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Abstract

The United Nations Technical Assistance Administration was the world organization’s main body for development advice throughout the 1950s. In technical assistance, the UN found a global mission at a time when its peace and security functions seemed ineffective. Technical assistance experts preached the need for less developed countries to plan and modernize. This process has been studied with regard to American modernization theory, but the important role of the UN as an autonomous diplomatic actor has been less visible. The UN was a relatively acceptable source of technical assistance for many governments. Among them was Indonesia, which welcomed UN help for its State Planning Bureau. TAA aid to the Planning Bureau advanced the interests of both organizations, but both failed to institutionalize themselves enough to survive the decade. Both, however, left important legacies: the TAA for UN development thinking, and the Planning Bureau for the Indonesian developmentalist state.

Keywords: United Nations, development advisors, technical assistance, Indonesia, aid

Recent studies have broken important new ground in linking theories of development – modernization theory, above all – with cold war diplomacy. Development thinking was also expressed through multilateral channels and by international organizations. A key and little-studied organization, the United Nations Technical Assistance Administration (TAA), served as the first locus of UN action from its creation in 1950 until 1959, when it was folded into other divisions of the UN secretariat. The TAA was a hub for social-democratic experts concerned with the importance of planning for economic development. Technical assistance was highly multilateral. It shows the UN as a diplomatic actor in its own right, one pursuing its own interests, and demonstrates the degree to which those interests dovetailed in the 1950s with certain tendencies in both
Western and third world governments. To see technical assistance in action, the UN must be read back into the story.

Using the TAA as its central focus, this paper traces the role of the UN in transmitting ideas of expertise and sketching the shape of development planning, a dominant theme in the global South through much of the later twentieth century, before moving to an examination of the TAA’s major project in Indonesia to illustrate relations between the international organization and the government of one important recipient country. The story makes visible the interplay of ideas of expertise, rational planning, colonialism and control, as well as the UN’s central role in development planning.

In the formative years of the TAA, the agency’s legal advisor summed up the new idea of technical assistance in a memorandum to director-general Hugh Keenleyside. ‘International technical assistance is a new form of diplomacy,’ he wrote. More than a simple process of skills transfer, it was a diplomatic act, one that was even more complex than traditional diplomacy. In that context, TAA advisors in less developed countries often asked ‘how concrete, how daring, how original and how far-reaching’ they could be in making policy recommendations.¹ Who would drive the development planning that was needed? How much control should an independent state hand to foreigners, even those sent as agents of the UN?

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Technical assistance was ‘modish’ in the early 1950s.\(^2\) It came cheap, promising the uplift of half the world on a shoestring. It also seemed a fair and non-colonial way to develop through skills sharing, promising continued links between North and South after the end of colonialism on the basis of cooperation rather than exploitation.\(^3\) This belief maintained itself even in the face of clear continuities from the age of colonialism to the age of development. The World Health Organization stress on primary health care can be traced back to French colonial thinking; India’s early development plans to schemes drawn up for the raj in British colonial development acts; Indonesian rural social welfare to the Dutch colonial ‘ethical policy’; and so on. Lebanon’s call for the UN to enter the field of technical assistance, too, recalled China’s successful request for League of Nations technical assistance in the 1930s – an appeal that fit all too well with the League’s ranking of colonial mandates as A, B, or C according to their stage of development.\(^4\) Technical assistance was enmeshed in ‘doctrines of development’ with a strong colonial pedigree. It built on earlier notions of ‘trusteeship,’ the intent of one to act on behalf of another. Its British inheritance drew upon Lord Lugard’s famous dual mandate, in which colonies produced both for the welfare of their own people and for the world market. British social democrats offered the Fabian Society’s ‘new dual mandate’ in development, which would serve both the metropolitan economy and subsistence in

the global South. Given continuities, it was no surprise that Keenleyside praised British technical assistance to the colonies as ‘the outstanding example of this kind of self-interested, but nevertheless real, service to humanity.’

Technical assistance was buoyed up on a wave of postwar optimism that Western ‘know-how’ – and its hands-on counterpart ‘show-how’ – could build a better world. Officials from both Indonesia and the United States, for example, declared technical aid capable of delivering a ‘hundredfold’ return. There was a ‘problem of innocence and idealism,’ in the words of a later UN Development Program report. Despite awareness that the tasks were large, the report recalled, ‘there was abroad in the land the idea that technical assistance was an inexpensive means of assisting and uplifting the world’s poor. A few skills imparted, some techniques transferred, key people trained, some basic equipment provided and the developing countries would move in unison into the thriving tumult of the world industrial economy.’

These hopes moved through multilateral channels, carried by individual technical assistance advisors who preached the gospel of modernity and promised success through the application of expertise. One pioneer of development economics, Benjamin Higgins, pointed out that technical assistance experts tended to be those with ‘activist philosophies [who] rejoice that there are Evils to be fought and a Holy Grail to be sought.’

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could also see clearly the continuities and the larger pattern. Speaking at a conference in Canada while posted as an advisor in Indonesia, he praised the possibilities of technical assistance: ‘The job done by the colonial powers in the past can now be done by the United Nations and other foreign aid programs.’

**Technical assistance’s multilateral birth**

Many writers locate the origins of development planning in US president Harry Truman’s January 1949 inaugural address, in which technical assistance was ‘point four’ of the administration’s foreign policy agenda. David Ekbladh notes that ‘point four’ symbolized the triumph of a new idea of development in American foreign relations, ‘a pervasive belief that the modernization of ‘backward’ societies could be catalyzed by relatively small amounts of technology, expertise, or capital.’ Equally important, the creation of the Technical Cooperation Administration within the US state department ‘produced a permanent bureaucracy devoted to providing development aid worldwide.’ So too for the TAA within the UN, a multilateral story less told.

Development was deeply implicated in the cold war. The United States offered a liberal capitalist model of development pitted against the Soviet model of rapid state-led industrialization, with the allegiance of the majority world as the prize and the global

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South as battleground – though the conflict masked the central role of exporting expertise shared by both sides.\textsuperscript{12} The American side in this struggle accepted a role for non-communist planning. Yet this was not simply an American mission, but a multilateral one. For instance, the Commonwealth’s Colombo Plan for cooperative economic development in South and Southeast Asia made its case in cold war terms: “It is of the greatest importance that the countries of South and South-East Asia should succeed in [economic development]. The political stability of the area, and indeed of the world, depends upon it, and nothing could do more to strengthen the cause of freedom.”\textsuperscript{13} Aid aimed, Canadian prime minister Louis St Laurent said in 1957, to “assist the people of Asia and Africa to raise their living standards in similar ways, and thus remove one of the occasions for the spreading of this false doctrine of Communism.”\textsuperscript{14}

Development was also foundational to the UN, providing a mission for the world body that promised more success than its faltering security function as cold war set in. UN technical assistance was boosted, but not created, by Truman’s ‘point four.’ Implementation was multilateral from the start, with US contributions to the UN expanded programme of technical assistance capped at 60% of total funds (falling over time to 40%), Commonwealth and Western European countries integral, and the UN itself very much at the centre. The South’s ‘hunger for industrialization,’ as China’s UN

