IV program developed into an important vehicle for aiding Mexico's development? The explanation is entwined in a series of subtleties, some of which stem from Mexican attitudes and some of which are to be found in the way in which the Point IV program has been administered in Mexico.

MEXICAN ATTITUDES TOWARD THE UNITED STATES

For many years the Mexican Government has been reluctant to accept technical assistance from the United States. This is a basic attitude that one must always keep in mind. Moreover, this reluctance extends to the United Nations programs;* to those sponsored by the Organization of American States; and, in a milder form, to the work of private philanthropic organizations such as the Rockefeller Foundation. It is strongest, however, with respect to the Point IV program. In part, this is a matter of pride and a desire on the part of Mexicans to take complete credit for all aspects of Mexico's progress. However, reluctance to accept technical assistance does not mean that the Mexicans flatly refuse to co-operate. They want to keep foreign technicians in the background and they never want to get themselves into the position of being beholden to a foreign power. It is a matter of general policy (to the extent that Mexico has a policy with respect to technical assistance) that the government will look first to the United Nations and to private philanthropic agencies for technical aid. The U. S. Government agencies rank at the bottom of the list.

One factor which is always lurking in the background is the memory of the war in which Mexico lost almost half of her national territory to the United States. Mexicans also remember that in 1914 Woodrow Wilson tried to oust a Mexican president, mainly through a series of threats and bluffs but also by ordering the U. S. Navy to occupy Veracruz, the principal port of Mexico. The occupation was carried out only after the U. S. fleet had leveled the Mexican Naval Academy and killed over 300 Mexicans. Still another use of force on the part of the United States, though much less brazen than the occupation of Veracruz, was General Pershing's punitive expedition to disperse Pancho Villa's forces in northern Mexico in the spring of 1917. This expedition involved relatively little bloodshed although a few lives were lost on both sides; but Wilson's whole Mexican policy from 1913 to 1917 was a gross exhibition of ill-founded, stubborn pride on the part of the United States in numerous attempts to "influence Mexican domestic affairs by direct meddling, manipulation of American public opinion, economic sanctions, arms em-

* See JGM-7-'56, "United Nations Technical Assistance to Mexico."

bargoes, and even armed force."¹ These kinds of events and policies are not easily forgotten or forgiven. They make excellent campaign fodder for politicians and provide a storehouse of materials for patriotic speeches on the numerous national holidays. Many Mexicans say, "Of course this is all past history. We really should forget it." At the same time, they do not deny that these events of the past are still important to them. They provide a basis for a continuing fear of the Colossus of the North. More important, the memory of them hurts the pride of a fiercely sensitive people, and makes it risky for ambitious politicians and government officials to get too close to the United States.

Another factor, somewhat less dramatic than the history of war and armed intervention but always in the background of Mexican-U. S. relations, is the fear engendered by the economic and cultural penetration of Mexico by U. S. elements. This penetration over the years has taken many different forms. Texas was first lost to Mexico as the result of a heavy movement of U. S. citizens into the territory and their subsequent declaration that they were establishing an independent republic. Until President Cárdenas expropriated them in the 1930's, the railroads and the oil industry of Mexico were under British and U. S. control. United States citizens not only held high-paying executive positions in these industries but they also had many of the more menial jobs. Thus many Mexicans were kept out of desirable positions. The result was a general environment of ill feeling, and furthermore many of the U. S. employees were anything but "ambassadors of good will." A common quip was that one-half of the U. S. oil-field workers were wanted by U. S. sheriffs and the other half weren't wanted by anybody. The story is also told that, after the British and Americans had been running the railroads for some years, an order was issued by the Mexican Government to the effect that instructions to train crews must be in Spanish; this virtually tied up the transportation system of the country because the engineers, brakemen, and conductors couldn't read Spanish and thus did not know what to do when they received their orders. There are dozens of these kinds of stories, nearly all built around the theme of the crude, coarse arrogance of the North Americans, the utter disdain in which they held their Mexican colleagues and co-workers, and their persistent refusal to absorb, even in the smallest way, a part of the Mexican culture. These undesirable behavior patterns of the North Americans, many of which are now more or less in the past, still provide a background of memories which give thousands of Mexicans an anti-U. S. bias.

There is another aspect of the penetration of foreign capital which is important in the thinking of many Mexican intellectuals, politicians, and government officials. Foreign companies once wielded significant political power in the country, and they are sometimes still viewed as a potential threat to the conduct of government by Mexicans for Mexicans. The old-style way in which this was done--and the style may not be so terribly

¹ Howard F. Cline, The United States and Mexico (Cambridge, Harvard University Press, 1953), p. 183.

ancient--was through gifts and loans to government officials. The resistance of Mexican officials and lawmakers to such personal favors has often been weak. Many Mexicans are conscious of the frailties of their public servants and are none too anxious to see their government too closely aligned with U. S. interests, either public or private. To keep our perspective on this aspect of Mexican attitudes, we should recall that as late as 1938 the major oil companies in Mexico--they were British- and American-owned--bluntly refused to comply with an order of the Mexican Federal Board of Arbitration and Conciliation which the Supreme Court of Mexico had ruled they must obey. Here were foreign companies openly defying Mexico's highest tribunal of justice. The issues were complicated. They involved wages and working conditions for employees, but--more important--they involved national honor and national pride. They were, of course, highly political. The whole environment of the oil situation was charged with social dynamite, and there were extremists on both sides of the issue. However, in the process of refusing to comply with the ruling of the Federal Board of Arbitration and Conciliation, the companies managed to cast a grave reflection on the personal honor of President Cárdenas and on the integrity of his administration. They paid for their errors by having their properties expropriated while millions of Mexicans shouted with glee. For once Mexico had a government that could spit in the eye of the rich and powerful foreign companies. Cline, one of the most astute students of Mexican affairs, says: "After 1938 the whole internal spirit of Mexico changed. The latent inferiority complex so widespread among Mexicans gave way to satisfaction and pride. Part came from Cárdenas' domestic reforms, but a great deal derived from expropriations. Again Mexico had withstood the giants: the chief Goliath had fallen."²

The Revolution which began in 1910 and is still being carried forward, though with considerable modification of its original aims and objectives, has as one of its slogans "Mexico for Mexicans." This slogan crystallized many different types of sentiment and opinion against the heavy foreign influence which had been so apparent during the Porfirio Díaz regime (1876-1911) and to the overthrow of which the early leaders of the Revolution were primarily dedicated. Overt action to carry out the objective behind the slogan reached its peak during the administration of Lázaro Cárdenas (1934-1940), who not only expropriated the oil properties but also the railroads and the large landholdings of many foreigners. Cárdenas was probably the most beloved of all Mexican Presidents. He had, and still has, a tremendous following among the common people--the small farmers and laborers. In their minds, he could do no wrong. If it was necessary for him to expropriate the property of the foreigners, then clearly there must be something wrong with them. Though general antiforeign sentiment in Mexico is today much weaker than it was during the

² Ibid., p. 238.

Cárdenas administration, it is still present. It is a necessary accoutrement of anyone who aspires to being counted among the proponents of the Revolution. All Mexican leaders must pay homage to it.

Many social and economic groups and many facets of public opinion often ride along on the coat tails of what might loosely be called "the doctrine" of the Revolution. Among these is a fairly vocal group of new protectionist-minded industrialists. For the most part, this group is not concerned about general problems of international relations. Its members know little, and probably care less, about U. S. technical assistance programs. They are struggling to get ahead in their business operations and they want all sorts of government protection against foreign competitors, including high tariffs and restraints on foreign investments. Just how important they are in shaping Mexican policy is difficult to determine, but they often get a sympathetic ear in the Ministry of Economy, and their propaganda forms a not insignificant part of that rather large body of opinion which is so strongly pro-Mexican that it sometimes has the effect of being antiforeign, which basically means anti-U. S.

Related to the opinions of this group of businessmen, though springing from entirely different sources, are the views of those who might be called "the guardians of Mexican culture." They are mainly academicians and writers who see in U. S. movies, automobiles, refrigerators, and even high wages a disturbing threat to Mexican culture--crass materialism displacing the warm, romantic idealism of the Latino. There are Mexicans who will argue that a boxing match is more crude and degrading than a bullfight. In the latter, the matador displays great grace and charm of movement, according to this argument, and the whole affair is akin to a ballet. In many facets of Mexican culture, there is a strong current of romanticism which runs counter to many widely-held value judgments in the U. S. One form of this is an idealization of agrarianism and of the village way of life, as contrasted with industrialization and the growth of large urban centers which are so characteristic of the U. S. The main stream of Mexican development is running counter to this romantic view of a desirable culture: U. S. movies regularly draw large audiences; the economy is rapidly becoming more industrial and urban in character; U. S. automobiles and home equipment are in heavy demand; and thousands of Mexican workers go to the U. S. each year in search of jobs or to work as braceros (field hands). To many people, these are but bits and pieces of evidence which fortify their fear that Mexico is losing its culture. When one hears everybody from taxi drivers to college professors speaking English, he can understand the people who fear that the U. S. is slowly engulfing Mexico with a foreign way of life. This is not an easy thought for many proud and sophisticated Mexicans to contemplate and accept.

These are some of the attitudes, feelings, and opinions which help us to understand why Mexico is reluctant to accept

U. S. technical assistance in large and continuing doses. It would be a great mistake to assume that Mexico is against progress, or that it is adverse to actions which spread the fruits of economic development among the masses of the people. For several decades and through several administrations, Mexico has been dedicated to throwing off the shackles of traditionalism and now is engaged in building a modern industrial and commercial society. Mexico wants to do this, however, mainly on its own steam, with its own resources, and in its own way. Private foreign capital and associated technicians are considerably more welcome than U. S. Government technicians, and it is mainly the latter that the Point IV program has to offer.

THE FIRST DECADE OF POINT IV

As early as 1939, the United States sent a few technicians to Mexico to advise on problems of the fishing industry, and a little later to aid in a survey of tin deposits. The U. S. interest in tin stemmed from the war situation at that time, but it was not until after the attack on Pearl Harbor that the U. S. began actively to promote a program of technical assistance to Latin America. This program had several objectives. It was aimed at strengthening the psychological ties between the U. S. and its Latin American neighbors, among them some that were rather strongly pro-German. It was also aimed at strengthening the economies of these countries, so that they could more efficiently produce needed raw materials for the war effort and at the same time become less dependent on supplies from the United States and Western Europe.

