

THE DUNCAN REPORT

The Review Committee on Overseas Representation met under the Chairmanship of Sir Val Duncan in the latter part of 1968 and early 1969. The Report of the Review Committee on Overseas Representation 1968-69 (Miscellaneous No. 24 (1969), Command 4107, HMSO price 17s. 6d.) was presented in July 1969. The following articles discuss its views on Britain's relations with the Third World.

I) THE DUNCAN COMMITTEE'S VIEWS ON AID ADMINISTRATION
by Dudley Seers¹

The Fellows of the Institute who were at Stanmer last December put their views on aid administration in written evidence to the Review² Committee on Overseas Representation. In this paper² (which was prepared by Percy Selwyn), we argued that the administrative³ needs of aid were considerable if it was to be effective.³ Granted that the main object of aid is to promote development (which is official policy), assessments need to be made of not merely the value of individual capital projects, often involving help with project preparation, but also the development priorities of the country. It is true that there are economists and other professionally qualified people at the Ministry of Overseas Development (ODM) to vet projects. But it is much harder for them to do this than for people on the spot - and often it is really too late to turn a project down by the time ODM is involved.

The administrative requirements for manpower aid are even heavier. Technical assistance requests have to be

¹ Director of the Institute of Development Studies.

² Now available in the Institute's Communications Series, No. 33.

³ It should not be concluded that this was the only aspect of overseas representation that interested us - aid administration was a subject on which we could speak from considerable personal experience and observation.

clarified and appraised, preferably in coordination with other possible sources of aid; the Embassy (or High Commission) has to satisfy itself that a British expert will find it possible to work productively in each job; experts have to be helped to settle in; they may need new terms of reference after they have been working for a while; they may need to be withdrawn - or to have their contract extended. (OSAS appointments involve somewhat less administration, but not as much less as might be thought.) Requests for training need to be judged critically in the light of the candidate's needs and capacity, and the range of facilities available in Britain. All projects need evaluation after they are completed.

If aid is to be properly administered, the staff of an overseas post should maintain close contact with the main departments of the government to which they are accredited. Ideally aid administrators should do much more than this: they should play a positive role in searching for ways in which Britain could help overseas governments deal with their enormous problems. Where the programme of aid to a country is sizeable (especially the part of the programme covering manpower aid), staff needs are therefore considerable.

The experience of Institute Fellows is that those dealing with aid at the moment are too few in number and usually inadequately trained for the job, which is often combined with other work such as trade promotion. 120 of the rank of executive officer and above are estimated to be working overseas (full-time equivalent) on aid administration taking the world as a whole; on the other hand, in London, about 700 of the same grades are working at ODM. There are, apart from the two Development Divisions covering the Middle East and the Caribbean, only three professional posts in aided countries - for an economist in India, and for agriculturalists in Kenya and Nigeria.

Moreover, the spread is very uneven. In Zambia, to cite an extreme example, the staff administering a total programme of £15 millions, placing over 700 technical assistance personnel a year and handling over 100 students a year consisted (in 1967) of one man; on the

other hand, in Thailand, with a very small programme, it was administered by two full-time and two part-time officers.¹

We recommended that at least one full-time aid administrator, with overall responsibility for aid policy, should be appointed to each of the posts where the aid programme was over £1 million a year, with more for larger programmes, and that as an absolute minimum there should be one official per thousand British technical assistance personnel working in a country. These should all be adequately trained, and so far as possible they should not combine commercial and aid work; (although development objectives may often coincide with commercial interest, they should not be confused). Specialists should normally be appointed where aid programmes exceeded £5 millions a year, and Development Divisions set up for East Africa, Southern Africa and the Pacific. The extra staff could be largely provided by reducing the number working in London.