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\textsuperscript{13} The Colombo Plan for co-operative economic development in South and South-East Asia: report by the Commonwealth Consultative Committee, London: His Majesty’s Stationary Office, 1950, p. 1.
\textsuperscript{14} Library and Archives Canada (henceforth LAC), RG25/7337/11038-40[21.2], St Laurent speech in Victoria BC, 4 May 1957.
\end{footnotes}
ambassador called it, was fed first with the rhetoric of self-help, then with tidbits. The General Assembly authorized the secretariat to provide technical advice on the urging of third world governments. Lebanese ambassador Charles Malik, an early advocate of technical assistance, was especially concerned that it be multilateral. He aimed ‘to substitute the expert advice of the international organizations, such as the United Nations and the specialised agencies, for the bilateral arrangements which often resulted in the undue technical dependency of one nation upon another.’¹⁵ Unlike earlier social welfare services, this assistance drew on notions of self-help and burden-sharing to require recipients to pay part of the costs.¹⁶ Then Truman’s speech changed the context. ‘Technical assistance suddenly leaped into prominence as a major factor in international life and captured imaginations everywhere,’ secretary-general Trygve Lie recalled.¹⁷ Only after 1949 did the UN take on a mandate for substantial technical assistance, and aid remained confined to the technical assistance field for another decade. If technical assistance could do the job, direct support to less developed countries seeking to industrialize and escape their subordinate place in an international division of labour might not be needed – at least, not yet.

Although it was not the first such mission, a 1949 UN technical assistance mission to Bolivia headed by Keenleyside planted the seeds for the TAA by highlighting the idea of UN-selected experts performing government functions in a lower-income

country. With the injection of expertise, the mission concluded, it would be ‘possible to telescope into a single generation or less the economic and social advance that will otherwise involve a slow progression over many decades.’ Since that expertise could only come from abroad, the key recommendation was that the United Nations provide ‘experienced and competent administrative officials of unquestioned integrity’ for ‘positions of influence and authority’ in the Bolivian civil service.’\textsuperscript{18} The language of dynamism and rapid take-off foreshadowed that of modernization theorists, even as notions of tutelage and uplift evoked colonial legacies.

Within the UN, American diplomats and the staffs of international organizations shaped the expanded technical assistance programme starting in 1949. In light of ‘the special importance for economic development of expanding the international exchange of technical knowledge,’ an American-sponsored resolution asked the secretary-general to propose ‘a comprehensive plan for an expanded co-operative programme of technical assistance for economic development through the United Nations and its specialized agencies.’\textsuperscript{19} This framing ensured that the UN would have to share the work – and the funds – with the rest of the ‘United Nations family.’ Lie and Keenleyside fought for UN control of a central fund that would receive all requests and assign them to various agencies. When the agencies resisted, a bureaucratic compromise saw them divvy up the prospective funding pie. After some juggling, the final split saw 29\% of funds assigned to the Food and Agriculture Organization (FAO), 23\% to the TAA, 22\% to the World

\textsuperscript{18} LAC, Hugh L. Keenleyside papers (henceforth HLKP), MG31 E102/8/1, Report of the UN mission to Bolivia, 1951.
Health Organization (WHO), 14% to the UN Educational, Scientific and Cultural Organization (UNESCO), 11% to the International Labour Organization, and 1% to the International Civil Aviation Organization. The ‘Grey Book’ that emerged from UN-agency talks was not a unified scheme, but a collection of chapters outlining each agency’s tasks. The Economic and Social Council endorsed it later in 1949 in resolution 222, which approved technical assistance to countries at different ‘stages of development’.20

The framing of proposals for technical assistance made it clear that attitudes of modernity were among the intended exports. ‘The habits and attitudes that had fostered economic development had been those of work, saving, venturesomeness and adaptability,’ the American delegate told the Economic and Social Council. Technical assistance was ‘the direct opposite of imperialism’ because it would build self-reliance and ‘the conditions of basic economic strength which would enable under-developed countries to resist foreign dominance or to cast off oppressive economic ties, if they existed.’21 While employing the language of unselfish generosity, these words also evoked themes of building strong non-communist states in the global South, and of global trade in an American-led world order freed of colonial trading blocs.

UN planning reflected the policies of national governments in North America and Europe. The Grey Book stressed productivity increases, identified technical assistance as a pre-condition for development, and embraced Keynesian ideas of private investment

backed by government pump-priming investment. The US government expressed a ‘desire to be helpful’ to the UN from day one, and agreed after TAA approaches to order closer UN-US cooperation in the capitals of recipient countries. UN technical assistance field offices were ordered to ‘establish close working relations with field personnel of other programmes.’ There were similar efforts to coordinate UN assistance with the Colombo Plan, bilateral aid programmes, and the Japanese reparations funds that started to flow to Southeast Asia in the mid-1950s.

Yet the UN Secretariat had its own organizational interests: it was not a blank slate upon which states drew their plans. Technical assistance offered the world body a grand new mission: in Lie’s words, ‘a worldwide crusade against poverty.’ Here the UN had a unique role that no one government or group of states could play: ‘Under the United Nations programme, technical assistance for economic development cannot be used for purposes of domination or imperialism.’ Technical assistance was not only point four of Truman’s foreign policy, it was also point six in Lie’s ambitious Twenty-Year Program for Achieving Peace Through the United Nations. UN interests were expressed, for instance, in the oft-stated desire to bring all aid programmes under the UN

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umbrella. American aid programmes in the early 1950s had twice the personnel and ten times the budget of UN programmes, but American officials could also turn at times to the TAA for ideas on how to spend their more abundant bounty. As the great hopes for the UN to deliver a more peaceful and secure world faded, the world organization found in technical assistance a new field in which great hopes could be vested. The Canadian Broadcasting Corporation called technical assistance ‘a great story … that cannot be told too often – particularly at this time when there seems to be nothing happening here expect the squabbles in the Security Council.’ Keenleyside would recall that technical assistance became ‘the most important job the UN could do.’ Though the TAA did not survive as a separate institution, its main role may have been to advance the UN’s image and standing.

In the technical assistance field, secretariat official Georges Palthey asked, what was the UN’s role? ‘Shall it be passive or shall it be active?’ A passive role meant ‘the United Nations would act only at the request of a government, would undertake exactly what that government asks for, and have no voice or part in any final decision.’ The preferred role was active: the UN, ‘recognizing that inevitably its reputation will be involved in this question of technical assistance,’ would go beyond surveys of national economies, to coordinate and carry out the survey’s recommendations on its own

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24 Lie, *In the Cause of Peace*, p. 156; Saskatchewan Archives Board (henceforth SAB), R-757/2, George Cadbury to J. Brockelbank, Saskatchewan minister of resources, 28 Jan. 1952.
Officials in New York clearly saw the UN as active: in a time of assumed masculinized ideas of dynamism, anything else would seem a flabby failure to act on the full potential of the ‘bold, new’ notion of technical assistance. The Technical Assistance Administration came to be the UN’s chosen tool for dynamic success.

