



## Organization and Administration of Bilateral Public Health Programs in Latin America

From the basic agreements which inaugurated the inter-American efforts, the evaluators traced the development of the Servicio concept and outlined its administrative characteristics. These efforts, they report, have been "directed toward developing in each country a health program best fitted to the needs of the particular country, staffed with well-trained nationals, and for which that country could eventually assume complete economic and technical responsibility."

**T**HE RESOLUTION adopted by the foreign ministers of the 21 American Republics at their meeting in Rio de Janeiro in January 1942 recommended to the governments represented that individually or through bilateral or multilateral agreements the necessary means be taken to solve the environmental sanitation and health problems of the Americas, and that to this end each country, according to capacity, contribute raw materials, services, and funds.

Thus, it was recognized that no one nation, regardless of how favorable its economic position, could be expected to bring about any ap-

preciable change in the health conditions of the other nations by the provision of money alone. It was also recognized that the desired objectives could not be reached by any attempt by one nation to take over and run the health services of another.

The approach to the health and sanitation problems in Latin America, therefore, was to establish a program of assistance through cooperative efforts directed toward the strengthening of the existing health services of each country. This would require expansion of services and, in some cases, creation or complete rebuilding of services. All efforts of the cooperative program, therefore, have been directed toward developing in each country a health program best fitted to the needs of the particular country, staffed with well-trained nationals, and for which that country could eventually assume complete economic and technical responsibility.

### Bilateral Agreements

The cooperative health and sanitation programs in each country have been inaugurated and developed through bilateral agreements. Out of the initial agreements between the

---

This paper and the one following are the fourth and fifth in a series of excerpts from the report of the Public Health Service's evaluation survey of 10 years of operation of the Institute of Inter-American Affairs bilateral health programs in Latin America. Introductory notes concerning the objectives and limitations of the survey, a brief summary of the history of these programs, a résumé of the criteria and methods used in evaluating them, and a discussion of the cultural problems encountered were presented in the September issue of *Public Health Reports*, pp. 829-857.

---

United States and Ecuador and the United States and Brazil in 1942, there evolved a pattern which generally came to be followed in all countries. Common to all programs were what came to be known as (a) the basic agreement, (b) the project agreement, and (c) the completion agreement. A summary of the chief features of these agreements follows.

### *Basic Agreements*

The cooperative programs are initiated and extended by an exchange of notes between the United States ambassador and the foreign minister of the country involved which indicate the willingness of the respective governments to participate in a cooperative health and sanitation program. The notes authorize the minister of health and the representative of the Institute to draw up and sign an agreement stipulating the basic financial contributions and technical assistance to be contributed by each government and the general conditions under which the program will be carried out. This agreement, known as the basic agreement, is the contract between the two countries for the conduct of the cooperative program.

These agreements have taken two general forms: (a) An exchange of letters between an official of the Institute and the minister of health of the Latin American country, in which these two officials signify their agreement upon certain criteria as a basis for operating the cooperative program; or (b) a formal document drawn up and signed by the minister of health or his representative and a representative of the Institute. The latter technique came into general usage after a few years.

The provisions of the basic agreements, though varying in detail from country to country, have followed the same general pattern. The major provisions common to most agreements are as follows:

1. Provides for the establishment of a special unit of government in the host country to carry out the cooperative program. In Spanish-speaking countries this unit is usually designated as *Servicio Corporativo Interamericano de Salud Pública*, or *SCISP*. In nations where French or Portuguese is spoken, the designation is in the language of the country. The

word "*Servicio*," however, has become largely universal in usage.

2. Provides for sending to the host country a small group of United States technicians, called a field party, under the direction of a chief of field party. Most of the early agreements provided that the chief of party should be a doctor of medicine, but that provision has generally been eliminated.

3. Provides that the chief of field party will be the director of the *Servicio*.

4. Specifies the amount of money to be contributed to the cooperative program by each government and the period of time covered by the agreement.

5. Defines in some detail the area in which the program is to function, and specifies that the program is to be carried out on the basis of specific projects agreed upon in writing by the director of the *Servicio* and the minister of health or his representative.

6. Provides that the salaries and traveling expenses of the members of the field party will be paid directly by the Institute.

7. Defines the administrative authority of the director of the *Servicio* with regard to the employment of personnel, the expenditure of funds, and the accounting and reporting processes.

Thus, from the very beginning of the program in each country there has been a defined base of operation agreed to in writing by both parties. This has undoubtedly prevented many operational problems from arising and contributed immeasurably to the stability of the various programs.

