POOR NATIONS/RICH NATIONS:
WHY THE DIFFERENCE?

Herbert Werlin,
Independent Consultant
5910 Westchester Park Drive,
College Park, MD. 20740 (werlin@crosslink.net)

ABSTRACT

This article argues that the difference between poor countries and rich countries has to do with governance rather than resources, emphasizing the importance of public administration in explaining economic success and failure. Political elasticity (PE) theory is introduced for the analysis presented here, including the following terminology: (1) political elasticity, (2) political inelasticity, (3) political hardware, (4) political software, (5) primary democracy, (6) secondary democracy, (7) primary corruption, and (8) secondary corruption. Case studies are briefly presented to support the message of this article (using PE theory) and to illustrate the importance of the new terminology. The implications of PE theory for foreign aid are suggested at the conclusion.

INTRODUCTION

Some years ago I taught an undergraduate class on political development at Howard University (Washington, DC). My students generally argued: “The poor are poor because the rich are rich.” They had what I called, “an ICRC (International, Capitalist, Racist Conspiracy) viewpoint;” and nothing that I said could shake their position. While many of the demonstrators at recent IMF/World Bank annual meetings might not completely share this viewpoint, most seem to believe that the difference between poor countries and rich countries is primarily lack of resources. If we could somehow transfer income from the rich to the poor, the world would be better off. They apparently have in mind: large grants without strings attached; forgiveness of all debt; and protection from the bad effects of globalization.

I wish I could agree with these demonstrators; but, after a professional lifetime of academic research and work with organizations in the international development field, I have to say: “it is as difficult to help poor countries as it is the vagrants in American urban centers.” Inasmuch as many vagrants suffer from various forms of mental illness or social pathology, it is impossible to help them become self-supporting without getting deep into their psychological and social problems. So it is with the poorest countries of the world, particularly those with average per capita incomes of less than $1,000 annually. These countries suffer from what I call, “political illness” (similar to mental illnesses such as alcoholism or drug addiction), manifesting itself in improper policies, weak bureaucracies, inadequate supervision, the illegitimacy of laws and regulations, and the lack of independent spheres of power. In other words, corruption is far deeper in the poor countries of the world than in the rich countries.

Where cops and robbers cannot be distinguished, bribery and extortion are not considered really “scandalous” but, rather, “standard operating procedure.” This means that banks are untrustworthy and/or useless. Those in power set up state-owned enterprises which draw from the financial system without returning anything, and they continue doing so even after these enterprises are privatized. Much of what is imported is intended, not for productive use, but for kickback arrangements. Since those with wealth understand how badly
the economy is mismanaged, they send their wealth abroad to be invested (sometimes called, “money laundering”). This means that rich countries derive far more from poor countries than they ever give in foreign aid. Considering this sort of corruption, people avoid paying taxes whenever possible (and with enough bribes, they are usually successful). However, without tax resources, governments cannot, for example, pay teachers or provide books even where schools have been built by foreign assistance with the great technical expertise of international organizations.

The World Bank’s recently released (September, 2000) WORLD DEVELOPMENT REPORT, points out that about one-fourth of the world’s population continues to live on incomes of less than $1 a day. This indicates that, despite a decade of economic growth, the dismantling of socialist economies, extensive globalization, large amounts of foreign aid, and many donor-assisted projects, extreme poverty has not diminished. Officials at the World Bank are now questioning the need for immediate acceptance of free trade and open markets, suggesting, instead, that impoverished countries gradually phase in free-market reforms. This report underscores the need to examine more carefully the relationship of economic globalization to democratization and administrative effectiveness.