The Technical Assistance Administration, 1950-58

UN technical assistance flowed through a complex web. Officially the TAA and specialized agencies reported on their technical assistance work to the TAB (Technical Assistance Board) composed of representatives of the agencies themselves. The TAB in turn reported to a TAC (Technical Assistance Committee) of governments. A weak TAB was strengthened somewhat in 1952 when secretariat official David Owen took over as permanent executive secretary. Although in theory A reported to B which reported to C, actual supervision was minimal. In Keenleyside’s words, the TAB ‘had no real authority and in fact did little more than provide a false façade of integration to cover independent action by the participating agencies.’ Oversight by the TAC was even more limited.27

The make-up of the TAA’s top ranks reflected its activist developmentalist approach. A typical press reports hailed Keenleyside as a ‘brutally frank’ no-nonsense executive.28 As a former first secretary in Canada’s embassy to Japan and former ambassador to Mexico, he offered diplomatic experience; as head of the Bolivia mission, he had mapped out a model of direct UN involvement in local development issues; as deputy minister of resources and development and Northwest Territories commissioner,

27 Keenelyside, International Aid, p. 163.
he had tackled development issues within Canada. In urging him to accept the TAA job, American and Canadian correspondents evoked themes of hope and dynamism. Canadian foreign minister Lester Pearson called technical assistance ‘one of the most hopeful and promising aspects of UN work; American assistant secretary of state John D. Hickerson added that ‘this work is potentially the biggest thing which has been undertaken in modern time.’

Energy, dynamism, know-how: those were the themes given in press reports on Keenleyside and on the development mission generally. They resounded through the TAA’s personnel. Gustavo Martínez Cabañas was a professor of public administration and economics in his native Mexico, then executive secretary of the Economic Commission for Latin America, before being appointed as Keenleyside’s deputy. Arthur ‘Tex’ Goldschmidt, the top-ranking TAA division chief, was an economist close to future President Lyndon Johnson who had previously worked in the power division of the US Interior Department. Continuities and global flows were also visible another level down the organization. For instance, Australian Eleanor Hinder came to the UN from previous posts as chief welfare worker for Shanghai’s international settlement and Britain’s delegation to the founding conferences of the Colombo Plan for Commonwealth aid to Asia. This was a multilateral group, with a strong Commonwealth and western European focus.

The TAA was a ‘busy shop,’ in Keenleyside’s recollection. A staff of somewhat under 200 serviced an annual average of more than 600 experts drawn from 55 countries and working in 65 other countries, producing some 1,000 final and 4,000 interim reports.

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by experts. With less than one-fifteenth of the UN’s staff, it received almost a third of the mail addressed to the world body. Yet it suffered from chronic funding troubles. Contributions from UN members during annual ‘pledging conferences’ were never certain, making the programme continually dependent on its donors. Much of the pledged amount came in unconvertible national currencies, limiting flexibility. Total technical assistance funding climbed from $20-million in the initial period to some $51-million by 1964, when all UN development work was folded into the new UNDP. Funds thus fell far short of initial proposals for a programme worth $36-million in the opening period and $50-million by year two, but well within the amounts floated by the American UN delegation. From the rising but never-sufficient totals, the TAA took less than one-quarter. Keenleyside was left scrambling to find funds from ‘serious’ supporters in Canada and western Europe.30

The TAA had to leave the field clear in such areas as health and education to the specialized agencies, with sole jurisdiction only in economic development, public administration, and social welfare advising. Nevertheless, these were fertile fields, ensuring that the TAA became the nexus for two major professions of progress in the 1950s. Public administration, already drawn from Europe towards former colonies, felt a

further pull to the South.\textsuperscript{31} The same process took place in the emergent field of development economics. In order to avoid being left with only ‘residua’ unclaimed by other agencies, the TAA would aim to furnish ‘the basic tools of economic development’ such as resource surveys and development planning. Economic development was out in front: in 1957, the TAA spent $5.3-million on development advising, $1.3-million on social welfare advising, and $1-million on public administration. TAB evaluations in the late 1950s encouraged an increasing stress on development planning. Within the UN family, the TAA advocated more spending on ‘hard’ economic development, less on social services.\textsuperscript{32}

Although it did not displace neoclassical economics, a new field of development economics, with a central role for the UN as transmission belt, was emerging in this period. Its practitioners were not ideologically identical, but they shared a common faith in positivist ideas of progress. Less developed countries could prosper by following outside models. Development planning became the key concept, one grounded in perceptions of expertise and stages of development. Upon this structure, such concepts as modernization theory would be built. In the United States, liberal and New Deal models held up the Tennessee Valley Authority and the American experience more broadly as models. The TAA and the development economists also drew on European and Commonwealth social-democratic thinking, an important strain alongside American


liberalism in the invention of development. Positivist ideas going back to the elite-driven socialism of Henri Saint-Simon and Robert Owen were transmitted through British Fabians and through other European and Commonwealth social-democratic networks.33

These networks dominated the TAA. George Cadbury’s life story is illustrative: he moved from British Labour party figure and industrialist, to chief economist to the socialist Cooperative Commonwealth Federation government in the Canadian province of Saskatchewan, to TAA operations director, to postings as industrial advisor in Ceylon, chief economic advisor to the government of Jamaica, and similar field assignments. In each case, social-democratic planning was both his method and the gospel he preached.34 Planning prospered due to the apparent success of rapid planned industrialization in the USSR and wartime planning in the West, combined with the structuralist orientation of the pioneers of development economics.35 Development planning, Arturo Escobar writes, ‘involved the overcoming or eradication of “traditions”, “obstacles”, and “irrationalities”; that is, the wholesale modification of existing human and social structures and their replacement with rational new ones.’36 The UN, without the apparent axe to grind of the United States, was a more welcomed and thus more effective channel to transmit the idea of planning.

The idea of development planning was multilateral. There was a strong Commonwealth aspect, with numerous British, Canadian, Australian and New Zealand

33 Majid Rahnema, ‘Participation’ in Sachs, Development dictionary; Cowen and Shenton, Doctrines of development.
experts sent through both UN agencies and the Commonwealth’s Colombo Plan for aid to Asia. Colombo plan members approached planning with an attitude approaching ‘worship,’ in one American report. The Japanese government proved keen to provide experts for work in Southeast Asia, a move that the TAA welcomed. The TAA worked to find ways to draw the Soviet Union and its allies into the funding picture, despite efforts by Canada, Norway and the United States to reject unconvertible Soviet and Czech contributions.

The UN secretariat generally, and the TAA specifically, were independent actors in technical assistance diplomacy. The secretariat had its own goals, not just those of UN members, and it used technical assistance to advance them. In development, the world body found a new mission in a ‘non-political’ field where both cold war contenders shared ideas of progress even while differing on the end goal of that progress. Unlike decolonization, where the UN also discovered a new mission, development did not come with an expiration date. The TAA, as the carrier of apparently unselfish help to plan economic development, burnished the UN’s image globally. ‘Point four’ may have been an American president’s statement, but the UN served as necessary channel for the hopes placed in that idea. Virtually every major development economist did some UN work at

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37 National Archives [of the United States] (henceforth NA), RG 59, lot file 64 D 207, Colombo Plan 1957, report on annual meeting.
In the recollection of economist Albert Hirschman; less developed countries ‘were expected to perform like wind-up toys and to ‘lumber through’ the various stages of development single-mindedly.’