During the period from 1941 until the end of the war in 1945, the U. S.-Mexican technical co-operation activities were in the nature of war-emergency measures. The U. S. provided experts to advise on the development of the Mexican fishing industry. It gave financial and technical aid to Mexico on problems of railroad transportation because some of Mexico's raw materials were not reaching the U. S. as rapidly as they were needed for the war effort. The original geology mission was enlarged so that it could carry out studies aimed at finding new mineral deposits, expanding the output from deposits that were already being worked, and providing guidance to civilian agencies in Washington that were allocating scarce machinery and equipment to both foreign and domestic mining companies. A joint program for expanding the production of natural rubber in Mexico was started in 1941; a number of U. S. technicians worked on this for several years. In 1943, a co-operative health program was started, partly to help prevent the transmission of communicable diseases across the Rio Grande at a time when large numbers of Mexicans were going to the U. S. to alleviate the wartime shortage of labor, and partly to start a basic program for improving the water supplies and the sewage disposal systems of small cities and towns along the Pan-American highway.

The objective of sharing technical knowledge was present in most of these projects and a significant number of Mexican technicians gained valuable experience through working with U. S. specialists. At the same time, U. S. technicians learned about problems that were more or less new to them. However, both in the United States and in Mexico technical co-operation was thought of as a temporary effort that would be ended when the war was over. It was not difficult for the two countries to work together on technical projects, because it was assumed by each that the co-operative activities would be of short duration. Co-operation was generally viewed as part of a much bigger and more important effort, namely, to win the war against Germany and Japan.

This, however, proved to be a short-sighted view. Several officers of the Department of State in Washington, even before the war was over, began to see that the technical assistance activities in Latin America were appropriate and flexible instruments for promoting the "Good Neighbor" policy within the Western Hemisphere. In 1946, the State Department made a special study of the technical programs that had been started in the Latin American countries during the war years and decided that they should be continued. In 1947, the Institute of Inter-American Affairs was reorganized and took over the functions of several of the earlier agencies in the field of technical aid to Latin America. The Institute still operates as the regional office for the Western Hemisphere of the International Cooperation Administration (ICA), which is the agency that administers the Point IV program. This new turn of events in 1946-47--the decision to continue the wartime technical co-operation programs as permanent instruments of U. S. foreign policy in Latin America--presented a new set of problems to the United States and the Latin American countries. If these programs were to be permanent instruments of foreign policy and not just temporary measures for assisting in the war effort, what were their basic objectives, and how were they to be administered? Were they a new type of Yankee imperialism? Was the U. S. really going to stick by its "Good Neighbor" agreements not to intervene unilaterally in the affairs of its southern neighbors? These kinds of questions were of more importance to Mexicans than to other Latinos. They were particularly important to Mexico because its experiences with U. S. penetration had been neither pleasant nor conducive to Mexico's dignity as a leading country in the Latin American family of nations. Moreover, Mexico was at a stage of political and economic development where the leadership was determined that the country must stand on its own feet as an independent and sovereign country worthy of the respect of its neighbors both to the north and to the south.

Many questions about the turn of events in 1946-47 were never really answered to the satisfaction of the Mexicans. Probably satisfactory answers could not be given to a nation which has a 1,600-mile border with the United States, whose high school students still debate with feeling and vehemence the change of sovereignty over Texas and California, and which still

has many citizens who can personally remember U. S. Marines in Veracruz and U. S. soldiers ludicrously chasing Pancho Villa over the mountains and plains of northern Mexico. Certainly, in the years immediately following the war, the U. S. did not put forth much effort in Mexico to try to work out new approaches to its technical assistance activities. Most of the projects that had been started during the war period continued about as they had been going, but usually with less money and with less enthusiasm on the part of the field technicians than had been evident when they could associate their work with the war effort. For fully five years following the war, the technical assistance programs were in a stage of transitional doldrums. The Truman administration was trying to hold onto them as instruments of foreign policy, but Congress and even some people in the State Department were not so sure that they should be continued. Appropriations were cut. Some projects had to be curtailed or eliminated. Little was done to start new projects. There were suggestions that the new specialized agencies of the United Nations and the Organization of American States might be the proper channels for technical assistance to Latin America. During most of this period Mexican officials were lukewarm to the technical assistance efforts of the U. S. Few of the projects that had been started earlier were of great significance to Mexico. Technical aid did not catch the imagination of either Mexican politicians or high-ranking bureaucrats. Each project had its proponents among a small circle of Mexicans who were closely associated with the U. S. technicians, but almost none was impressive at the Cabinet or Presidential level. Moreover, it was not until passage of the Act for International Development in 1950, the legislation which authorized the Point IV program, that it became clear that the United States was finally and definitely embarked on a full-scale program of technical assistance to underdeveloped countries.

RECENT DEVELOPMENTS

It was two years after the passage of the Act for International Development and the establishment of the Technical Cooperation Administration (TCA), the first agency that administered the Point IV program on a world-wide basis, that a Chief of Mission was appointed for the Mexican program. Theretofore, the various project leaders, generally called "chiefs of field parties," had been under the co-ordinating guidance of an embassy official who usually had other full-time duties. In the summer of 1952 a chief of the Point IV mission arrived in Mexico and set about drumming up new projects. This, however, was an election year both in Mexico and the United States. Nothing of significance got beyond the discussion stage before the Ruiz Cortines administration came into power about a month before Eisenhower took office in the United States. Then another difficulty appeared on the scene. Washington was pushing the Point IV mission chief to get the Mexicans to sign a General Services Agreement, the principal aim of which was to permit Point IV

technicians to negotiate individual project agreements with interested agencies of the Mexican government. This would do away with the need to clear every project proposal through the Mexican Ministry of Foreign Affairs, a procedure under which, after approving a project, the ministry would send a diplomatic note to the U. S. Ambassador requesting U. S. assistance. The General Services Agreement was in line with the prevailing practice in most countries, and was aimed at removing the technical assistance program from the traditional channels of diplomacy and putting it more nearly on a technician-to-technician basis. The Mexican Ministry of Foreign Affairs, however, would have none of this idea. It insisted that technical assistance was a part of foreign policy, and that all matters of foreign policy were to be channeled through its offices. The Washington office of Point IV remained adamant, however, and all requests for new projects were held in abeyance until the U. S. finally backed away from its position in late 1953 or early 1954.

In the meantime, a new U. S. ambassador had been appointed in the spring of 1953. He had been in the Foreign Service before the New Deal, and was not sure that newfangled programs like technical assistance deserved the emphasis they were receiving. Nevertheless, following Dr. Milton Eisenhower's tour of Latin America in 1953, the pressure was on from Washington to expand Point IV in Latin America. The Republicans had embraced most of the elements of policy toward Mexico that had been in effect under the Democrats, and had set out to do essentially the same things on a bigger and better scale. Mexico is a key country in Latin America. If a good program could be started in Mexico, it would have a salutary effect throughout the hemisphere. Moreover, new procedures were coming into the picture. Particularly important was the new policy of the U. S. Government under which it contracted with educational institutions and private firms to carry out specific Point IV projects. This procedure appeared to be an answer to the problems of the Mexican situation. By contracting with U. S. universities and private research organizations, the U. S. Government would be footing the bill but would not be directly and immediately responsible for project operations. This appeared to be an arrangement that the Mexicans could accept more easily than one under which technicians who were employees of the U. S. Government would work in Mexican Government agencies in direct partnership with Mexican technicians. There was a second factor of importance. The aloofness toward the U. S. is always more pronounced at the Federal Government level in Mexico City than it is out in the hinterland, or even among private groups in the national capital. Thus it appeared that by developing projects with private business groups and with State Governors considerable progress might be made.

It was, therefore, largely around these two new departures--contracting with educational institutions in the U. S., and promoting projects with private groups and State Governors--that it became possible to start five new technical assistance

projects in 1954 and early 1955. These projects were:

- (1) A contract with Texas A&M College to furnish technical advice and assistance to the Superior School of Agriculture near Saltillo in northern Mexico.
- (2) A contract with Teachers College of Columbia University to provide technical services and guidance in surveying technical education and manpower needs in Mexico.
- (3) A contract with the Armour Research Foundation to give technical services to the Mexican Institute of Technological Investigations in adapting certain laboratory processes to feasible industrial uses.
- (4) A contract with the University of Michigan to assist in the establishment of a training center for mechanics and operators of heavy road-building equipment.
- (5) An agreement with the Mexican Government and certain business organizations to start a productivity center.

In addition to these new projects, the training program (offering grants under which Mexicans can go to the United States for study) was significantly stepped up in 1954 and 1955. Moreover, at least two large regional development projects in which the Point IV mission would participate were under discussion. Private businessmen in the Veracruz and Guadalajara areas--two important cities on opposite sides of the country--had interested their respective state governments in regional development plans to which the chief of the Point IV mission was willing to grant technical aid and for which he would approve training grants for persons who occupied important positions in the educational organizations that were tied in with the plans for regional development. In the Veracruz zone, the establishment of a tropical experiment station and research center was a part of the regional plan in which the Point IV people were particularly interested. In general, relationships seemed to be looking up all across the board. It appeared for a short time that the U. S. and Mexico were finally going to get together and do something significant and constructive in the field of technical co-operation.

The optimism, however, was premature. By the end of 1956 the first three projects listed above had been cancelled. The idea that the Point IV mission would co-operate in the regional development plans had been killed, presumably by the President of Mexico or, as the Mexicans put it, "by some one at a very high level." The training program was being reduced. The geology mission which had been in existence since 1940 had been cut to a one-man holding operation. An educational specialist and an agricultural technician, both of whom had been on the scene since about 1953 without being able to get new projects started, had given up and left Mexico. Moreover, the original

Point IV mission chief who had come in 1952 was transferred to another country in the spring of 1956 to make room for a replacement reported to be more to the Ambassador's liking. At this writing there are unconfirmed reports that the Mexican Government does not want to continue the co-operative health program beyond July of this year. Clearly, the golden era of 1954 and early 1955 has come to an end. The situation at present is back about where it has generally been, namely, without much of a Point IV program and with rather poor prospects for the kind of projects which have characterized U. S. technical assistance programs in most Latin American countries. There is the additional factor that several Mexican and U. S. technicians are clearly "miffed" at the U. S. Ambassador for the part he has played, or failed to play, in the deflation process which has gone on in recent months.