The original agreements were usually brief, and some of the provisions were phrased in very general terms. As experience dictated, the agreements became more specific. In the beginning, they usually covered a period of 2 or 3 years, but after the war they were extended on a year-to-year basis. This made program planning and administration difficult, particularly since most Latin American countries operate fiscally on a calendar year and the United States appropriations usually come through long after the July 1 beginning of its fiscal year.

In 1949, Congress extended the life of the Institute to 1955, and it was possible to extend

the basic agreements for a 5-year period. The extensions covered all basic provisions except the amount of money to be contributed by the respective governments. Since this amount depends upon the appropriating bodies of the respective governments, it is necessary to amend the agreements yearly to indicate the respective contributions.

The model proposed by the Institute to be used as a basis for negotiating the 5-year extensions contained a significant statement of objectives:

"To promote and strengthen friendship and understanding between the peoples of the Republic of \_\_\_\_\_ and the United States of America and to further their general welfare;

"To facilitate public health and sanitation activities in \_\_\_\_\_ through cooperative action on the part of the parties to this agreement; and

"To stimulate and increase the interchange between the two countries of knowledge, skills and techniques in the field of public health and sanitation."

#### *Project Agreements*

The programs of the *Servicios* are carried out, for the most part, in the form of individual projects. When a particular activity is agreed upon, such as the construction of a water supply system for a village or a malaria control program for the entire country, a written plan called a project agreement is drawn up and signed by the minister or his representative and the chief of field party. This agreement defines the work to be done and allocates the necessary funds. If, because of unanticipated factors or errors of judgment, the cost of the project exceeds the original estimate, additional funds may be allocated in the same manner. The director of the *Servicio* usually has the authority to make the actual disbursement of funds within the provisions of the project agreements.

The first project to be agreed upon and signed by the respective officials in each country is known as the administrative project. It provides the funds for the establishment of the *Servicio* as a unit of government. The various administrative projects are periodically amended to provide administrative funds for continued operation and are usually terminated

only when the cooperative program is terminated.

The administrative project for Ecuador is typical. It provides funds for the salaries and traveling expenses of administrative personnel (exclusive of the United States field party), purchase of office supplies, communication expenses, purchase and repair of office furniture and equipment, rent for offices and storerooms, and other items of a general administrative nature.

#### *Completion Agreements*

As the name implies, the completion agreement is a document indicating the completion of a project. In this agreement, the minister and the chief of field party, who draw up and sign the document, agree that the work outlined in the project agreement has been completed and that the project is ready to be turned over to the appropriate governmental agency for continued operation. In many of the activities dealing with the training of personnel and perhaps the operation of certain facilities, it is impossible to draw a hard and fast line to indicate the point at which the project is finished.

The completion agreements are designed to provide a complete record of program accomplishments. Whereas the project agreement indicates the goals and plans for an undertaking, the completion agreement indicates exactly what was accomplished. These agreements, if properly maintained, provide a record of problems encountered in the course of the project operation, the techniques used to meet these problems, and the degree of success attained. The completion agreements become a history of the project and are of great value to the *Servicio* personnel in evaluating their own performance and in planning future undertakings. Likewise, they are of considerable value to the agency taking over the responsibility for the future operation of the project. Descriptions of methods which failed, as well as those which succeeded, should be recorded in these agreements to assist in future operations.

The completion agreements also provide a record of the actual expenditures made under the project agreements and any amendments. In addition to the amounts specified in the project agreements, they record any contributions made by third parties, such as municipalities,

states, private individuals, or private agencies. Such contributions may be in cash or in land, buildings, or personal services. The agreements further provide for the disposition of all property, equipment, or materials used in the development of the project.

### Special Projects

An important part of the cooperative program consists of special projects which are financed completely from Institute funds and administered directly by the Institute. Special projects have been utilized in instances in which a worthy undertaking did not lend itself to bilateral action.

One of the major purposes of these projects has been the provision of scholarships and grants to Latin Americans for travel and study in the United States. Other special projects have included the translation of technical articles and books into Spanish; the furnishing of books to medical schools in Latin America; the purchase of blood plasma and its shipment to Guatemala for treatment of casualties during a revolution; the sending of sulfadiazine to Chile during an epidemic of meningitis; and the furnishing of advisory service to the Colombian Government in reorganization of the ministry of health.