Planning ideology dictated that each country should have a central economic unit to coordinate and decide the direction of development, staffed by technocrats, with development rhetorically removed from the realm of politics. From the donor viewpoint, this added efficiency and accountability: many countries set up planning units primarily under donor pressure, in ways that increased state control over local people. Plans themselves were typically macro-models stressing growth and savings and measured by capital-to-output ratios. From the UN viewpoint, national planning boards seemed an ideal instrument for progress and TAA help. Teams of foreign experts brought together and approved by the TAA offered a form of help tailored to the needs of new states engaged in a post-colonial project of economic growth. Experts could function as agents of the local government, or as ‘catalytic agents to precipitate policy decisions or reconcile conflicting viewpoints.’ Technical assistance also aimed, as one of its prime purposes, to build a desire for more technical assistance as part of a modernization of attitudes. Within five years of its creation, the TAA had despatched 431 experts to Asia.

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Almost three-quarters of them were advising on economic development, through UN assistance to the planning boards of nine countries.  

Within the UN, the TAA fought to institutionalize itself and protect its turf. Keenleyside ordered staff to refer to the TAA by its own name, not simply as ‘the United Nations,’ when describing technical assistance work. The specialized agencies, their funding shares protected, did as they liked in the early years of technical assistance. Recipient states were left ‘bewildered and sometimes irritated by the approaches of a whole succession of representatives from different Agencies all offering technical assistance,’ Keenleyside complained. Bureaucratic politics made that tough to change. Even with a shift from agency shares to country programming in which programmes were worked out by recipient country rather than by donor agency, agencies in practice retained control of their own operations.

Country programming did, however, empower the technical assistance resident representatives scattered throughout the global South (among 60 countries, by the mid-1960s). Resident representatives began to be appointed on an ad-hoc basis when Lie in consultation with the specialized agencies named one to Pakistan in 1950. The TAA and FAO consulted on the first residents in Afghanistan and Colombia. Lie and Keenleyside worked to strengthen the resident’s role, since it went some way to build up the role of

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the UN itself, through the TAA, in the overall technical assistance programme. By 1952, the task of naming residents had been assigned to the TAB.46

Within the TAA, ideologies of expertise held sway. Cadbury argued that ‘we are, after all, primarily the servants of the receiving countries,’ and Lie called technical assistance ‘a common pooling of skills—a multinational cooperative effort—rather than a one-way flow.’47 Yet the TAA more accurately served to transmit what the UN perceived as ‘expertise’ to less developed countries. In general, this meant developing in the Western model: not necessarily becoming more like America, but certainly moving closer to a non-communist economy with elements of economic planning, with the ultimate destination somewhere on the spectrum of Western liberal and social-democratic models. ‘Tex’ Goldschmidt, speaking to a group of anthropologists, said technical assistance allowed countries in ‘different stages of development’ set the terms themselves. Nevertheless, expertise and ideas of teaching inverted these self-proclaimed relations of control: ‘Our job, in broad terms, is to facilitate the transmission of certain of the traditions, knowledge, habits and fruits of one culture to another by the time-tested method of moving people across cultural lines – people who teach and people who learn.’48 Similarly, Keenleyside’s standard letter of welcome to experts billed technical assistance as a ‘great crusade for human progress’ guided by ‘high purposes.’ It was, he write, ‘based upon the assumption that it is possible and practical to transfer knowledge

47 SAB, R-757/2, Cadbury to Brockelbank, 28 Jan. 1952; Lie, In the Cause of Peace, p. 148.
48 EMHP, 770/7, typescript of Goldschmidt speech, no date.
and techniques from one area to another for the purpose of advancing the economic and social development of the people of the world.’ It would not leave traditional methods and ways of life untouched. Quite the reverse: technical assistance implied ‘the introduction of changes that mean a break with, or a modification of, traditional method and even beliefs that have been established over generations or centuries.’

The export of expertise was foundational in the TAA, and grew in importance over the agency’s history. Where the 1949 Grey Book programme set aside the largest funds for fellowships for individuals from less developed countries, more than three-quarters of TAA spending by 1953 went to the despatch of experts. The TAA was very concerned to maintain the aura of expertise, resisting any temptation to undermine experts in front of host governments, even if headquarters disagreed with their proposals, lest this ‘shake the confidence in the very usefulness of expert advice.’ The issues of foreign expertise and national control would play out in one of the major TAA Asian projects, Indonesia’s State Planning Bureau.

The Indonesian State Planning Bureau

The TAA was slow to start work in Indonesia, with only two advisors plus a resident representative on site in 1951. By the mid-1950s, however, Indonesia was the third-largest programme in Asia, after India and Pakistan. More than 80% of TAA Indonesia funds flowed into providing foreign experts for two main projects: a small industries advisory team and the Biro Perantjarg Negara (State Planning Bureau, 49

49 UNA, S-0441-1483-03, Keenleyside welcome letter to experts, 26 March 1952.
50 Grey Book, pp. 31, 73; YUN 1953, p. 313; UNA, S-0441-1416-01 ‘Relations and division of work between TAA and the Departments of Economic and Social Affairs.’
initially translated as National Planning Bureau). Indonesia was also one of the TAA’s more positive experiences, ‘one of the most significant among those we have been privileged to assist in developing,’ in Goldschmidt’s words. TAA experts, especially the longer-term ones, ‘appear to be held in high regard by the Indonesian authorities,’ another TAA visitor reported. As this section explores, the government and the UN body discovered in economic planning a remarkable community of interest, even as they tussled over implementation.

In 1945, Indonesian nationalists declared their independence from the Netherlands, then fought for four years to see this recognized through a UN-brokered settlement. Indonesia became, in the words of Lester Pearson, ‘the first child of the United Nations.’ Founding father Sukarno was president, but most power went to a succession of prime ministers and their cabinets. Through most of the 1950s, Indonesia had a multi-party parliamentary system in which shifting political alignments saw cabinets change on nearly an annual basis. The key political split was between what Herbert Feith calls ‘administrators’ and ‘solidarity makers,’ with one group seeking to build the nation through mixed-market economic development and the other to do so through building a sense of nationalism and national solidarity among Indonesians. This division spilled across party lines. ‘Administrators’ dominated most of the early cabinets, ensuring common policies and a similar approach to economic development,

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51 UNA, S-0441-1438-01, 1956 country targets; UNA, S-0441-1449-02, Cadbury to Willem Brand, 29 May 1951 and Ahmed’s notes on visit to Indonesia, 26 Feb. 1955.
53 LAC, RG 25/6613/11129-40[3.1], Pearson’s inaugural instructions to Canadian ambassador in Indonesia, 19 August 1953.
one that welcomed limited foreign investment but sought to Indonesianize the economy, reducing the extent of dependence on raw material exports in favour of greater focus on domestic markets. When efforts to use Indonesian private capital to lead a move ‘from colonial to national economy’ fell short due to the weakness of indigenous capital, Indonesian leaders turned increasingly to state-led investment.55