In 1994, I did a study for the World Bank on reducing corruption in borrowing countries. This study was partly a response to President Wolfensohn’s courageous recognition of the fact that corruption was undermining many of the Bank’s projects. However, I came to the conclusion that some of the Bank’s anti-corruption efforts were simplistic. It is not enough to attack bribery, graft, embezzlement, and other manifestations of greed. It is, instead, necessary to deal with the excessive weakness of governance. Therefore, anything which undermines governance must be a cause of concern, including: attacks on a free press, the weakening of the judiciary and the bureaucracy, the prevention of two-way flows of communications by intimidating opposition parties and non-governmental organizations, and the neglect of monitoring and evaluation. Yet, staff members continue to be admonished “not to interfere in a country’s internal affairs.” Since I felt that it was essential to deal with the underlying causes of corruption, my report was paid for but never published.

POLITICAL ELASTICITY (PE) THEORY

Much of this research for the World Bank has now been included in my 1998 book, THE MYSTERIES OF DEVELOPMENT: STUDIES USING POLITICAL ELASTICITY THEORY. Since this book provides a theory to link comparative administration to comparative politics and development studies, I will briefly summarize its five propositions:

1. The more governments or those in authority can integrate and alternate soft forms of political power (linking incentives to persuasion) with hard forms of political power (including disincentives and coercion), the more effective they will be.

2. As leaders integrate and alternate soft and hard forms of power, their political power takes on “rubber band” and “balloon” characteristics, allowing them to (a) decentralize or delegate power in various ways without losing control and (b) expand their influence reliably, thereby predictably affecting the behavior of wider circles.

1Available from the University Press in Lanham, Maryland, $25 paperback. This was summarized in PS: Political Science and Politics 33 (2000) 581-88.
of citizens, participants, and subordinates.

3. Political elasticity depends partly on the selection of appropriate political hardware (including “objective” forms of organization, regulation, procedure, and technology) but mostly on the selection of political software (i.e., policies and practices that foster respectful relations between leaders and followers).

4. The effectiveness of political software is directly proportional to governmental success in establishing acceptable goals, hiring qualified personnel, encouraging training, delegating responsibility, stimulating motivation and competition, paying attention to morale, expanding two-way flows of communication, promoting legitimacy, maintaining supervision, cultivating contractors, protecting independent spheres of authority, and developing conflict resolution procedures. Inasmuch as a government fails to do any of these things (with appropriate variations), its efforts to reform both micro-and macro-administration are going to be problematic.

5. Enhancing political software requires a balancing of two forms of struggle - for competitive advantage and for consensus - suggested by the subordinate meanings of politics used in this book. Within the framework of my overarching definition of politics (the relationship of leadership to followership for the purpose of governance), measures taken to increase advantage may be considered “primary politics” and measure taken to build consensus may be considered “secondary politics.”

In emphasizing the importance of political software, PE theory enables us to understand why foreign aid is often ineffective. For example, between 1987 and 1995, the World Bank and the African Development Bank loaned Nigeria about $1.7 billion for urban infrastructure with the understanding that local governments were to pay for much of the recurrent costs. However, there seldom was any significant financial planning or accounting for sums expended. Because much of what was collected in taxes was lost or stolen by officials, taxpayers were uncooperative and public services could not be paid for or maintained. Egypt provides another example of wasted foreign aid. Between 1987 and 1996, it received an annual per capita average of $52, which was more than twice that of other large countries at similar income levels. Because of weak public administration, illiteracy rates remain about twice the average of comparable countries and infant mortality, about 30% worse. Girls and the residents of villages (about 50% of the population) especially suffer in this regard.