What is back of all this? Why is it that a situation which looked so good in 1954 had gone to pot by the end of 1956? These are extremely difficult questions to answer. We have to look for the explanations partly in Mexican attitudes that have been described earlier, and partly in the details which surrounded each of the projects. With respect to the President's refusal to go along with Point IV help for the regional development plans of the Governors and private groups in the Veracruz and Guadalajara areas, the case is not clear. On the basis of the best information which I have been able to obtain, the leadership of one of the groups was quite acceptable to the President. Although this was not so clearly true in the case of the other group, it appears that there was no animosity involved. Apparently the President simply did not want Point IV participation in these projects. In this he may have been influenced by his Minister of Economy, who is rather highly nationalistic and who probably wanted to give national guidance to regional development schemes, rather than have them spring up from several different areas under the sponsorship of State and private sources. It is interesting to note that a U. S. citizen employed by FAO, a specialized agency of the United Nations, is participating with a group of Mexican technicians in the Ministry of Economy on regional planning studies. His term of duty was recently extended by FAO after the Mexican Government made strong and urgent requests that he be allowed to continue. Moreover, in recent months there has been quite a splurge of government activity aimed at encouraging industrial development in outlying areas of the country. The Mexican Government recently brought several men from State Industrial Commissions in the U. S. to Mexico, to participate in group discussions with private businessmen and government employees about problems of industrial decentralization and about ways and means of encouraging industrial development in various areas of the country. The Point IV mission, however, was bypassed in these discussions.

There is considerable reason to believe that the Point IV policy of negotiating with private business groups and

State Governors, which was quite evident in the 1953-55 period, had the effect of isolating federal officials and developing a stiffer resistance on their part to the program than might otherwise have been the case. This of course is a debatable point, and one about which we can never be too sure. However, one thing is clear, namely, that the use of university contracts and the attempt to get private business and State groups to sponsor co-operative technical assistance projects did not turn out to be 100 per cent successful. These approaches did not represent a fundamental turning point in Mexican-U. S. relations pertaining to technical assistance. At the same time, the approach was not a complete failure. In order to grasp the full picture, it is best to turn to a discussion of individual projects.

First, let us look at two projects which were developed during the "golden era" of 1954-55 which have been reasonably successful, and in which new administrative patterns were brought into the picture.

INDUSTRIAL PRODUCTIVITY CENTER

The principal manner in which the Point IV program is working toward an improvement in Mexican industry is through the aid it renders to an Industrial Productivity Center which was organized in the middle of 1955. The center is an outgrowth of an agreement between the Governments of Mexico and the United States providing for a co-operative program in industrial productivity. Under the terms of the agreement the Confederation of Industrial Chambers, an organization roughly similar to the National Association of Manufacturers in the United States, was designated as the Mexican agency responsible for the implementation of the program. As the operating vehicle, the Confederation established the Centro Industrial de Productividad (Industrial Productivity Center). The governing board of the Center is composed of representatives of: the Confederation of Industrial Chambers, the Bankers Association, the Confederation of the Chambers of Commerce, the Employers Confederation, the Bank of Mexico, the Technological Institute of Monterrey, and the two major labor organizations, namely, the Confederación de Trabajadores de Mexico (C.T.M.) and Confederación Regional de Obreros Mexicanos (C.R.O.M.). The budget of the center for the last fiscal year was equivalent to \$100,000, of which the U. S. Government supplied \$50,000, the Mexican Government \$32,000, and Mexican industry \$18,000.

The basic objective of the Center is to encourage more efficient management and production techniques in Mexican industry. Its principal methods for achieving this objective are: (1) special seminars and training courses for managers, supervisors, and workers; (2) studies of the problems of particular industries by qualified experts followed by discussion groups made up of representatives of the industry and the experts making the study; (3) printing and distribution of various types

of pamphlets and publications which relate to ways and means of increasing output in individual plants; and (4) co-operating with the Point IV mission in selecting members of productivity teams to go to the United States for periods of study.

During 1956, four seminars were held for top-level managers of business firms in the fields of: (1) industrial research and development; (2) industrial investment and finance; (3) management problems; and (4) sales, marketing, and distribution. In addition, a program of training-within-industry was instituted for supervisors in order to qualify them to give special training to the laborers in the plants where they are employed. During the year, five institutes were held to train supervisors how to give a ten-hour course to laborers in each of the three fields of: job relations training (JRT); job instruction training (JIT); and job methods training (JMT). These are patterned after the specialized courses that were developed in the United States during the World War II, when it was necessary to train thousands of new industrial workers for jobs in war plants.

Each of the week-long seminars for top-level managers was attended by 60 to 100 Mexican businessmen, most of whom were either the owner or the manager of the business they represented. All four of the seminars were held in Mexico City, but two of them were duplicated in Monterrey and one in Guadalajara. As a result of the five training institutes for supervisors, 50 men are now trained to give specialized short courses to industrial workers. Four of these are on the staff of the Industrial Productivity Center and are available to aid with courses for on-the-job training of workers, or as teachers of additional supervisors who may want to give one or more of the ten-hour job training courses to workers. In the management seminars as well as the training institutes for supervisors, representatives of organized labor attended so that labor unions would be in a position to interpret the productivity program to their members and to assist in the worker training courses. The latter, of course, are given in the plants while the workers are employed on their regular jobs.

In addition to the seminars and training courses, the Center staff worked out itineraries for plant visits and meetings with industry representatives for seven different specialists who were studying the fruit and vegetable industry, the textile industry, the tanning industry, and the shoe-manufacturing industry. These specialists were brought to Mexico by the Point IV program for periods of two to five months. They not only made suggestions to plant managers and supervisors for improving production techniques but they also prepared reports of their studies and discussions, including suggestions for increasing productivity, which were printed and distributed by the Center. During its first year of operations, the Center also translated and printed in Spanish ten different pamphlets published by the Small Business Administration in the United States and distributed a large

number of other publications, all of which are aimed at helping Mexican business firms to improve various aspects of their operations.

The work of the Point IV mission in connection with the Industrial Productivity Center is largely along four lines. First, its three full-time specialists stationed in Mexico give general advice and stimulation to the Center staff in formulating and carrying out its total program of activities. Second, it provides specialized personnel from the United States to assist in the management seminars and to carry out the studies of particular industrial problems. Third, the Point IV mission supplies the Center with various types of educational material, both written and audio-visual, for use in its seminars, for on-the-job training activities, and for industry-wide distribution. Finally, the mission has been active in the past in sending industrial productivity teams to the United States to learn how U. S. firms are utilizing new methods and techniques to increase output.

It is important to note that the Point IV technical relationship is advisory in nature. The Board of Directors of the Center as well as its full-time Executive Director are Mexicans. The latter is an elderly businessman who for many years was active in the leadership of the textile industry. His father and grandfather preceded him in the management and ownership of textile firms in Mexico, and his sons, to whom he has in recent years entrusted the management of the family businesses, represent the fourth generation of the family in textile manufacturing. He graduated from a college in the United States and then studied textile engineering in England before he took over the family business more than 40 years ago. As immediate preparation for his post as Director of the Productivity Center he spent six months traveling in the United States and Western Europe to learn about the newest industrial management practices and to see how some of the European productivity centers which grew out of the Marshall Plan were operating. Even before he took over the post as Director of the Productivity Center, he had distinguished himself as a strong exponent of modernizing the Mexican textile industry. Although he is now rather old and lacking in some of the characteristics of a snappy, modern administrator of a public service organization, he clearly has other valuable attributes for his position. His businesses have weathered the storms of revolutions, monetary deflations, and changes of administrations from the most conservative to the most radical. He and his family before him were clearly of the "old school," yet he is an ardent advocate of modernism in business, and believes that the future growth of Mexican industry depends in large measure on its ability to increase productivity and to pass along a part of its gains to workers and consumers. He is the kind of salesman of the productivity techniques which his fellow industrialists can't laugh off. With his leadership, and a staff of six industrial engineers plus an assistant director and a business manager, all of whom are Mexicans, the Point IV specialists are

in the happy position of being able to furnish ideas and information to the Center while the Mexicans do the hard work of getting Mexican industrialists to put the ideas into practice.

It is also worth noting that this is a project in which ICA is co-operating primarily with a group of business and labor organizations. The agreement providing for the project is, of course, signed by the Mexican and U. S. Governments. Moreover, the former puts up considerable money for the Center. However, the real steam behind this project, as well as its active management, stems from organized business groups. Of the 17 members of the Board of Directors, one man represents both the Bank of Mexico and the Ministry of Economy. The balance are representatives of business and labor organizations. The Point IV mission does not have a member on the Board, but it participates in developing the program of work of the Center, including the amount budgeted for each of its major activities, and it audits the accounts periodically to make sure that the money is spent for approved purposes. This is an interesting administrative formula. Mexican politicians and bureaucrats are clearly in a background position. They not only have skirts behind which they can hide should the political necessity arise, but also the ability of the Center to "sell" new ideas to the Mexican business community is greater, because it is a privately dominated organization, than would be the case if it were a Government agency.

The question of how much the Center is accomplishing is virtually impossible to answer. Most of the first six months of its life were taken up in getting organized and staffed. It has had, therefore, only a little over a year of operating experience. A great deal of its energy has gone into the task of simply acquainting Mexican businessmen with its aims and objectives and in arousing interest in some of the newer ideas for increasing productivity. It is clearly working on a major problem. Its director and staff are enthusiastic about the future. They say that many Mexican industrialists are anxious to learn how to increase the productivity of their plants and that they are adopting many of the Center's suggestions for training their laborers and plant supervisors. Working relationships between the staff of the Center and the Point IV specialists are good. On the surface, therefore, there is much to be said in favor of the project. A few records are available of specific cases in which suggestions made by personnel of the Center have resulted in savings to individual plants. However, such records are rather scant and not too impressive. On the whole, the story is yet to be told as to whether the Center will be effective in stepping up productivity and in having any such gains passed along to the workers and consumers.