Indonesian nationalism had long treasured technology.56 Planning hopes dated back to 1947, when nationalist leaders set up a planning board that aimed to develop based on state, foreign, and private domestic investment.57 However, Dutch attempts to recolonize Indonesia by force meant that implementation had to await Dutch recognition of Indonesian independence in December 1949. The UN had offices in Jakarta for its Indonesia mediation commission; afterwards, these were handed over the new UN Technical Assistance Mission in Indonesia (UNTAMI), a concrete manifestation of the shift in UN mission from peacemaking to development. The first proposals for a major technical assistance programme came from the Indonesian independence movement’s New York outpost, which considered a scheme to train thousands of young people overseas and at home, using experts from the United States and western Europe.58 This plan’s author went on to become the first Indonesian employee of the TAA. But the key figure in bringing UN assistance to Indonesia was Sumitro Djojohadikusumo. Sumitro,

the first Indonesian to earn a Ph.D. in economics, studied at Rotterdam but also took courses at the London School of Economics, where he absorbed Keynesian thinking. He financed much of Indonesia’s war of independence as head of the Indonesian foreign trade office in New York. After independence, he served as minister of trade and industry, then as finance minister, in 1950s cabinets.

Sumitro was in cabinet partly for his economic expertise, partly to represent the Indonesian Socialist Party (PSI). Small but influential, the PSI preached pragmatic socialism, built on the belief that Indonesia had to survive within what party leader Sutan Sjahrir called the ‘sphere of influence of Anglo-Saxon capitalism and imperialism.’ PSI leaders, in other words, were keenly conscious of Indonesia’s place in the world economy and the constraints placed upon it by this and by the terms of an independence settlement that saddled Indonesia with Dutch colonial debts and forced to give special privileges to Dutch-owned business.\(^59\) Despite its name, the PSI was the most pro-Western party in Indonesia, influential because of the intellectual and political stature of its leaders. As Feith wrote, its policies ‘contained less of Marxism than of Fabianism. Its emphasis was on modernization, economic development, and rational planning and organization.’\(^60\) In office, Sumitro’s policies reserved a strong role for the government, but left small and medium enterprises to the private sector and welcomed foreign investors in those large industries defined as non-strategic. Sumitro promoted a Keynesian-inspired middle path between advocates of state control and neo-classical economists like central bank governor Sjafruddin Prawiranegara, arguing that the economy ‘must be planned and


\(^{60}\) Feith, *Decline of Constitutional Democracy*, p. 130.
consciously arranged. Here comes to the forefront the state which takes the role of the pioneer in the process of development. Government’s role was ‘essentially catalytic,’ designed to create the conditions for the growth of indigenous capital. Thus Sumitro led an attempted shift from the colonial economy, based on agriculture and production for export, towards industrialization. As in other newly independent countries, ‘industry was regarded as the way of the future, the very essence of development.’

Tumbling raw material prices after 1952 left Indonesia, dependent for a third of government revenues on import and export duties, short of needed cash. This prompted an ‘economic urgency program’ that added to the focus on building up small Indonesian industry, though its projects did not succeed. (The bulk of agricultural estates were back in foreign hands, and foreign or indigenous Chinese capital dominated even in small industries.) Meanwhile, the government welcomed foreign aid. However, the policy was to seek aid multilaterally: from the United States, from the Colombo Plan (which Indonesia joined in 1953), from Japan, and from the UN. Planning Bureau chief Djuanda Kartawidjaja ‘felt strongly that it was very valuable to Indonesia to have experts from different countries,’ the first American government technical cooperation chief in Jakarta reported.

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62 Dick et al, Emergence of a National Economy, p. 178.
64 NA, RG59, Lot 60D60, Cochran 1951-2, Samuel P. Hayes memorandum for file, 15 Feb. 1952.
With a critical shortage of qualified economists, the Indonesian government looked to foreign experts for advice. Sumitro invited Hjalmar Schacht, former president of the *Reichsbank* in Nazi Germany, to analyze the economy. Schacht responded with a report calling for extensive foreign investment and advice, regardless of public opinion. Schacht was in Jakarta when Keenleyside visited on his first world tour as TAA director-general. The UN official caused a stir by refusing to shake hands with Schacht at a Jakarta buffet, then issuing a news release that called him ‘a disgrace to the human race.’\(^{65}\) From Jakarta, Keenleyside also wrote of mixed feelings about ‘this turbulent, democratic, revolutionary, disturbed, sensitive and excitable people.’ Evoking age-old images of ‘lazy natives,’ he said Indonesians ‘don’t work – as who would in this climate.’ But if helped, ‘they would be good people because normally they are inclined to be gentle and friendly; colonialism, poverty and disease have done this to them.’\(^{66}\) The ‘charming irresponsibles’ who governed the new Indonesian state were, from this perspective, essentially wards of the more developed countries.\(^{67}\)

The Indonesian government formally requested UN technical assistance in March 1950, before it was formally accepted as a member of the UN. Saying Indonesia’s birth had been ‘intertwined with and facilitated by the endeavours of the United Nations,’ ambassador L.N. Palar called technical assistance vital in restoring Indonesia’s

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\(^{65}\) *Translation from the German text of Dr. Hjalmar Schacht’s report on general economic conditions in Indonesia* [1951], p. 27; Keenleyside, *Memoirs*, vol. 2, pp. 396-493; Sumitro, ‘Recollections of my career,’ *Bulletin of Indonesian Economic Studies* (henceforth BIES) 22, 3, Dec. 1985, p. 36.


contributions to world production.\textsuperscript{68} In 1951, on the recommendation of Indian prime
minister Jawaharlal Nehru, Keenleyside appointed Sir Mirza Ismail, former premier of
Mysore (1926-41), Jaipur (1942-46) and Hyderabad (1946-47), as technical assistance
resident representative. Ismail behaved, by all accounts, as a pro-consul in keeping with
his background as a colonial official. Though Keenleyside reminded him to stick to the
‘advisory role of the United Nations in the overall development plans of the
Government,’ his autocratic manner upset his hosts. Sumitro, for instance, called him an
‘arch reactionary.’\textsuperscript{69} Visiting Jakarta, Keenleyside deplored Ismail’s ‘thoroughly bad
job…. Having been Prime Minister of an autocratic and relatively efficient government
with lots of competent servants, he was no man to send to this turbulent, democratic,
revolutionary, disturbed, sensitive and excitable people.’\textsuperscript{70} Ismail left soon after, with his
successors coming from New Zealand, Australia and Sweden.