Using PE Theory for Comparative Politics

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PE theory is the first serious effort in social science literature to theoretically link political science and public administration. It emerged from a graduate seminar in administrative theory with Dwight Waldo (who died in October, 2000) at the University of California, Berkeley, in 1960-61. An early version of it was presented when my Ph.D. dissertation was published in 1974. I developed it during the 1980s primarily for comparative politics, particularly to unravel the “mysteries of development.” Because these mysteries explain the difference between poor and wealthy countries, I will here briefly indicate some examples of them:

Decentralization: A Comparison of the Netherlands and Ghana. I distinguish elastic from inelastic decentralization. Under political elasticity (where there is a high quality of political software), forms of decentralization can be expanded without reducing centralization. Under political inelasticity, leaders fear decentralization, thereby weakening their implementation capacity. Whereas, under political elasticity, forms of decentralization and centralization merge, under political inelasticity, these forms become ineffective and almost meaningless. The following comparison of The Netherlands and Ghana is presented to illustrate the difference between political elasticity and political inelasticity:

*The Netherlands

The Netherlands would appear to be one of the world's most planned and controlled countries, with regulations covering everything from a structure's location within a plot and relation to surroundings to the color of paintwork and choice of materials. It would also appear to be a highly centralized country, with specific and general grants making up nearly 90% of local government revenue and with crown-appointed burgomasters and governors.

Yet, the Netherlands is also a decentralized state in which local governments have considerable autonomy. Within limits set by central and provincial officials, each municipality prepares its own plans and


regulations, following extensive discussions, negotiations, and opportunities for objection. Central government officials see their duty to be giving guidance without excessively interfering in local decision-making.

Within the democratic Dutch system, national agencies seek the support of local governments to increase their budgets, and vice-versa. While Dutch provinces and municipalities guard their autonomy jealously, they depend upon national direction and legislation for their authority as well as financial capacity. Indeed, local leaders tend to see financial incentives and guidelines from the central government as enhancing, rather than as undermining, their authority inasmuch as they have been able influence decision-making through professional associations, interest groups, and political parties.

Until recently, much of the responsibility for Dutch housing, education, and social services has rested with church or private organizations (the so-called “pillarization system”). Since the mid-1960s, central governments have increasing used block grants to municipal and provincial (or regional) governments to enable them to exercise greater control over this system. Yet, despite the changing nature of central government regulations, subsidies, and grants and the growing complexity of the pillarization system, nothing has been done to jeopardize the long-established ideological, legal, and political independence of the remaining pillars. Indeed, the Netherlands prides itself on its complex private-sector/public sector (sometimes characterized as “corporatist”) linkages. What makes it successful is that it is constantly being renovated, with ample opportunities for individuals and groups at various levels of government to challenge, modify, and renegotiate the decisions that are reached.

*Ghana*

While Ghana has about the same population size as the Netherlands (between 15 and 20 million), its per capita GNP remains at about $400, as against nearly $25,000 in the Netherlands.

While the Rawlings regime (which began in 1979 and supposedly ended at the beginning of 2001) embarked in 1988 on an extensive program of decentralization to District Assemblies (DAs), it failed to make them effective. This is not simply because all but about 2 percent of revenue came from the central government, but, rather, because DAs lacked qualified staff to do financial planning, budgeting, revenue collection, expenditure control, and accounting. The staff sent by the central government tended to be inadequate in number, unqualified, poorly paid, and rotated every few years without regard for local needs and personal preferences. Moreover, performance of staff was seldom audited or supervised. Consultations with DAs were rare, even on priorities and budgetary needs.

Civil servants generally considered being posted in rural areas a hardship because of the lack of adequate housing, infrastructure, family services, and resources to carry out their assigned tasks. Especially unhappy were secondary and university graduates who were required to spend a year in villages doing low-level jobs because they were seldom paid enough to cover accommodation and food. Consequently, officials were unable to inspire or facilitate the sort of cooperation essential for community development. None of the programs undertaken with foreign aid to help farmers worked very well, particularly to assist women in agriculture and rural enterprises. These programs failed largely for administrative reasons: rapid turnover in leadership, unqualified staff, low pay, poor conditions of service, inadequate resources and mobility, etc.