Mexican businessmen like high profits for the immediate present, and are not too concerned about the rather nebulous "long-term view." There is evidence that many gains in productivity in recent years have not been passed along to workers in the form of higher real wages. Just how consumers have fared is much more

difficult to judge, partly because of the rather continuing inflation which the economy has experienced for at least two decades and partly because of changes in the quality of manufactured goods being sold. One is certainly justified, however, in holding a strong suspicion that most of the gains in productivity which Mexican industry has experienced during the past 10 to 15 years have resulted mainly in increased profits, rather than in higher wages or in lower prices to consumers. These high profits, however, have been instrumental in encouraging industry to expand, and in supplying the capital with which expansion could be made. Moreover, still further expansion may be necessary to provide the competition necessary to pass some of the productivity gains along to the mass of the people. At least, this is a part of the argument which the Center uses to justify its efforts.

EL OLIVAR TRAINING CENTER

Another project sponsored by Point IV, and the one to which some members of the mission point with greatest pride, is a center for training mechanics and operators of heavy equipment. It is located in an outlying suburban area of Mexico City near a little railway station called El Olivar, from which the center takes its name. For all practical purposes, it is a vocational school, although it is carefully called a "training center" and is organized in such a way that it does not come under the jurisdiction of the Ministry of Education. It is, therefore, free to establish its own curriculum, hire the kind of instructors and teach the types of courses which its Director and governing board deem wise.

The training center was inaugurated in July 1955 in accordance with an agreement between the Governments of Mexico and the United States. The co-operating agency of the Mexican Government is the Ministry of Communications and Public Works, but the really important sponsoring organization is the Mexican Highway Association, a private nonprofit organization interested in promoting more and better highways. The Mexican Highway Association is financed by contributions from its membership, which includes automobile and truck assembly plants, tire factories, contractors, representatives and distributors of building machinery, national civic institutions, banks, industry, and commerce. The President of the association is a well-known Mexican capitalist with interests in several types of businesses, including the ownership of two important Mexico City newspapers.

The major objective of the center is to train mechanics and operators of road-construction machinery. However, it also trains mechanics and operators of automobiles, trucks, and tractors. The center has three terms per year, each of which runs for 15 weeks. There are courses for both day and evening students. The former spend six hours per day, and the latter three hours per day, in the shops and classes. The center is operating from eight o'clock in the morning until ten at night. It is a busy,

humming institution, with 26 teachers and about 500 students, of whom approximately three-fifths are day students. Most of the 200 night students are already employed as mechanics or apprentices and are trying to upgrade their positions by taking courses at the center. Many of the day students are young boys who are preparing themselves for their first jobs. Anyone who has finished primary school and is between the ages of 17 and 40 years is eligible to enter. The aim of the Director is to have a maximum of 20 students in any one class or shop section, and it is rare that this number is exceeded. Each student must pay tuition. The charges per term of 15 weeks are as follows: Mechanics--250 pesos (US \$20); operators of heavy equipment, such as motor shovels, graders, bulldozers, and stone-crushing machines--300 pesos (US \$24); and operators of agricultural tractors--150 pesos (US \$12).

The courses combine theory and practice, and in most fields of study students are required to take one or two terms of technical English and a course in Human Relations before they are given a diploma. For instance, a student taking the course in automobile mechanics is required, during the first term, to spend one hour each day in elementary shop work where he learns how to use and take care of the basic hand tools; two hours per day in the automobile shop, where during the first term the emphasis is on learning the functions, characteristics, and methods of repairing the parts which make up the chassis of different kinds of automobiles; and three hours per day in classes where he is taught practical mathematics and some of the elementary theory underlying the work in the shop. The general distribution of time between shop work and classes continues through the other three terms of the automobile mechanics course. In the second term the student progresses to the study of the motors of different types of cars, continues his mathematics, takes a course in drawing which centers mainly on how to read blueprints, and has one hour per day of technical English. The third term is about the same, except that the emphasis is on the electrical and fuel systems of different types of automobiles, and the student must spend five hours per week in the soldering and welding shop. In the fourth and final term, he spends four hours per day in the general repair shop for autos, where he gets practice of a varied type in servicing and repairing cars as they are brought to the garage by individuals who want to take advantage of the slightly reduced rates for repair work which the center charges its customers. In this final term the student also has one hour per day in a course of practical physics and another hour in the study of Human Relations. At the end of 60 weeks of study--four terms of 15 weeks each--he is given a diploma and can probably get a job which will pay him from 30 to 35 pesos per day (US \$2.40 to US \$2.80), which is a high rate for skilled workmen in Mexico.

The course for diesel mechanics follows the same general pattern as that for automobile mechanics. However, it is possible for a man to become a power-shovel operator or a tractor operator during one term of 15 weeks. The operator courses usually

require four hours of practice daily with the particular machine which the student is learning to operate and two hours of class-work, of which one is technical English. Actually, the courses for operators have not been developed so fully and completely as have those for mechanics. This is partly because the center does not have a sufficient number of all types of heavy machinery used in highway construction to train a large number of students during any given term, and partly because adequate training for operators of most machines can be given only in the field where roads are being built. For instance, a power-shovel operator who learns only to move a pile of dirt from one side of a lot to the other or to make cuts in a small hillside that is available near the center as a practice area may have a lot to learn about handling his machine on an actual construction job. This weakness of the training program is fully recognized both by the Point IV mission and the directing staff of the center. Negotiations are now under way to establish a field camp in one of the nearby states, where operators would be trained in the actual construction of farm-to-market roads.

An important problem which the center had to face in its early days was how to recruit a staff of instructors. It had two alternatives. It could hire mature, practical mechanics and train them to become instructors, or it could hire graduate engineers and train them to become mechanics. With a few minor exceptions, the Director of the center chose the former course, and the results have been highly satisfactory. The elementary Mathematics and English courses are generally taught by part-time instructors, several of whom are students in the National University or the Polytechnic Institute. They are from the white-collar class. Most of the faculty members, however, are former working mechanics, some of whom have had little formal education. The staff members take a three-hour course each week in teaching methods. This course to teach the teachers how to teach is given by the U. S. consultant to the center, who is a member of the faculty of the University of Michigan. His services are provided by means of a contract which ICA has with the University of Michigan to furnish technical advice to the center. The present consultant is a former mechanic and die-maker who came up the hard way and entered university teaching only after several years of practical experience in the automobile manufacturing industry in Michigan. He is well accepted by his Mexican colleagues, and has been the key man in outlining the courses to be taught and in training a staff to teach them. He is an exacting, precise type of person, who wages an incessant battle against sloppy, lackadaisical methods.

The center is organized as a nonprofit, civil society, with a five-man Board of Directors. Two members of the board are appointed by the Ministry of Communications and Public Works, two by the Mexican Highway Association, and the fifth is chosen by these four from private industry. The building and grounds were donated by the Federal Electricity Commission, which was not using the facilities. The Mexican Government puts up \$50,000 per

year, while ICA, the Point IV agency, gave one donation of \$50,000 and furnishes the services of the U. S. consultant. We have here an administrative pattern similar to that for the Productivity Center--the Mexican Government has joined with private industry in establishing a new institution to which Point IV technicians act as consultants and advisers. The Director, the Assistant Director, and the Business Manager of the center are Mexicans, as are the members of the governing board. The Mexican Government has greater representation on the board than is true with the Productivity Center, and the technical advice comes from employees of the University of Michigan, instead of directly from Point IV technicians. Neither of these differences appears to be of great significance.

UNIVERSITY CONTRACTS AND CANCELED PROJECTS

The two projects that have been described in the preceding pages--the Productivity Center and the El Olivar training center--are both apparently on sound ground and are going forward without difficulties. They are both sponsored by important business groups, and Point IV technical participation is mainly advisory in nature. These two characteristics largely account for their acceptability. However, the fact that one of them involves a contract with the University of Michigan is of interest, as is also the fact that three projects involving contracts with U. S. institutions of higher learning have been cancelled. To get the complete picture of university contracts as a mechanism for providing technical assistance, we need to take a look at background policy.

In 1953 the Foreign Operations Administration (FOA), the agency that preceded ICA in administering the Point IV program, began quite a push to promulgate a system of university contracts by which U. S. colleges and universities would be drawn directly into the task of providing technical know-how to underdeveloped countries. The original idea was that a U. S. university would enter into a contract with a university or similar institution of higher learning in an underdeveloped country to aid and assist the latter in a wide variety of fields, such as exchanges of faculty members, scholarships for students, and assistance with research programs. The cost to the U. S. university of providing services to its counterpart in the underdeveloped country was to be paid by the Point IV organization. The plan was often described as a method by which Point IV funds would finance a series of continuing "sister-to-sister" relationships between U. S. universities and analogous institutions of higher learning in underdeveloped countries. This was a belated recognition on the part of the Point IV administration that institutions of higher learning in the underdeveloped countries usually need strengthening, and that a long-time working relationship with a "sister" university in the United States would be a better method of proceeding than if the U. S. Government tried to aid the educational institutions of the underdeveloped

countries in a direct manner.

The plan was hardly launched, however, before it became evident that FOA really wanted to use the U. S. universities primarily as a source of trained manpower to carry out projects which FOA planned and directed. For instance, a rather large proportion of the early university contracts involved U. S. institutions in providing technically trained manpower to assist some Government agency of an underdeveloped country. They had little if any relationship to educational institutions in the country being aided. In other words, the "sister" to the U. S. university turned out to be a Ministry or similar agency of Government rather than a college or a university. Moreover, the task required of the U. S. university was not the long-term, slow-moving job of training the agency's employees--a type of work in which U. S. institutions of higher learning are experienced--but was often nothing more than to furnish two or three experts to carry out a project designed and administered by the Point IV staff. The universities, in short, supplied personnel which the Point IV organization would have ordinarily hired as regular employees. An important reason for this was that the director of FOA was insisting on political clearance for all new employees, and many good technicians were not interested in working directly for the agency. Political clearance of individuals assigned by a university to work under contract was not required, and in order to get qualified personnel the operating divisions of FOA turned increasingly toward university contracts.