The Planning Bureau idea originated with Sumitro’s 1940s call for a centralized
agency to handle economic planning. This was perfectly placed to appeal to the TAA’s
sense of its own mission, so an agreement to fund the Bureau came quickly. TAA
officials made regular references to the welcome extended to UN experts in Indonesia.
Not for them ‘the ivory air-conditioned tower of technicians’ in which American experts
took refuge, Cadbury reported. UN experts were independent-minded, disinterested and
genuinely seeking to help, which made them ‘generally respected and trusted’ above all

\textsuperscript{68} UNA, S-0441-1468-01, L.N. Palar, Indonesian permanent observer to UN, to Lie, 15
March 1950; JMP, box 46, UN delegation 50[1], Palar statement to technical assistance
conference, 13 June 1950.
\textsuperscript{69} UNA, S-0441-1468-01, Keenleyside to Ismail, 23 April 1951; Sumitro,
‘Recollections,’ p. 36.
\textsuperscript{70} HLKP 30/14, Keenleyside travel diary, entries for 3 Oct. and 1 Oct. 1952; Keenleyside,
others. Drawing on the Bolivia model, the Planning Bureau formula assigned recruitment and salaries to the TAA, but required foreign experts to report direct and solely to the Indonesian government. The UN was able to control costs, while Indonesia was assured of government control. It was also able to diversify aid sources even while consolidating and channelling all aid through the Planning Bureau from 1953 onwards.

Keenleyside was ‘very anxious’ to see a full team recruited rapidly, but it took some time to assemble the foreign experts. After consultations with Keenleyide’s former colleagues in Ottawa, TAA officials picked Canadian economist Benjamin Higgins for the key role of monetary and fiscal adviser. Higgins was a promising economist at Montreal’s McGill University who became the first chief economist in the UN mission that steered the economy of decolonized Libya in 1951. After his Indonesia term, he was a colleague of Paul Rosenstein-Rodan and Walt Rostow at the Massachusetts Institute of Technology and one of the theorists behind modernization theory’s call for a ‘big push.’ From Jakarta, he influenced the selection of colleagues Nathan Keyfitz, a Canadian statistician and demographer; migration advisor D.M. Deane; American labour expert Edgar McVoy; and Belgian natural resource advisor André Brichant, with whom he had worked in Libya. Four more experts (one each from Britain, the United States, New Zealand and South Africa) filled out the initial team. Higgins and Sumitro were kindred spirits, united by their common rejection of the ‘dual economy’

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71 UNA, S-0441-1449-01, Cadbury draft report on 1954 Indonesia visit.
72 UNA, S-0441-1448-02, Goldschmidt to Keenleyside, 6 Dec. 1951.
theories of Jan Boeke, the main name in Indonesian economics of the day. Both also
accepted the notion that development could take place along set paths that were much the
same in all countries, with ‘economic laws … true always and everywhere, like those of
physics.’

To the TAA, the Planning Bureau was a group of foreign experts reporting to the
Indonesian authorities. To the Indonesian government, it was a group of Indonesians
advised by those experts and under the control of Bureau director Djuanda Kartawidjaja,
while national planning machinery provided a way to ultimately reduce dependence on
foreign experts. Planning was, in an echo of experience elsewhere in the global South, ‘a
formal expression of sovereignty by the state, and of an intention to exert ultimate
direction and control.’ UN and other donor stress on the need for planning reinforced
the power of Indonesian planners, but there were also fears that foreign experts wished to
run things themselves. Though he stayed out of Indonesia-related work, the presence at
TAA headquarters of public administration division chief H.J. van Mook probably
contributed to these fears: he had been the last lieutenant-governor of the Netherlands
East Indies.

Issues of ultimate control remained unsettled, then, in the early years. Australian
diplomats described Higgins as ‘head of the Indonesian Planning Bureau.’ When
Higgins finished his term, the TAA began the search for another foreign team leader.

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1984, pp. 55-69; Sumitro, ‘Recollections,’ p. 31.
76 Higgins, ‘Jan Boeke,’ p. 68.
77 Peter J Burnell, Economic Nationalism in the Third World, Brighton: Wheatsheaf
78 National Archives of Australia, A11064, 809/1 [1], Australian high commission in
Colombo to Department of External Affairs, 26 Feb. 1953.
Keenleyside tapped his operations director, George Cadbury, to fill the post. When Djuanda balked at the idea of a ‘chief planner,’ Cadbury opted not to push, and took a post in Ceylon instead. ‘Dr. Djuanda knows his own mind and has a pretty clear idea of the size and shape of the Planning Bureau he wants,’ he reported. There was no reason to pick a fight. The job went instead to Leon Baranski, who was ‘just the man Djuanda wanted; sufficiently prominent in knowledge and prestige to be relied upon as a senior adviser yet without any ambition to assert himself in such a position.’ Although Baranski was the senior figure in the second generation of Planning Bureau experts, Djuanda insisted upon ‘complete equality between all members of his team’ to avoid a repeat of Higgins’ pre-eminence. The TAA avoided a fight once again when Djuanda visited UN headquarters in 1954 amidst ongoing personality conflicts between Djuanda and Higgins, now Indonesia project chief at MIT’s Center for International Studies. In preparation, TAA officials took suggestions from Higgins and Keyfitz, agreed that most were good ideas, but decided not to push them upon Djuanda.

The TAA did press Djuanda to permit Planning Bureau experts to report to New York as other TAA experts – including the administrative assistants in Bolivia – did. Djuanda confessed to feeling ‘slightly guilty’ that he had not reported annually, but agreed to only small changes: experts would send reports to him every three months, which he would then pass along to New York, as long as they contained no confidential information. This ‘gentleman agreement’ produced patchy and ‘very uninformative’

79 UNA, S-0441-1438-06, Cadbury to Keenleyside, 11 May 1954.
81 UNA, S-0441-1030, Hinder to Keyfitz, 17 April 1954 and Hinder to Cadbury, 14 May 1954.
reports. Djuanda’s ‘refusal to permit experts to easily consult upset some in New York but was ultimately retained because of the ‘great importance’ the TAA placed upon the Bureau. 82

The Bureau remained the top Indonesian priority in requests. Hearing that he might have only five members of the nine-expert team on hand in 1955, Djuanda expressed ‘some bitterness’ that the UN was not holding up its end of the bargain. Resident representative Tony Balinski backed that up, calling cutbacks ‘damaging to U.N. prestige, for the morale of the experts, and to the example we are supposed to set to the administration here, and to the faith people here have in U.N. assistance.’ 83 TAA support for the Planning Bureau, in the end, continued. The Bureau’s presence in Indonesia underlined the UN mission in development planning enough to also serve UN interests. Thus the TAA agreed to continue the project, concluding that any efforts to increase UN oversight could endanger the Bureau’s survival.

The Bureau’s Five-Year Plan, completed in 1955, offered a broad outline coordinating the individual sectoral plans of different ministries. There were macro-economic directions set, but few details. The plan assigned a role to the state, not out of ideological commitment, but because of the weakness of domestic private capital. The state needed to give the economy a ‘big push’ (how big was a matter of dispute, with Higgins and his MIT colleagues calling the Indonesians overly conservative). Capital formation, it was hoped, would follow. State development spending needs were pegged at Rp 12,500-million, compared to Rp 2,500-million in 1952. Of that, the plan envisioned a

83 UNA, S-0441-1449-01, Balinski to Hinder, 1 June 1955.
quarter going to power and irrigation, another quarter to mining and industry, a third quarter to transport and communications, and the rest to be divided among agriculture, social development and education. There were big boosts here for industry (which received just 4% of actual development spending in 1952) and power (allotted just 3% that year). Since development was to rely upon government financing, an effective development plan would have required a link between development planning and budget processes. The Planning Bureau sought this, but never obtained it. Only in the later Suharto regime would the Bureau’s successor, the National Development and Planning Agency (Bappenas), gain this power. While socialist language pervaded, there were no real inroads into an economy dominated by foreign capital. The long-term targets forecast growth for each successive five-year period until Indonesia reached self-sustaining growth around 1975.  