Because of the elastic nature of its political system, the Netherlands leads the world in innovative horticultural programs. Ghana, lacking such a system, has missed agricultural export opportunities. For example, while Ghana could be exporting more and better pineapples than Costa Rica, it managed only $5 million worth in 1994, as against $45 million worth for Costa Rica that year. Likewise, offshore fish stocks could be better utilized. Ghana’s most lucrative agricultural product remains cocoa; but its share of the world market has
dropped from 30 percent in 1970 to about 10 percent, without much likelihood of recovery. Only about half Ghana’s arable land is being cultivated. This situation is unlikely to change until Ghanaian leaders politically promote favorable economic conditions, as exists in the Netherlands.

**Corruption: A Comparison of Japan and Nigeria.** I make a distinction between primary and secondary corruption. Secondary corruption takes the form of a basketball game in which the referees are corrupt so that fouling becomes essential rather than merely a “part of the game,” as under primary corruption. To use another analogy, a businessman may occasionally conspire with his accountant to cheat on his income taxes and, as such, it is, in my terminology, considered “primary corruption” (a manifestation of the struggle for competitive advantage). Yet, if such a businessman normally bribes tax collectors to facilitate his income tax evasion, we have to consider that to be “secondary corruption” (indicating a lack of statesmanship). The following comparison of Tokyo and Lagos in regard to solid waste management is intended to illustrate the difference between primary and secondary corruption and the implications of this difference:

*Japan*

In Tokyo and many other parts of Japan, a different type of trash is picked up each day of the week (wood and paper, glass, metals, plastics, and compostable garbage, most of it intended for recycling or conversion into energy. This is not to deny that Tokyo with its population in excess of 25 million still has a long way to go to cope with solid waste and environmental problems. Yet, in comparison, the situation in Lagos (with about one-third the population of Tokyo) was terrible during the 1980s, indicated by its ranking in the 1983 Guinness Book of Records as “the dirtiest city in the world.” This situation continues, according to The Economist (January 15, 2000, p. 3): “The roads are pitted with potholes and clogged with garbage.”

Japan’s success in solid waste management is due to the high quality of its political software, facilitating extensive decentralization and complex private sector-public sector linkages. This arrangement is illustrated by the situation in Tokyo where waste collection is done by city employees, using collection vehicles and drivers supplied by private contractors. Because so much attention is paid to public education and generating commitment, most Japanese self-police their waste-sorting, even tying different categories of garbage in special ways to identify the contents. As a result, about one-third of Tokyo’s garbage ends up in landfills, as against over 75 percent in most American cities.

In its solid waste management program, Japan uses the *ringi* system, under which planning is the responsibility of lower-levels officials, together with job rotation and the formation of quality circles. Its capacity to do so is surprising in view of the extensive corruption existing in Japan, particularly the *dango* system, including secret deals, brokers who arrange for division of spoils, the hiring of retired officials for privileged access to contracts, and gift-giving to lubricate the bureaucratic and political wheels. Yet, in Japan there are offsetting factors that minimize the impact of corruption. Among the most important of these factors is the integrity of the civil service. Upper level civil servants here are carefully selected, largely from among the graduates of Tokyo University’s law school, with only about half of the candidates eventually receiving appointments. While the Japanese tend to be very tolerant of influence-peddling by politicians, they strongly react to evidence of dishonesty within their public bureaucracy.

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Corruption is also reduced by the competitive process under which companies work together in associations, pushing up proposals that eventually are backed by the consensus of members before being taken to governmental agencies. What prevents any one actor from gaining too much power is a process of careful restraint, mutual scrutiny, and a devotion to wa (harmony). The Board of Audit plays the primary role in investigating corruption and pointing out needed revisions of laws, regulations, and practices. These audit reports are available to the public, allowing scrutiny by the press and the legislature. Despite one-party dominance of the legislature, the law enforcement agencies and the courts have dealt harshly with corruption. Investigative journalists have also been important in investigating corruption, combined with the work of official investigators.