In many instances, as was the case in Mexico, the contracts did not run directly between the U. S. universities and the institutions with which they were working in the underdeveloped countries. Instead, they were between the U. S. university and the Point IV agency. For instance, in the case of the El Olivar training center, the only one of the original university projects now operating in Mexico, FOA contracted with the University of Michigan to furnish specified types of consultant services. The training center has no direct working relationship with the University of Michigan. If it wants more or less service, or a different type of service from that which it is receiving, it makes its desires known to the Point IV mission, which discusses the matter with the University of Michigan and tries to work out a solution. The contract with Texas A&M to assist the Antonio Narro Superior School of Agriculture near Saltillo approached the original idea of the "sister-to-sister" relationship between two educational institutions, but the contracts with Teachers College of Columbia University and with the Armour Research Institute of the Illinois Institute of Technology, both of which were to carry out projects in co-operation with the Bank of Mexico, were of a different type.

In the process of moving away from the original conception of university contracts and going over to the point of virtually substituting a contract with a university for the more

orthodox process of direct employment of personnel, FOA and its successor agency ICA got themselves into a hazy, middle-ground position of being responsible for the success or failure of a project without being able to select and control the personnel assigned to work on it. At one time, for instance, the Mexican Point IV director was convinced that a person being suggested by the University of Michigan as one of the early consultants to the El Olivar center was not properly qualified for the job to be done. When he made his views known to the Washington office, however, he was told that the qualification of personnel assigned by Michigan was not to be questioned by Point IV. The man subsequently arrived in Mexico, and according to all available testimony was a complete failure. The original concept of putting two educational institutions into a long-term working relationship with each other, and of giving them the necessary freedom to work out their own problems of how best to improve educational methods and standards in the "underdeveloped" half of the partnership, was being carried over into a little training center for mechanics which had been planned and nurtured from the beginning by the Chief of the Point IV mission and the President of the Mexican Highway Association.

The El Olivar-University of Michigan arrangement is an interesting and puzzling case. The center, though doing a type of training which is badly needed in Mexico, is obviously not a very important cog in the Mexican educational system. The University of Michigan, on the other hand, is one of the large and respected institutions of higher learning in the United States. Just why it wanted to take on the job of supplying one or two consultants to El Olivar is difficult to understand. This seems to be a case of using an elephant gun to kill a gnat. There is no indication that the University authorities were thinking of El Olivar as a first step in a broader program of helping Mexico to develop a new approach to vocational education. At least, they have done nothing more than furnish consultant services to the center as provided by the contract. The University personnel, with the aid of the Mexican staff, has established an excellent center for training automobile mechanics, a fairly good center for training heavy-equipment mechanics, but a rather poor center for training operators of road-construction equipment. The inadequacies in the training of operators cannot be blamed exclusively on the University of Michigan. A part of the difficulty has been the lack of funds for purchasing the heavy equipment that was needed for training purposes and in not having a field camp where the student operators could get practical experience in constructing roads.

There is little indication that the university has done much to back up their consultant with ideas or teaching materials. Most of the charts, pictures, drawings, and pamphlets which are used in the shops and classrooms for teaching purposes appear to have come from the manufacturers of the machines, from U. S. Government agencies and from specialized schools for mechanics in the U. S. Probably some of the teaching material came

from the University of Michigan, but it must be a rather small percentage of the total. I see no essential difference in the way the consultant functions as an employee of the University of Michigan and the way that he would very probably function if he were an employee of the ICA. If the latter has gained by contracting with the University of Michigan, it must be because it could not have recruited consultants equally as well qualified for the job.

The high points in the history of the contract by which Texas A&M College was to provide assistance to Antonio Narro Superior School of Agriculture near Saltillo can be easily recounted, but it is not clear exactly why the arrangement did not work out successfully. Discussions about the project first started in August 1952, when the then Minister of Navy, who had formerly been Governor of the state of Coahuila of which Saltillo is the capital, asked the chief of the Point IV mission to meet with a group of agriculturalists from the state. In the following month, the Point IV chief visited Coahuila, and during the next two or three months held several conferences with farm groups in the state. Late in November 1952, the U. S. Embassy received a note from the Mexican Ministry of Foreign Relations requesting Point IV co-operation in agriculture. This, however, was just at the end of the presidential term of Miguel Alemán. Nothing was done until his successor, Ruiz Cortines, took office. About the middle of December, the Point IV chief took the Foreign Office note to the new Secretary of Agriculture. The latter was not anxious to enter into arrangements for Point IV projects and suggested the establishment of a committee to study the problem. Five months later, in May 1953, he finally got around to establishing a committee to discuss the whole question of Point IV co-operation in the field of agriculture. This committee made its report in July 1953, but nothing more happened until about the end of May 1954, when the Governor of Coahuila took the matter directly to the President and got his approval for a Point IV project in Coahuila. On June 17, 1954, almost two years after discussions had first started, there was an exchange of notes between the U. S. Embassy and the Foreign Office which formalized the agreement.

It was not, however, until the middle of December 1954 that FOA completed an agreement with Texas A&M College, and it was not until April 1955, or ten months after the exchange of notes between the U. S. and Mexican Governments, that the first man from Texas A&M arrived at Saltillo. This was almost a year after the Governor of Coahuila had pressured the project off the President's desk. In the meantime, his State Treasury was not as flush as it had been a year earlier, and the state was apparently not in a position to provide financial support to Antonio Narro in a manner conducive to expanding and strengthening its operations. Nevertheless, the six Texas A&M people--a chief of party, a business manager, and four technicians (the last of whom had been recruited from the Extension Service, rather than from the teaching and research faculty)--set about getting acquainted with

the situation and helping the local faculty to design short courses for neighboring farmers.

On October 3, 1955, less than six months after the Texas A&M people had arrived, a student strike started and the Texas group was asked to stay off the campus until the atmosphere had cleared. The ostensible reason for the strike was a decision by the Governor of Coahuila that his state should not be required to pay the cost of educating students from other states. Agricultural students are commonly given free board and room, books, clothing, and a little spending money. The Federal Ministry of Education pays these costs to the Antonio Narro School for students who are not residents of the state of Coahuila, but the Ministry was three years behind in its payments. The Governor closed the dormitories and dining hall at the school; made arrangements for the students from the state of Coahuila to get board and room in nearby private homes; and told the students from other states that they would have to shift for themselves. This was a way of putting pressure on the Federal Ministry to pay its accumulated arrears, but the move backfired. The student body struck, and the school was temporarily closed. An organizer was sent from a communist cell among students at the National Polytechnic Institute in Mexico City to lead the unsophisticated farm boys at Antonio Narro in their strike against the Governor and the school administration. He quickly made an issue out of the presence of the group from Texas A&M. Their presence, he contended, was evidence that Yankee imperialists were taking over the educational system of Mexico. Although the Texas people were not supposed to teach classes but only to assist and advise the faculty members, it appears that just a day or two before the strike started one member of the group had taken over a class when the regular faculty member was absent. This gave credence to the story that Mexicans would soon be shoved out of their teaching jobs, while the Texans took over.

Meanwhile, there appeared to be no disposition on the part of Federal authorities to do anything about the situation. It is probable, though I have no proof, that both the Minister of Education and the Minister of Agriculture--both of whom have quite clearly been unwilling to participate in Point IV projects--were rather glad to be able to "put the squeeze" on the Governor of Coahuila who had bypassed them and gone directly to the President to get the project approved in the first place. At any rate, the Texas A&M people were not allowed to go back to work, even though the strike ended about October 15, until the situation could be cleared up at the Federal level. The clearing-up process really involved a comprehensive review of the whole Point IV program by the U. S. Ambassador, the Mexican Ministry of Foreign Relations, and finally the President of Mexico. The Ambassador was not satisfied with the Point IV program and was in a "hassle" with the then chief of the Point IV mission. During the program review, he was told that the Mexican Government did not want further Point IV assistance in the educational field. This signaled the end of the Texas A&M-Antonio Narro relationship.

Just why President Ruiz Cortines made the decision he did is impossible to say. Some people suggest that the U. S. Ambassador, who has never been a strong proponent of the Point IV program, didn't try to get a favorable decision. Others point to the communists and the position which they assumed in the student strike as being the real source of the difficulty. Still others think it was a mistake for FOA to have contracted with Texas A&M because the Texans and Mexicans have been spitting at each other across the Rio Grande for more than a century. Some proponents of this view also contend that Texas A&M could not really spare its regular faculty members to be assigned to Antonio Narro, and recruited Extension people who were not properly qualified for the job. Others point to bureaucratic squabbling by members of the President's official family with the Governor of the state of Coahuila as being the important explanation of the situation. They are all members of the same political party, of course, but a part of this line of speculation is to the effect that the President, as party leader, can never allow State Governors to forget who is boss, and that international relations must always be handled by the Chief Executive. This is one of those situations in which one can accept any one of a half-dozen explanations and probably find some germ of truth in it. The important point is that the project failed. Recent reports, from what I believe to be a highly reliable source, indicate that the Director of Antonio Narro, a man who with the aid of Rockefeller Foundation scholarships received his Ph.D. degree in the United States, is disillusioned and unhappy about the future of the school.

The history of the project between Teachers College of Columbia University and the Bank of Mexico is quite a different story, though its termination was also entangled with student strikes and communist-led demonstrations against the U. S. This project had its origin in a request from a Division in the Bank of Mexico for two experts from the U. S. to help make a survey of Mexico's needs for trained manpower. This request was forwarded to Washington by the Point IV mission in Mexico. There the original idea was expanded by men with big ideas, one of them a former President of Teachers College of Columbia University who at the time was serving as deputy director of the Foreign Operations Administration. The request for two specialists was ballooned into a half-million dollar contract with Teachers College to carry out a three-year project in which several members of the Columbia faculty would participate. The whole concept of the project moved completely away from the original request for two men to advise a relatively small division in the Bank of Mexico. It became a big manpower study by Columbia University. Apparently, a part of this ballooning process went on without either the Point IV staff in Mexico or the Bank of Mexico knowing just what was happening. However, they acquiesced in the expanded proposal. A rather elaborate organization of a Directing Committee, a project director and assistant director, and a staff of industrial engineers was set up by the Bank of Mexico to carry out the project. The Columbia experts were to act as advisers to this group. The man from Teachers College who was slated to head the group of

Columbia experts visited Mexico and "sold" himself and his ideas about the survey to both the Point IV people and the key men in the Bank of Mexico. The future looked rosy.