More important than the content of its actual planning was the Planning Bureau’s role in promoting the attitudes of modernization. In the words of one Indonesian member, staff members ‘were supplied with a method of thinking and acting which was rational and reliable.’ Increasingly, Indonesian ‘administrators’ turned to technocratic ideas.

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85 Kusudiario Hadinoto, cited in Ali Budiardjo, ‘Abdi Negara dan Abdi Bangsa’ [Servant of the State and Servant of the Nation], appendix to Awaloedin Djamin, Ir. H. Djuanda:
with the people seen as a single, passive mass. In this, the foreign technical assistance programming provided an ally. As Socialist thinker Soejatmoko wrote: ‘Once this program is undertaken, we cannot afford to fail…. It will be the task of the United Nations to keep this endeavour as much as possible out of the areas of conflict besetting the world organization.’ Technocratic views were to prevail over the political. Yet the effect was decidedly political. Multilateral aid’s influence entered the lists in favour of Indonesia’s planners. Canada’s ambassador, for instance, noted the lack of domestic private capital and that for all Indonesian political leaders, ‘the mainstream or mystique is nationalist and the method is group planning.’ Given this, ‘one is led to conclude that any trend towards planning is to be encouraged…. I would certainly favour any increase in the role and importance of such planners as Drs. Djuanda and Soemitro as well as of the non-Communist world.’ The theory placed foreign development advisors and local technocrats ‘above politics,’ with Djuanda insisting that the Planning Bureau’s task lay ‘in the non-political sphere of attempting to set out basic economic, financial and development planning for his country.’ The reality, however, was a highly political entanglement of technical assistance in political struggles. Thus the plan met with a hostile reception in Indonesia’s parliament and was not formally approved for two years.


87 LAC, RG25/8146/5495-C-2-40[1.2], Canadian ambassador George Heasman to department of external affairs, 27 June 1956.


89 Amin, Process of planning, p. 35.
Planner-politician conflicts accelerated as president Sukarno and other nationalists began to turn away from developmentalist solutions. They looked to ‘spiritual nation-building,’ to a more assertive anti-colonial foreign policy, and to some disengagement from international trade in favour of a more self-reliant economic strategies. In place of the careful planning and long years of toil promised by the planners, Sukarno and others promised speedier rewards, won without relying on foreign advisers. This, too, was ‘development’ – a word whose meaning was in dispute in 1950s Indonesia between advocates of mental and physical nation-building, even while both sides agreed on the need to plan. Soon after the five-year plan officially went into effect, a wave of nationalist protests culminated in the state take-over of Dutch business enterprises and then in civil war, with Sumitro and many of his allies in rebellion against the central government. Indonesia’s money supply almost tripled between 1950 and 1955, driving up the cost of living and dashing much of the optimism of independence. Inflation was held to 6% for the three years from 1952 to 1954, but the impact of nationalizing the large Dutch businesses that dominated the economy, along with a failure to expand manufacturing, falling exports, and falling prices for those exports, led to a faltering economy with higher inflation – 46% in 1958, for instance. Industrial production, the great hope for a ‘national economy, fell below 20% of capacity. With rebellion suppressed and the ‘administrator’ group in disarray, the Planning Bureau lost standing

and Sukarno entrenched his own power, becoming an executive president. Sukarno’s ‘guided democracy’ continued to value economic development, but in altered ways.

The demise of the TAA and the Planning Bureau

Both the UN Technical Assistance Administration and Indonesia’s State Planning Bureau came to an end in 1959. Both fell victim to battles over the role of expertise and relative degrees of control; both were also victims of their own failure to institutionalize themselves. In 1955, David Owen asked the TAA for a five-year evaluation of its progress, saying ‘bold, imaginative thinking’ was needed and wondering if, as several governments felt, they had reached the ‘saturation’ point for experts. Keenleyside offered no new ideas and gave a status quo response to the question on expert numbers: ‘there is still ample scope for that without departing too widely from our present objectives and methods.’

Calls to fold the TAA back into other secretariat bodies were rising through the mid-1950s. An ‘answering service’ originally aimed at meeting requests from less developed countries transformed itself into a centralized, self-directed agency encouraging the flow of experts. Yet it failed to institutionalize itself inside the UN secretariat enough to ensure its survival. When Trygve Lie’s decentralized functional organization gave way to Dag Hammarskjold’s efforts to standardize and consolidate the secretariat, the TAA proved entirely expendable. It was easily collapsed into a new Bureau of Technical Assistance Operations in the merged Department of Economic and Social Affairs, plus a public administration branch. In 1950, a separate TAA had offered

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92 UNA, S-0441-1416-01, Owen to Keenleyside, 1 June 1955 and Keenleyside to Owen, 10 June 1955.
the prospect of promoting the UN’s good image. By the closing years of the decade, a stand-alone agency filled that function less effectively. At the same time, Hammarskold’s UN was reclaiming a peace and security function. Technical assistance was relatively less important in bolstering a UN global role.

Meanwhile, it grew harder to find experts willing to work in Indonesia: in 1957, for a time, there were only two in place. The last wave saw industrial economist Joseph S. Gould, previously of the University of Delaware, the US Foreign Operations Administration, and the World Bank, as the key economic advisor. Gould was disappointed at ‘the apparent lack of interchange of ideas and information among the various experts’ – he had not even been made aware that a TAA mining expert from Bolivia had arrived. In August 1959, Sukarno collapsed the Planning Bureau into a new Bureau of Finance and Economics and handed broad planning control over to a more politicized National Planning Council. Foreign experts dispersed among other branches of government. The Planning Council, headed by Sukarno ally Mohammad Yamin, abandoned the work for a second five-year Plan, developing instead an eight-year plan for 1960-68 that stressed symbolism and state ownership, while also relying upon foreign exchange from resource exports to finance development. The theme was self-reliance – in Sukarno’s term, ‘standing on our own two feet’ [berdikari].

In 1965, Sukarno led the ‘first child of the United Nations’ out of the world body to protest the election of Indonesia’s regional rival Malaysia to the Security Council. UN

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technical assistance operations ceased. By this point, the UN and the specialized agencies ranked Indonesia second among technical assistance recipients, with $1.1-milion granted in 1964. Before Indonesia terminated the UN programme, secretariat officials were striking many of the same notes as a decade earlier. They convinced Indonesian officials to request an economic advisor and a new economic survey headed by a high-calibre advisor. ‘Naturally the adviser cannot do miracles in a faltering economy in a short time, but he can stimulate, as an outsider with an extensive background experience,’ a visiting UN official noted. The words were little changed from ten years earlier, illustrating the failure of the Planning Bureau to fulfil TAA hopes.