*Nigeria

In 1986 Lagos received from the World Bank a $164.3 million loan for a solid waste management project to cover all aspects, including maintenance, training, research, financial management, and revenue generation. It failed largely for reasons of secondary corruption, despite military rule and reliance upon coercion. Property valuation lists were scandalously incorrect and inadequate; revenue courts were useless; rate clerks and collectors were inefficient and inept; and the handling of documents and information, cumbersome and uncomputerized.

At all levels of administration, position were primarily used for private enrichment. Formal training tended to be sporadic, poorly funded, and at the whim of departmental heads or permanent secretaries; and whatever was received was generally wasted. Often state governments neglected to pass on to local governments federal funds intended for local salaries and to approve the budgets of local governments. Consequently, few local governments could hire and retain qualified personnel or provide them the means to carry out what they were supposed to do. Moreover, the 15 local councils existing in Lagos could seldom get approval for loans from commercial sources or for contractual relations. Because local services were so inadequate, it was difficult to get people to pay property taxes; and much of what was collected was lost by poorly kept receipt books and deficiencies in the supervision of the collection service.

The price that Nigeria has paid for its secondary corruption has been incredibly high. Because 1960 and 1980, Nigeria’s gross domestic income grew at the extraordinary rate of 8.1 percent, propelled by export earnings from oil. By 1985 this wealth had largely vanished, leaving the country increasingly in foreign debt, amounting to over $32 billion by 1990. According to The Economist (January 15, 2000, p. 5), “Income per head in 1998 was a wretched $345, less than a third its level at the height of the boom in 1980.” In contrast, Japan’s per capita’s income in 1999 was more than $32,000, which is remarkable considering its density of population and lack of natural resources.

Democracy: A Comparison of Singapore and Jamaica. PE theory also enables us to make a distinction between primary and secondary democracy (or liberal and classical democracy). Whereas primary democracy has to do with elections, multi-party systems, and majority rule (i.e., when there is a meaningful struggle for competitive advantage), secondary democracy refers to the consensus-building essential for successfully managing this competition. Three conclusions follow from this distinction: (1) in

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many LDCs, it is better to promote secondary democracy than primary democracy because, without it, elections are likely to be meaningless or counterproductive; (2) without secondary democracy, political inelasticity inevitably characterizes the relationship between leaders and followers; and (3) requests for economic assistance should be tied to a willingness to implement secondary democracy. The problematic results of the American 2000 presidential election brings home to us, if nothing else, the importance of a legitimate legal system (indicating secondary democracy) to the functioning of primary democracy. In any case, as here indicated, a country can economically function quite well without primary democracy but not without secondary democracy:

*Singapore

Singapore has been often described as a “semi-fascist” state. Despite periodic elections, the government has used a one-party system to suppress dissent, detain without trial, intimidate newspapers and radical trade unions, and enact anti-democratic laws and administrative regulations. While the regime does employ overt repression, it prefers to use "the bankrupting libel suit" as a tool to discourage political dissent.

Lee Kwan Yew, Singapore's only prime minister, until his 1990 resignation, has always made clear his hostility to liberal democracy, justifying this position on the grounds that it was incompatible with the sacrifices needed for rapid economy growth. Consequently, Singapore has become notorious for its repression and paternalism. At the beginning of 1997, the ruling People's Action Party (PAP) increased its seats (81 to 83) in Parliament and its share of the vote (65 percent) over 1991. It did so, however, by threatening to delay the upgrading of public housing estates and planned infrastructure projects in opposition-supporting constituencies. These tactics, which were denounced by the U.S. State Department, were defended as well-established "pork-barrel politics" (*The Economist*, January 11, 1997, p. 33). Yet, they were a crude manifestation of "hard politics": "what you get depends upon how you vote!"