The project, however, got off to a bad start. The news story announcing the signing of the contract with Columbia University and describing the general nature of the project was released in New York without being cleared with the Point IV staff either in Washington or in Mexico or with the Bank of Mexico officials who were sponsoring the project. The next day the story appeared on the front pages of Mexico City newspapers, having come by way of the regular wire services from New York, and took everybody who had anything to do with the project in Mexico completely by surprise. The story immediately aroused fears and speculations among pro-Mexican elements in educational circles. It sounded as if experts from Columbia University were going to tell the Mexicans how to run their educational institutions. The students at the National Polytechnic Institute, the director of which was also director of the project, are generally from lower middle-class and laborers' families. Among them are some of the strongest pro-Mexican and anti-U. S. sentiments, a few rather extreme leftists, a sprinkling of communists, and a lot of youngsters who are easy prey for all sorts of ideological manipulators. It was no problem at all to stir up among them an antipathy to any group of gringos who proposed to alter Mexico's educational system. The communists went to work on them, slowly at first, but with more energy and enthusiasm after the strike at Antonio Narro and the canceling of the Texas A&M contract in late January of 1956.

In the meantime, the early stages of the project were moving along without great difficulties. The Columbia technicians arrived on the scene in the fall of 1955, and set to work on a statistical survey of manpower needs in four important industries. There are numerous differences of opinion between the head of the Columbia group (whom I interviewed during a short trip to New York in the fall of 1956 after the project had been canceled) and some Mexicans who worked on the survey, with respect to the smoothness of working relationships. The former reported excellent working relations with the Mexicans. According to him, everyone was happy and friendly and everything was working like a well-oiled clock until the communists engineered a student strike in the early part of April 1956, which was accompanied by so much rowdyism and so many street demonstrations that it became dangerous for the Columbia experts to go to their offices. The Mexicans, on the other hand, who from the very beginning had only wanted expert advice on how to carry out the survey themselves, felt that the Columbia experts were either anxious to make their own survey or determined to tell the Mexicans just how to do it. Apparently there were many differences of opinion about what should be included in a questionnaire that was to be used in the study. The argument revolved around whether Mexicans employed by the Bank of Mexico or members of the Columbia group should visit factories to obtain the survey data, and around other similar

questions of procedure. To a large extent, these were the ordinary difficulties that commonly develop among members of research teams in the U. S. However, the Mexicans felt that they were constantly having to fight off the pressures of the North Americans. Some members of the latter group, particularly the leader, were regarded by the Mexicans as brusque, overanxious, in an awful hurry to do the job and to do it just as nearly as possible like the North Americans thought it should be done. Although everyone seemed to be agreed, in a formal sense at least, that the Columbia experts were to act only as advisers to the Bank of Mexico staff that was charged with the responsibility for the survey, the actions of the Columbia team were often interpreted by the Mexicans as going well beyond the boundaries of offering advice. Apparently, the leader of the Columbia group never had the slightest qualms about the validity of his own ideas, nor the slightest notion about Mexican feelings toward the U. S. in general or the Point IV program in particular.

These kinds of difficulties (most of which were minor and a part of the process of Mexicans and North Americans learning to work together) would probably have been ironed out and the project continued if there had not been three other closely related factors in the picture. First, there was apparently some misunderstanding between the Mexicans and the Columbia experts as to how far the latter were to go in studying Mexican technical schools. Second, there was a rash of student strikes in Mexico in the spring of 1956 which made it impossible for the Columbia experts to carry on their work as they had planned it. Third, the reaction of the State Department and the Point IV organization to the strikes and the difficulties they presented to the Columbia project was unusually sharp and embarrassing to the Mexican government. All three factors need a bit of explaining, if we are to understand the full story.

The study was planned in two general phases. One was to be concerned primarily with projecting Mexico's needs for technically trained manpower, and the other was to involve some kind of study of educational facilities and technical schools with a view to pointing out changes that might be necessary in educational organizations to meet Mexico's needs for trained manpower. There appears now, however, to have been a great deal of haziness about the second phase, and it is highly probable that the Bank of Mexico people and the Columbia group never had a real meeting of the minds about exactly what was to be done, and who was to do it. The men in the Bank of Mexico who were carrying out the study are mainly industrial engineers and commonly work on industrial problems. Although the Columbia group included some industrial engineers, its leadership was from Teachers College and it was mainly interested in educational problems. The first phase of the study was to them simply a necessary prelude to the real task of studying educational organizations and methods of teaching. From the very beginning, therefore, there were differences in ways of thinking about the approach to the second part of the study. Were the Bank of Mexico engineers,

with the advice of the Columbia experts, going to barge into the field of education and presume to study Mexico's technical schools? Were the Columbia people to be allowed to step out of their role as advisers and carry out this part of the study themselves? Or could some way be worked out of bringing some of the educators in on the project so that with the help of the Columbia experts they could make their own analysis of the Mexican system of technical education? The third alternative seems to have been generally agreed on, but some of the Columbia group clearly wanted to do quite a lot of this part of the study themselves, and about the only specific ways that were developed for bringing Mexican faculty members of technical schools in on the study was through a series of seminars with the Columbia experts and by granting fellowships to Mexicans for study in the U. S. Because of anti-U. S. feelings among both students and faculty of some of the technical schools, it was considered quite unwise by the Bank of Mexico people for the Columbia experts to visit classes and laboratories of the technical schools and discuss educational problems with the people most intimately and directly involved. This was a serious blow to the leader of the Columbia group. He wanted to see at first hand how the Mexican institutions were functioning, and he wanted the Mexican government to do whatever was necessary to provide him with this opportunity.

In the early part of 1956, the National Polytechnic Institute in Mexico City, the country's leading technical school, was boiling with strife and unrest. Student uprisings are almost unknown in the U. S., but they are not uncommon in Latin America. They often have important political repercussions, and the students, being the flower of the nation's manhood, are usually thought to be on the side of the gods. The leadership for the uprising which beset Polytechnic last spring, however, came in large part from a group of toughs who lived in the dormitories where they received free board and room and otherwise enjoyed the fat of the land. Some of them had not attended classes for years and were little more than "goon squad" agitators for the communists and associated leftists. When they led the students out on strike in early April 1956, they had a list of demands on the school administration and the Minister of Education as long as your arm. They asked for everything from more buildings to bigger scholarships, better beds, more tasty meals, and buses on which to go picnicking. The Columbia project was a minor issue, but it was an issue. The director of the school, who was also director of the Columbia project for the Bank of Mexico, was pictured in cartoons as an octopus swallowing Polytechnic, with one arm as the United States and the other as Columbia University. This was rather straight communist propaganda, and nothing for most Mexicans to get excited about. The striking students had very little popular support, but until they engaged in acts of vandalism against places of business during some of their street demonstrations there was little popular opinion against them. During the early days of the turmoil, the whole affair was viewed by most Mexicans as being of little importance.

The Columbia experts and the State Department, however, took the situation seriously. On April 11, 1956, the head of the Columbia group was conferring with the director of the project and a few other people, when word was received that a group of students had started a march toward the section of the city where the offices of the Columbia experts were located. The project director suggested that they vacate their offices and not try to work until the situation settled down. The next day the American Embassy dispatched a note to the Mexican Foreign Office asking that the members and families of the Columbia group be given special police protection. This request was immediately complied with, and for some time special policemen stood guard before the houses and apartments of the Columbia personnel. On April 13 the American Embassy sent to the Minister of Foreign Affairs another note, the wording of which apparently so infuriated the Mexicans that it has influenced their attitudes toward Point IV. This note, probably drafted in Washington, referred to the influence of communists in the strike situation, and asked whether the Mexican Government was prepared to take the steps necessary to enable the Columbia experts to carry out the job for which they had been brought to Mexico or whether it wanted to cancel the project.

This was strong medicine, and can be properly understood only if one remembers that Point IV had spent several thousand dollars keeping the Texas A&M people waiting around the Antonio Narro school for weeks while a strike was presumably being settled, only to be told in the end that their services were not wanted. The Washington offices of ICA and the State Department apparently were determined not to let this happen again. Also they wanted to show the Mexicans that the United States was not begging to have its technical assistance projects in Mexico. The Mexicans, however, are not the kind of people to be "taught" by sharply-worded diplomatic notes from the U. S. They considered the note an insult and refused to answer it. This left the Columbia professors still out of their offices, and the State Department out on a limb. Everything was at a standstill awaiting a reply, and no reply was forthcoming. Most of the Columbia group went home within a week or two, and finally in August the project was canceled. When the time came a few months later for a renewal of the contract with the Armour Research Foundation of the Illinois Institute of Technology--a project which was also being carried out with the Bank of Mexico--the Mexican Ministry of Foreign Relations would not approve the Bank's request for continuing the project. Apparently, the Ministry was still burning from the former incident.

Within a few weeks after the Columbia project was canceled, the student strike at the National Polytechnic Institute was settled. The President ordered a contingent of the army to take charge of the dormitory area, which it calmly did about three o'clock one morning while the students were sleeping. When the troops were all in place, the boarding students--only a small percentage of the total student body--were ousted from their beds and herded into the corridors in their night clothes. A few of

the ringleaders of the "goon squads" were hustled off to jail. The rest of the "boarders" were given a few pesos on which to live for a week or two and were thrown into the streets. The boarding facilities at the school were closed. A new director was appointed, and within a few weeks the situation was back to normal.

HEALTH AND SANITATION PROGRAM

The work of the Point IV group in health and sanitation has been quite different from the other U. S. technical assistance activities. It has long been the largest of the Point IV projects both in terms of money and manpower; it has been in continuous operation since July 7, 1943; and the U. S. technicians assigned to the project have probably worked in closer collaboration with their Mexican colleagues than in any other projects. From many points of view, it has been an ideal example of the way in which U. S. technicians can bring technical know-how to an underdeveloped country.

Therefore, when the Chief of the Point IV mission was recently told by an official of the Ministry of Foreign Affairs that the Mexican Government would soon formally notify the U. S. Government that it did not want to continue the co-operative health program beyond July of this year, both North Americans and Mexicans were taken by complete surprise. Everyone associated with this program thought that it was well entrenched and well accepted. The reason given for not wanting to continue the co-operative relationship was that the Mexican Ministry of Health was now sufficiently well staffed so that it no longer needed outside assistance. It is well known, however, that the Minister of Health is a candidate for President, and it may well be that he thinks his chances for nomination will be jeopardized by too close association with the gringos.