The Duncan Committee Report (Cmd. 4107) which devotes only five pages, or rather under 3% of its space, to aid administration, says that the Committee "feel that" the number of 120 officials is "not manifestly in need of increase". Their "impression" was that "a reasonable balance was being maintained between the cost of administration and the scale of the programme". "On balance" they believed that aid and commercial work should be integrated "in order that the overall objectives of the Government may be adequately served", and threw in the rather gratuitous hint that ODM should be merged with the Foreign and Commonwealth Office, presumably for the same reason. They "think there is insufficient evidence" in favour of increasing the number of Development Divisions, and hint that the Caribbean one should be disbanded in due course because of the principle of integrating aid and other work.

Such offhand treatment raises doubts about how thoroughly the Committee examined the evidence. One has

¹ See ODM Evidence to the Estimates Committee Report on Overseas Aid (Report for 1967/68).

to bear in mind the time three people were given (six months) to deal with their terms of reference, which have been quoted above.¹ These involved them in considering the structure of the diplomatic service and ancillary staffs, its management and its work in fields such as politics, commerce, economics, information (including external broadcasting) and consular activities as well as aid. They visited 34 posts (and "touched at" 8 more); took oral evidence from 9 Ministers, several score officials, 38 individuals, the Chairman of the Area Committees of the Export Council, staff representatives, etc.; and read 46 memoranda. A deep examination of aid administration, based on a study of how a range of projects had been handled, was no doubt impossible.

Indeed, the Committee might well have decided they had better exclude what is a complex and important subject (involving supervision of the spending of some £200 millions a year) from their hurried investigations. But the Committee did not come to this conclusion. Perhaps one could hardly expect aid to appear an important element in British diplomacy to a Committee which, following the centric principles of Dante, divided the world into an "Area of Concentration" i.e. Western Europe and North America, and an "Outer Area", where political interests were expected to diminish (with the conspicuous exceptions of Japan, Australia and South Africa).

It certainly seems far from self-evident that 120 officials, assuming this estimate is accurate, are adequate for the field administration of a programme including capital projects totalling well over £100 millions a year, placing about 3 thousand new technical assistance personnel a year in post, and arranging for more than 5 thousand students and trainees to come to Britain. The Report's coy wording, "not manifestly in need of increase", suggests

¹The reason given in the terms of reference for speed ("that the benefit of any saving may accrue as rapidly as possible") is almost comic. One does not know whether to be more surprised that officials drafted such terms of reference, that the Foreign Secretary signed them or that the Committee accepted them. The Committee did not in fact deliver their report quite within this time limit.

that the Committee felt out of its depth; it contains no clues on how to judge whether 120, or for that matter twice that number, would be enough; any figure surely has to be considered in terms of the needs of particular types of work.

Nor do they indicate what was the "balance" of evidence that was "insufficient" to justify setting up additional Development Divisions in particular areas (and presumably the "balance" would be different for different parts of the world). The Report speaks approvingly of "the feel of the region" acquired by the Middle East Development Division and the "freedom of action" enjoyed by the Caribbean Development Division and one wonders how much weight the members attached to the possibility of these assets being acquired elsewhere.

The Committee presumably felt that to find some saving in the cost of overseas representation, which their terms of reference required them to do, would have been a much harder task if they had proposed increases in the number working on aid administration. But clearly the terms of reference posed the wrong question. The cost of aid administration, (including the operation of ODM) might be compared with that of the aid programme. One question is whether the total of these, which amounts to more than twice the cost of total overseas representation of all kinds, is being deployed in the most efficient way to meet the given purposes of aid or whether more should be devoted to administration. Linked with this are other questions: What should be the balance between administration at home and overseas, and as between various overseas posts? If these questions were posed, instead of aid administration being considered in the course of a critical review of a great composite total called 'overseas representation', an official committee could hardly come to any conclusion other than that the aid programme needed more administration, that a shift was needed from London to overseas posts and that the handling of aid questions by overseas posts needed heavy professional reinforcement. But how precisely financial aid and manpower aid of various types should be administered would require a thorough investigation; it can hardly be determined as a minor by-product of a different exercise - and a very rushed one.