Cast aside under ‘guided democracy,’ Indonesian technocrats nevertheless were able to gain the support of the armed forces leadership. This gave them political support previously lacking. Army leaders, casting about for a counter to the growing rural popularity of the Indonesian Communist Party, found it in this developmentalist mission. Thus the non-party technocrats who made their first home in the Planning Bureau re-emerged as the chief economic planners under President Suharto’s New Order regime, which came to power in 1965-66 by launching a brutal wave of violence against Indonesian leftists. The technocrats were active agents in the new alliance. As former planning Bureau staffer Mohammad Sadli wrote: ‘The task of the military goes beyond a defence of the country against an external force. The military should be regarded as an...

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active agent in nation building; defence of an underdeveloped country must rest on a viable society and economy.\textsuperscript{97}

The story of how the United States and its allies embraced the Suharto regime has been well told.\textsuperscript{98} Though less visible, the UN’s role was also significant, and it began well before Suharto rode his bloodbath to power. In part this was through the ongoing influence of Djuanda, who became Sukarno’s first minister and ensured a continued role for technocrats. Among other measures, this meant a revived role for PSI figures in writing the Economic Declaration (Dekon) of 1963, which briefly seemed to indicate a move back towards capitalist development directions.\textsuperscript{99} As part of this, a new planning board, Bappenas, was founded. It would become the key economic body after Sukarno’s fall. The role of young economists at the University of Indonesia, who had done their apprenticeships at the Planning Bureau, was also vital. Later famous as the ‘Berkeley mafia’ after the university with which Sumitro had forged a partnership in the 1950s, this group would dominate economic planning throughout the Suharto dictatorship. They were children not only of American modernization theorists, but also of the TAA-backed Planning Bureau. A visiting TAA official reported himself ‘very impressed by the intellectual brilliance and vitality of the students.’\textsuperscript{100} The TAA’s Asia division chief in 1955 spoke of the need for the Indonesian graduates attached to the Planning Bureau to


\textsuperscript{100} UNA, S-0441-1449-01, Alpert to Hinder, 30 May 1954.
get five to ten years training in Indonesia and overseas before they could fulfil the hopes that they would guide the country.\textsuperscript{101} A decade later, they began that guidance.

Creating and steering this group was a key feature of TAA hopes for the Planning Bureau. Cadbury reported ‘a very desirable infusion of young Indonesian assistants into Planning Bureau to work with the foreign element, and it is assumed that this will be a progressive feature of the organisation and in time the Planning Bureau will be a wholly Indonesian institution.’\textsuperscript{102} It did not become so, but the Bureau was a vital training centre for a new modernizing elite. For instance, Widjojo Nitisastro, who had worked under Nathan Keyfitz on the population side of the Planning Bureau, became head of Bappenas, which steered Indonesian planning through a series of five-year development plans (Repelita) starting in the late 1960s, drawing on Planning Bureau inspiration. The early Repelita, like the Planning Bureau’s five-year plan, gave prominent roles to foreign advisors, were indicative rather than comprehensive, called for mixed economies with a state role as pioneer and increased reliance on private production and savings for the future, assigned a role to foreign aid, and planned for modest growth of about 5\% a year. They differed mostly in the stronger political support given to Bappenas, which included a role in overall budget planning.\textsuperscript{103}

Just as Western governments rushed to embrace Suharto’s ‘New Order,’ so too did the UN. Soon after the formation of the United Nations Development Programme, co-administrator David Owen headed a five-person mission to Indonesia. Owen reported

\begin{flushright}\textsuperscript{101} UNA, S-0441-1449-02, Ahmed’s notes on Indonesia visit, 26 Feb. 1955. \\
\textsuperscript{102} UNA, S-0441-1449-01, Cadbury’s 1954 draft report on Indonesia visit. \\
\textsuperscript{103} Hoadley, ‘Politics of development planning agencies,’ pp. 56-65; Amin, Process of planning, pp. 40-43, 152; Gustav F. Papanek, ed., The Indonesian Economy, New York: Praeger, 1980. \end{flushright}
serious economic troubles, but was bullish on the new regime’s prospects. The UNDP team signed new agreements permitting the resumption of UN aid and a new resident representative, and recommended a two-phase plan: ‘a small technical assistance programme of quick-impact projects of an urgent nature, followed by a larger technical and pre-investment programme of projects of a longer duration.’ Indonesia’s new military rulers were desperate for signals of international consent for the regime and enough aid to deliver on their promises of economic stabilization and development. In Owen’s account, they ‘emphasized the importance of an immediate improvement in living conditions and its psychological impact upon the people, and fully endorsed the proposed strategy.’

As with the plans of Western governments to resume development aid, UNDP proposals aided regime consolidation. The UN itself was a key diplomatic actor.

Conclusion

Development is no inevitable historical process: it is part of history. The development vision goes back to the colonial period, but a new wave in the 1950s centred on the idea of technical assistance was crucial in forming the later developmentalist state in Indonesia, as elsewhere. The United Nations, through the TAA, was important in that process. Technical assistance as a ‘new form of diplomacy’ was just as much about spreading ideas of modernity from North to South, as it was about delivering economic development. In selling expertise, technical assistance advisors were also selling a specific model of development to receptive, like-minded elites in newly-independent countries.

Advocates of technical assistance frequently presented it as divorced and disembodied from politics. Economist Milton Friedman defended technical advice to General Augusto Pinochet’s regime in Chile as no more ‘evil’ than a medical doctor offering ‘technical medical advice to the Chilean government to help end a medical plague.’ 105 Of course, the opposite was the case: even if they wished, technical advisors could not escape being embroiled in the politics of their host or home country or the international organization they served. Technical assistance itself was inherently political.

The UN did not have ‘national interests’ like states. But neither was it a selfless, self-effacing institution solely at the service of its members. The focus on national history, including international history’s focus on state-to-state relations, has obscured the world body’s own role as an autonomous diplomatic actor. The modernization project was American, yes, but it was also transnational in conception and implementation. The UN had its own interests, which sometimes dovetailed and sometimes diverged from major members. The basic thrust of their advice and of UN technical assistance thinking, towards rational planning and the embrace of a Western-derived idea of modernity, complemented Western strategies to support economic development in non-communist states, but technical assistance’s role in giving the UN a global role was equally important.

Through the UN there was a ‘constant flow of experts,’ as Dag Hammarskjold wrote in the 1959 annual report of the Secretary-General. 106 In a rhetoric that stressed

complete freedom of the recipient states to determine their own needs, technical assistance remained a crusade to lift new states out of poverty and into Western-derived development trajectories. This was not a new colonialism: the developmentalist state in the global South was very much part of a ‘Third World project’ in which social-democratic nationalists in Asia and elsewhere looked to social democrat advisors despatched through the UN as allies.\textsuperscript{107} There was a community of interest. By the end of the 1950s, this consensus was eroding, leading to the demise of the original wave of technical assistance. The legacies, however, did not fade so swiftly.

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