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While primary democracy is clearly undermined in Singapore, secondary democracy is evident in various ways. Survey data indicate a high degree of public respect for the government in regard to property rights, educational opportunity, equitable distribution of income, the legal system, honesty, reliability, business environment, and lack of corruption. The Lee Kuan Yew government transformed its bureaucracy over a 25-year period from one that was somewhat inefficient and corrupt into probably the most respected in Asia, including personnel who are carefully selected, highly paid and trained, with excellent equipment and working conditions, and properly motivated and controlled. Respect stems, not only from the government's integrity, but also from its success in providing affordable housing, health care, public transportation, and education. Per capita income has risen from about U.S. $1,600 in 1965 to nearly U.S. $30,000, and persistent unemployment and extreme poverty have been virtually eliminated.

In my case study of Singapore’s public housing program (presented in my 1998 book), I found government officials remarkably responsive to changing needs and demands. University planning professors, in 1990 interviews that I had with them, were impressed, not only by the willingness of officials to listen to their criticisms and suggestions, but also by their willingness to fund research on existing and emerging problems. Consequently (in comparison to America’s experience), public housing has been successful in Singapore, with more than 80 percent living in these projects in privately owned units, funded through social security (Central Provident Fund) contributions.

In recent issues (January 29 and March 11, 2000) of *THE STRAITS TIMES WEEKLY*, one can find mention of various experiments to expand two-way flows of communication: Community Development Councils, a Speakers’ Corner, an award for the best public suggestions for improving the functioning of the courts, and a liberalization of registration requirements for groups or societies. The permission granted to political satires is an indication of the recent flexibility and tolerance existing in Singapore.

**Jamaica**

Jamaica, in contrast to Singapore, has maintained a vigorous two-party system since its independence in 1963 (three years earlier than Singapore and without comparable communal and political strife). One might expect Jamaica, with about the same population size (3 million) and colonial experience, to be more politically elastic than Singapore inasmuch as it is less autocratic. Moreover, it contains much more land and natural resources. If, as some believe, there is a strong relationship between political corruption and monopoly of power, one might also anticipate greater corruption in Singapore than in Jamaica. Why then, in reality, is the opposite true?

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The answer, as I see it, has to do with the fact that primary or liberal democracy has taken a dysfunctional form in Jamaica.¹³ Both political parties regularly employ criminal gangs (occasionally supported by police or civil servants) to mobilize political support, distribute favors, and intimidate opponents. The civil service, the judicial system, and the police have lost citizens' respect as their effectiveness has been undermined by inadequate pay, training, and expertise, and even drug money. Consequently, according to a 1997 World Bank study, the government has not been able to break the linkage between high teenage pregnancy rates (40%), female-headed households (40%), school drop-out and failure rates (one-third of those from poor households), poverty (one-third of the population), and crime and violence. It has also failed to generate much economic growth. The World Bank’s WORLD DEVELOPMENT REPORT 2000/2001 indicates Jamaica’s GNP per capita income to be $2,330. Its economy has suffered in recent years from, in addition to corruption and slow growth, budgetary shortfalls, unpayable debt, and inflation. Banks, credit unions, and insurance companies continue to be under-capitalized, under-supervised, and under-regulated.¹⁴ By the end of the 1990s, 80% of anticipated public revenues were needed for debt service.

I believe that Singapore is ready for more primary democracy, following in the footsteps of South Korea and Taiwan. Otherwise, its vitality will be eventually undermined. Even Lee Kwan Yew, noted in comparing Singapore to the Philippines, that, “their architects, artists, and musicians are more artistic and creative than ours,” suggesting that Singapore’s authoritarianism was undermining them.¹⁵ Meanwhile, Jamaica needs more secondary democracy (or consensus-building politics) because it remains a much more troubled country than Singapore. Talented and entrepreneurial Jamaicans, particularly those most essential for economic expansion, have far less incentive than Singaporeans to serve their state.