When the health program was first started in 1943, the administering organization was a jointly financed and jointly managed agency called a servicio, which is a type of administrative mechanism that has been established in several Latin American countries for carrying out technical assistance programs. The servicio, however, was soon changed to a Dirección in the Ministry of Health, which is similar to a bureau or division in a Department of the U. S. Government. From the time of its establishment in late 1943 until 1954, the director of the U. S. field party in health and sanitation acted as the chief of this special Dirección. He was under the general supervision of the Minister of Health but he had charge of the work of the Dirección, and the disbursement of U. S. funds granted to the health and sanitation program was controlled by him. In 1954 the chief of the Point IV mission in Mexico decided that it was time for the Mexicans to assume full responsibility for the joint program, with the U. S. personnel assisting in program planning and acting as advisers. This change was inaugurated. At the same time the functions of the Dirección were significantly changed, and it became known as

Dirección de Estudios Experimentales (Division of Experimental Studies).

In the early days of the program, considerable emphasis was placed on the elimination of communicable diseases in the areas along the border with the U. S. This emphasis soon shifted, however, to the construction of water supply and sewage disposal facilities for small cities and villages along the Pan American highway. This was a type of work in which the Mexican Ministry of Health was interested and which was badly needed. Attention was also given to the building of small health centers in interior towns and villages. These centers usually have facilities for outpatient clinics, a treatment room or two, offices for public health nurses and doctors who serve the area, and sometimes a few hospital beds for patients who are awaiting transfer to a larger institution or who need hospital care for only a few days. During the first decade, 66 small water-supply units were constructed in various parts of the country and 10 health centers were completed. The demonstration work of this group stimulated the Ministry of Hydraulic Resources, the agency that is responsible both for agricultural irrigation and city water supplies, to add a new division for the purpose of bringing pure water to the thousands of Mexican villages and small cities. Likewise, the Ministry of Health is now spending large sums in the construction of rural medical centers. Both major types of activities demonstrated by the joint program have, in other words, been taken over by agencies of the Mexican Government and been expanded into significant operating programs.

In 1954, when the functions of the U. S. staff were shifted so that they became merely advisers, the nature of the co-operative program was also changed. Theretofore, the special Dirección had been mainly an action agency, with its emphasis on construction and engineering activities, and it was administered as an autonomous unit within the Ministry of Health. It was almost a little Ministry within a Ministry. When, for instance, it wanted to strengthen the Ministry's work in the field of public health nursing and industrial hygiene--two areas in which the U. S. technicians became interested several years ago--it hired specialists in these fields for its own staff rather than supply funds and guidance to the regular divisions of nursing and industrial hygiene that were already established within the Ministry. After the creation of the Dirección de Estudios Experimentales, the work became more nearly Ministry-wide, and the emphasis was shifted to: (1) special training of Ministry personnel; (2) analysis and planning of new public health programs; (3) evaluating the existing programs of the Ministry; and (4) carrying out pilot programs in co-operation with other divisions of the Ministry.

The U. S. Government, through ICA, puts \$125,000 into the budget of the Dirección annually in addition to the salaries and expenses of the technicians who are assigned as advisers. The Mexican Government puts up \$375,000. These regular funds are often supplemented by contributions from state and local governments

or from other agencies of the national government to individual projects being carried out by the Dirección. One of the major activities in which the division is interested at present, and to which a significant part of its budget is dedicated, is a pilot project for the improvement of public health administration at state and local levels of government. This pilot project, being carried out in three states, is in co-operation with the Division of Coordinated Services to States. The latter is a large and important division of the Ministry. Federal funds are funneled through it to the various State Health Departments; it establishes qualifications and standards of performance for State Health Department employees; and it generally represents the Federal Government in trying to improve state and local efforts in the field of public health. However, as a division of the Federal Ministry of Health, it is inadequately staffed and perpetually short of funds with which to carry out its responsibilities. An important aspect of the pilot project in the three states, therefore, is to supplement the funds of the Division of Coordinated Services to States; to provide it with both technical and administrative advice on the use of these funds; to put the public health workers in the three states on a full-time basis; to furnish them with the supplies, equipment, and transportation facilities which they need; and to train them in their respective duties so that they can function efficiently. In general, this involves considerable decentralization of authority while demanding improvements in the quality of work of the field staff.

The Dirección de Estudios Experimentales is also co-operating with the Division of Nursing and Social Work in the Ministry; it is making a study of nursing needs and resources in seven different areas of the country; and it has an important project in producing audio-visual material for the use of health educators in training doctors and nurses how to be more effective in working with the poor and uneducated segment of the population in order to improve its sanitary and dietary habits. The Dirección also has a highly effective working relationship with the Division of Rehabilitation in the Ministry of Health, in which a U. S. specialist is helping to train counselors for the handicapped, particularly the blind; and in promoting rehabilitation training services among the states. The Dirección is also engaged in several other projects, some of which are co-operative with other divisions of the Ministry. Included among these is an interesting anthropological study aimed at providing guidance to public health workers among Indian groups or isolated mestizo communities where modern medicine and sanitation have made little progress. It also supplies a malarialogist to the country-wide Malaria Eradication Campaign.*

If the co-operative health work is terminated within the next few months, as now appears likely, the number of Point IV

* See JGM-7-'56.

technicians in Mexico will be reduced by almost one-half, and the major projects will be limited to the Industrial Productivity Center and the El Olivar training center. Both of these are relatively new additions to what have been the major fields of technical assistance in Latin America. Since the Institute of Inter-American Affairs was first organized in the early 1940's, agriculture, health, and education have been the principal areas of concentration in most Latin American countries. Only since 1950 has significant attention been given to technical assistance in such areas as industry, transportation, and public administration. Of the three traditional fields, only the health program has amounted to much in Mexico. Now work in this area appears to be drawing to a close.

It is still thought that the Mexican Government will request U. S. participation in the proposed road construction camp to supplement the training of heavy equipment operators at the El Olivar center. This request may come at the same time that the Government gives formal notification of terminating the health program. This suggests that Mexico may have reached a stage of development in which she is more interested in the type of technical assistance which will give impetus to her industrial development than to activities in agriculture, health, and education. Even if this is true, one must never forget that Mexican nationalism is an important element in the total picture. Both agrarian reform and education--land for the peasants, and schools for the masses--have been important battle cries of The Revolution for many years. These were sacred areas in which revolutionary leaders were determined to make headway under their own steam and in their own way. Outside assistance was not welcome. Under the guidance of a Minister of Health who is interested in becoming President, public health programs may virtually have to take on some of the same revolutionary coloring as agrarian reform and education, even though the Minister has never been counted as one of the highly nationalistic group of Mexican politicians.

GEOLOGY MISSION

The work of a group of U. S. Government geologists in Mexico provides another interesting example of a project which, at one time, was quite sizable but which has recently been almost eliminated.

In 1940, when the war in Europe and sword-rattling in the Far East alerted countries of the Western Hemisphere to their defense needs, the U. S. Government requested permission from the Mexican Government to send a small team of geologists to Mexico to search for tin deposits. After the attack on Pearl Harbor this effort was broadened and became a search for all types of strategic materials. Although the geologists from the U. S. Geological Survey worked closely with the few Mexican mineral geologists who were available at that time, and thus provided the

latter with needed field experience, the central objective of this early effort was not that of providing technical assistance to Mexico. Rather, the aim was to prepare field reports that might lead to a greater output of minerals that were needed in the war effort, and particularly to give guidance to the civilian agencies in Washington that were allocating scarce machinery and equipment to both foreign and domestic mining companies. The program was particularly intensive in 1943 and 1944.

Beginning in 1946, after the immediate pressures of the war period were over, the geology mission shifted the emphasis of its work so that it fell more clearly into the category of technical assistance. A program of training grants was inaugurated, so that selected students of geology could study in the United States, and at the same time greater stress was laid on field training for young Mexican geologists assigned to work with members of the U. S. staff. Moreover, the field studies were re-aligned so that they centered greater emphasis on analyses of the environment of ore deposits in sizable mineral districts, with the aim of determining why ore of a particular type was found in a given district and where to look for other deposits.

In addition to their research studies, many of which are published in both English and Spanish, the geology group has functioned mainly to train Mexican students of geology. Thirty-three students have been sent to the U. S. for periods of study ranging from four months to four years; 27 who did not study in the U. S. have worked for substantial periods of time with the U. S. personnel in Mexico; and 40 to 50 students of the University and Polytechnic Institute have had short periods of field experience with members of the U. S. mission.

In 1952, an effort was made on the part of the chief of the U. S. group to get the co-operation of the relevant Mexican agencies in establishing a jointly financed office or organization for providing both field training in Mexico and study in the U. S. for young Mexican geologists. The Mexicans, however, were not willing to co-operate in this kind of venture. One or two men in fairly high places in government organizations which function in the mining and minerals field were rather strongly anti-U. S. in sentiment--presumably because they thought they had been discriminated against in private jobs which they had held several years ago with U. S. mining companies operating in Mexico. Moreover, the study of mineral deposits by foreigners is one of those areas about which Mexican politicians are most sensitive. The growing interest, both north and south of the border, in uranium deposits has heightened this sensitivity. Nevertheless, the work of the geology group continued about as it had been going until 1955, when the U. S. Ambassador insisted that there should be a formal request from the Mexican Government if the work were to be continued. This took the matter out of the hands of the Mexican geologists with whom the U. S. specialists had been working and put it squarely into the arena of international relations. The Mexican Government never likes to ask the United

States for special favors, and the study of Mexican mineral resources by foreigners is always likely to touch off popular criticism. Therefore, when the technician-to-technician relationship was shifted to the area of international politics, it was the beginning of the end. Because the International Geology Congress was scheduled to meet in Mexico City in September 1956, the U. S. geologists were requested to stay and help with preparations for this meeting. This request was complied with, and shortly thereafter the Mexican Government forwarded a note asking that two members of the U. S. group, both of whom were named in the note, be allowed to continue their work in Mexico. Arrangements had already been worked out, however, for the reassignment of one of the men to Chile. The upshot is that one man, the person who has been head of the U. S. group for many years and who is probably the most learned man in the hemisphere about Mexico's mineral geology, will continue as an adviser to the Institute of Geology in the National University.

MINOR PROJECTS

In addition to the projects that have been described in the preceding pages, there are three minor ones that merit attention.

Since 1947 the Point IV organization has contracted for the services of from one to four men from the Bureau of Mines in the Department of Interior to work in an advisory capacity with the Mexican Comisión de Fomento Minero (Mining Development Commission). At the present time there is only one such technician on a continuing basis. He has the help of short-term specialists who are assigned from time to time. His principal work is to help the Mining Development Commission establish and operate an Educational Extension Service to aid the owners and operators of small mines. Much of the lead, zinc, and silver mined in Mexico comes from mines with no more than 15 to 20 workers. Such mines often call on the Commission for help in laboratory analyses of their minerals and for help in solving engineering problems. The adviser assigned to the Point IV staff from the Bureau of Mines is a metallurgist, who spends a large part of his time in the field advising small mining companies on improved methods of cleaning, concentrating, and refining ores. His work is strictly of a technical nature and has almost no policy implications. It appears to be well accepted by the Mexicans, and he reports that the Mining Development Commission is making considerable progress in expanding and improving its services to the Mexican mining industry.

Another somewhat analogous type of activity is the work of a Public Administration specialist, who in recent months has been advising the Ministry of Health. This specialist came to Mexico about four years ago for the purpose of arousing interest in ways and means of improving public administration. He has been able, however, to accomplish relatively little in that

particular field. He helped establish a program for sending students of public administration to the U. S. for special study, but the results were somewhat disappointing because the trainees were not able to put into practice what they had learned in the U. S. when they returned to Mexico.* He was the man who originally started the Productivity Center, but the Point IV participation in this project was later shifted to men who had specialized experience in this type of work in Europe. Almost no agencies of the Mexican Government showed any interest in receiving Point IV assistance to reorganize or otherwise improve their internal functioning. Finally, however, he was able--through the Point IV health and sanitation group in the Ministry of Health--to arouse some interest within the Ministry in having his services as a special adviser in the tasks of defining the functions and duties of various organizational units within the Ministry; in writing job descriptions; and in outlining the qualifications that employees should have to fill various types of jobs. This type of work is more or less foreign to agencies of the Mexican Government. Although a beginning has been made in the Ministry of Health, it is only a beginning, and the road ahead is a long and tortuous one that must be traveled very slowly.

Somewhat different from the two advisory projects just mentioned is the assistance which Point IV gives to the Center of Latin American Monetary Studies. This center was established by the central banks of nine Latin American countries, and eleven countries now participate. It is located in Mexico City and works in close collaboration with the Bank of Mexico, which has the reputation of being one of the best central banks in the hemisphere. The main function of the center during the five years of its existence has been to conduct a series of courses in central banking problems and techniques. It is in the nature of a small, specialized graduate school for central bank employees. Students come from several Latin American countries, including three or four which are not members of the Center, and they are nearly always staff members of the central bank of their respective countries. Instruction is provided by officers and senior staff members of the Bank of Mexico, other Latin American central banks, the Federal Reserve Board, two or three Federal Reserve Banks, the International Monetary Fund, and several private banking institutions.

The Point IV organization has assisted the Center in three ways: (1) it has provided a few training grants for some of the students to go to the U. S. for short periods of study after they have finished their courses in Mexico City; (2) it has paid for the services of two or three short-term specialists to give seminars at the Center and to assist in outlining research projects; and (3) the Program Officer of the Point IV mission is a part-time adviser to the Center. He is a qualified economist

* See JGM-1-'57.

who has worked with members of the center staff in outlining courses and planning future programs. The establishment of a small joint fund between the Center and ICA is under consideration, from which the services of short-term teaching specialists could be paid and some of the other costs of the Center could be met. ICA is also trying to recruit a specialist in agricultural credit to assist the Center in making a survey of agricultural credit systems in Latin America. Although ICA participation in the work of the Center has not been of great significance, it is an interesting illustration of how the Point IV program can relate itself to an international agency that some of the Latin American countries have themselves established to serve their own needs. This technique of providing technical know-how to specialized organizations established by a group of Latin American countries may be a pattern that has potentialities for the future in various types of training work. As an administrative device, it merits attention. It may be a particularly suitable pattern for countries that are already fairly well advanced and are somewhat sensitive to having North American technicians assigned directly to some of their important government agencies as advisers.

PERSPECTIVE AND INFERENCES

When one withdraws from the details of individual projects and looks at the Mexican Point IV program as a whole, a few points stand out with reasonable clarity.

First, it is apparent that the program has not been a major avenue by which new technical knowledge flows into Mexico, except through the sending of Mexicans to the United States for periods of study. The regular advisory or operating projects are not without considerable significance, but the great inflow of technical knowledge which has been so important in explaining Mexico's rapid economic growth has not come through Point IV projects.

Second, it seems clear that Mexico's long-standing reluctance to accept technical aid from the U. S. has not significantly changed during the past three or four years, even though there was for a short time a considerable expansion in Point IV activities.

Third, no progress has been made by the two countries in working out mutually acceptable projects in the fields of education or agriculture, two areas in which Mexico is faced with important problems and in which Point IV missions in other Latin American countries have made considerable headway. Neither the Ministry of Agriculture nor the Ministry of Education has shown the slightest desire to participate in any form of technical cooperation with the U. S., except in receiving scholarships for students to study abroad.

Fourth, the Point IV program in Mexico falls much more

clearly into traditional political or diplomatic channels than in most Latin American countries. The technician-to-technician approach has been replaced by the diplomat-to-diplomat relationship of traditional diplomacy. This is partly because the Mexican Government has wanted this type of working relationship and partly because the U. S. Ambassador works and thinks in these terms.

Fifth, the most promising developments have been the two projects which private business groups have sponsored--the Productivity Center and the El Olivar training center--and in which Point IV technicians stay well in the background in a planning and advisory position.

Sixth, the system of university contracts, which a few years ago was regarded by many people as being an exceptionally promising new development in the field of technical assistance, has not worked well in Mexico.

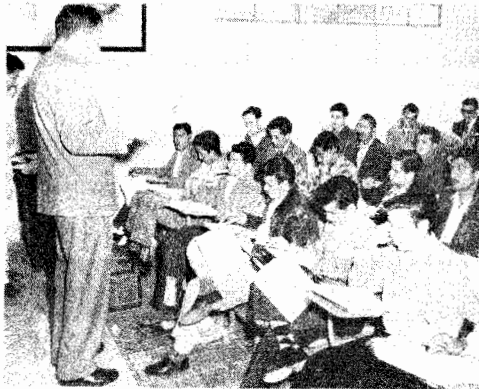
Seventh, at the present time the Point IV program is at a very low ebb in Mexico. The hopes and aspirations of United States technicians have been brightened recently by the announcement of a change in U. S. ambassadors, and by the report that Dr. Milton Eisenhower will visit Mexico for several days in June. These two developments have brought the first smiles in months to the faces of several U. S. technicians.

When one asks, "Where does Point IV go from here?" the answer is by no means clear. However, the U. S. policymakers must grasp two important points if they are to play a constructive role. First, Mexico is a country where development is moving rapidly. Change, obsolescence, and innovation are common experiences in large sectors of the Mexican society. The special role of technical assistance in a setting of this type is to speed up the rate of change. This is quite a different role from helping people to achieve the confidence and willingness to risk change. Second, Mexican intellectuals and political leaders--the people with whom Point IV officials must work in negotiating, planning, and developing technical co-operation projects--are determined to make their own decisions with respect to the general direction along which Mexican society will develop and the degree of stimulus which the Government will give to various parts of the economy.

Among other things, these two characteristics of Mexican society suggest that the Point IV assistance of the future will probably be primarily advisory assistance, and the Mexicans will be most interested in receiving advice that specifically and directly helps them achieve goals which they have selected and defined. Moreover, many Mexican technicians are not the least bit interested in listening to the advice of anyone but a really topnotch expert. Point IV will have to do a better job of recruitment than it has done in the past if it is to have much influence in Mexico. Moreover, this task of recruiting highly-

qualified people will become more difficult as a greater number of Mexicans improve their knowledge. The day of the ordinary journeyman-professional--the shirt-sleeved diplomat who knows how to work with people but does not know too much about his subject matter--is fast drawing to a close in Mexico. It is a country that is looking to foreign sources only for the latest and very best of technical knowledge. Finally, Mexico is more interested in pushing ahead its program of industrialization than in improving the quality of public services in areas of society where Point IV has traditionally functioned. Projects which implement the growth of industry and which have the support of private pressure groups will quite probably have a rosier future than many other types of activities.

James G. Maddox

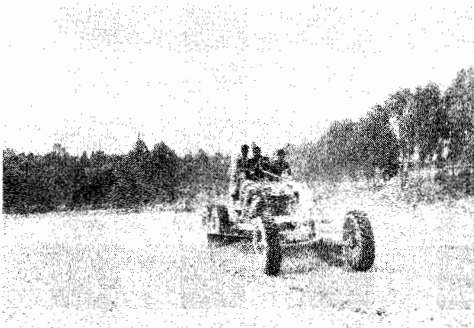


THE EL OLIVAR TRAINING CENTER
A Point IV Project Trains
Mexicans to Operate and
Repair Heavy Equipment

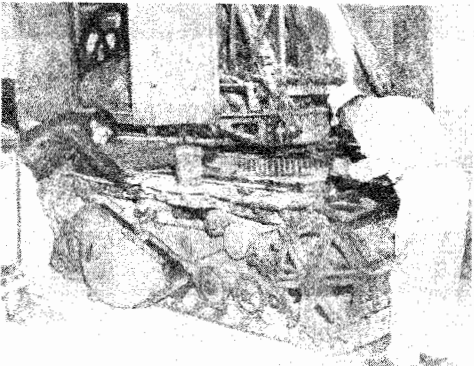
Aspiring mechanics sit
in a lecture course



The course includes instruc-
tion in lathe operation



Students practice on
equipment supplied
by the Caterpillar Co.



A shovel is rebuilt in
the school's heavy
equipment repair shop