Mexico and the U.S. - Summarizing the Reasons for Disparities


By 2000, per capita annual income in the U.S. had reached nearly $34,000, as against only about $5,000 in Mexico. While corruption exists in both countries, it is kept under control in the U.S. but not in Mexico. In Mexico, the entire public work force is subject to political appointment rather than merit, with about a third of officials affected by the sexinio system, thereby changing every six years as a new government comes to power. Freedom of the press is undermined by the fact that journalists, editors, and publishers are often given financial inducements by the government or criminal elements to exercise “self-censorship.” Those who resist (as happened to more than 30 reporters during the late 1980s) may well be murdered. Under the PRI (the national party that ruled for much of the previous century), governors and local leaders were given power with the understanding that they would take money from business or criminal groups in return for contracts and then, share the graft with national officials and use part of it to guarantee election victories.

Mexico pays a very heavy price for what I consider to be “secondary corruption.” Mexico and Spain had comparable levels of per-capita income and social welfare during the 1970s. Yet, despite the favorable impact of economic liberalization and globalization in both countries, there has been a much greater persistence of extreme poverty in Mexico than in Spain (more than 20 percent, as against about 10 percent), even when there have been high levels of Spanish unemployment and underemployment. Likewise, environmental protection is far more difficult in Mexico than Spain because inspectors are frequently bribed to ignore regulations and judges are bribed to undermine the inspectors as well as the regulations. Officials here resisting bribes are sometimes killed by criminal elements who consider “integrity” to be “threatening.” Moreover, it is often difficult to distinguish law enforcement agents from the criminals they are supposed to arrest. Because public funds tend to be misused or stolen, few Mexicans get upset at reports that businesses fail to pay local taxes. Because of the nature of the Mexican political system, the dramatic presidential election in July, 2000, of the opposition candidate, Vincente Fox, might not significantly reduce secondary corruption.

CONCLUSION: THE IMPLICATIONS FOR FOREIGN AID

Because poor countries suffer from inadequate governance rather than inadequate resources, foreign aid agencies tend to be “too soft,” rather than “too hard” in their assistance programs. At the World Bank (with which I have most experience), staff continue to be under great pressure to get loans out and projects going, regardless of their merit. Strings are certainly attached (particularly for structural adjustment lending), but they are usually

There is a saying that the more impoverished a country (or individual) is, the more tightly closed is the door to reform, with the lock having to be opened from the inside. While I believe that a heavy-handed approach would be counterproductive, I suggest that the following approaches might be experimented with: (1) requiring prior reform - making sure, for example, that a country has the capacity to repair old roads before new roads are financed; (2) intensifying pressure - terminating ineffective projects following the dissemination of explanatory reports and the holding of public hearings; and (3) promoting competition - getting countries at similar levels of per-capita income to compete for project support, with good governance as an important criteria.

I also have in mind making debt-relief contingent on a competitive process after the amounts potentially available to each eligible country were announced. Each of these countries would be expected to determine its quantifiable goals, strategies for achieving them, and timetables for doing so. Taking into account the governmental improvements of this country in comparison to those of other highly indebted or impoverished countries, evaluators would periodically announce how much countries would receive, together with justifications. The less successful countries would be invited to keep trying for complete debt elimination. The objective would be to make debt relief or forgiveness a “prize to be worked for,” rather than a “gift to be waited for.” Otherwise, it will be quickly wasted, with the “blame game” going on, just as it is now. Uganda (the first country to be granted debt forgiveness under World Bank/IMF arrangements) has already lost much of the benefits by its expensive and counter-productive military venture in the Congo.

Herb Werlin is an independent consultant in College Park, Maryland (werlin@crosslink.net). His Ph.D. (Political Science, 1966) is from the University of California/Berkeley. He worked as a researcher, writer, and editor for the World Bank for many years (with responsibility for a newsletter, The Urban Edge, from 1977-84), and retired from the Urban Studies Department of the University of Maryland/College Park. In addition to a number of universities in the Washington D. C. area, he taught comparative politics, comparative administration, African studies, and American politics at Texas Technological College, the State University of New York/Stony Brook, and Hofstra University. He has published many journal articles in the political development field, as well as the two books mentioned here.