### Financial Contributions

The percentage of funds contributed by the United States to the cooperative health programs has varied considerably in the different countries, reflecting to some extent the economic level of the country. For example, in Venezuela the 1951 basic agreement called for a contribution of \$25,000 by the Institute and a contribution of \$502,500 by the Venezuelan Government to the basic program funds of the *Servicio*. However, the *Servicio* had a working arrangement with the Ministry whereby 75 percent of the cost of constructing water supply systems was paid by the government of the Venezuelan State in which a particular project was located. The *Servicio* contributed the other 25 percent. Therefore, on this basis the United States contributed roughly 2 percent and Venezuela contributed 98 percent of the funds.

The cost of the technical assistance supplied by the United States, however, approximated \$115,000, raising the United States contribution to approximately 8 percent and lowering Venezuela's to 92 percent.

In countries having a less favorable economic position than Venezuela, the percentage contributed by the United States has generally been much greater. For example, in Haiti, the United States contribution in money in 1951 was \$84,000 and the basic Haitian contribution was \$255,000, a ratio of 25 percent by the United States to 75 percent by Haiti. The cost to the United States for technical staff, however, was \$87,000; therefore, the United States furnished about 41 percent of the total cost of the *Servicio's* operations.

### Technical Contributions

During the first years of the program, the United States contributed a high percentage of the technical and administrative knowledge and skill that went into the *Servicio* operations. The group of United States technicians, known as the field party, however, has usually numbered less than 10 people in each country. In addition to the chief of field party, who is either a physician or an engineer, the field party may include one or more of the following, depending upon program requirements: nurses, physicians, engineers, health educators, hospital administrators, industrial hygienists, and laboratory technicians. Each field party also includes a business manager, who has the responsibility for the business administrative functions of the field party and usually of the *Servicio*.

As Latin Americans acquired training and experience in the operation of the programs, the contributions of the various Latin American countries in technical skills greatly increased. On June 30, 1951, there were in all countries about 110 United States technicians in the health *Servicios* in comparison to 7,100 Latin Americans.

### Third-Party Contributions

Through June 30, 1951, third-party contributions amounting to almost \$10 million had

been made to the cooperative health program. Most of these funds were contributed by local governments and local citizens groups as an inducement to secure *Servicio* assistance in some local project, such as a water supply or sewerage system, or a hospital or health center. As previously mentioned, the *Servicio* in Venezuela would not, by policy, undertake a project until a State, acting as a third party to a special project, should commit itself to contribute two-thirds of the funds.

In addition to the \$10 million contributed in funds, a conservatively estimated \$6.5 million contribution in other than cash has been made by third parties. Lack of uniformity in the reporting process among the various *Servicios* and the variety of forms which third-party contributions take make for difficulty in obtaining an accurate estimate. For example, in the construction of water supply systems in Honduras, villagers contributed their own labor to dig ditches and carried water pipe by burro. When the trails ended, they carried the pipe on their own backs over a range of mountains.

The value derived from third-party contributions is, of course, far greater than any monetary approximation would indicate. It has been well demonstrated in many countries that the monetary contributions are manifestations of the interest of the community in a project. Experience has shown that where the people of a community have had an active part in the planning, financing, and development of a facility, the chances for its continued operation at a satisfactory level of efficiency are much greater than where the people have not taken an active part.

Unfortunately, facilities have been developed by *Servicios*, perhaps upon a valid basis of need, but without sufficient attention to community understanding, encouragement of community participation, and careful evaluation of community economic status as related to financial ability necessary for maintenance.

## The *Servicio*

The *Servicio* has come to be the trade-mark of the Institute of Inter-American Affairs. It is the administrative framework within which

the two countries which are parties to a bilateral agreement pool a portion of their economic and technical resources in order, in the case of health, to raise the health level of the host nation and promote, develop, and perpetuate a sound health program.

In most countries, the health *Servicio* is set up as a major operating division of the ministry of health. The director of the *Servicio* is on the same executive level as the directors of the other major divisions of the ministry, and organizational charts show the director of the *Servicio* reporting directly to the minister. The only exception to this pattern is in Chile, where the *Servicio* is within the National Health Service, and the administrative line runs from the director of the *Servicio* to the Director General of Health and then to the Minister of Health.

### *Field Party Members*

Members of the field party occupy key positions in the *Servicio's* administrative structure. In all countries except Brazil, the chief of field party is the director of the *Servicio*. In some countries, other members of the field party hold administrative positions within the *Servicio* and are given official recognition by appointment by the national government; in others, by designation of the director of the *Servicio*. Although there has been no uniform definition of their administrative responsibilities with relation to the *Servicio's* national employees, the influence of the field party members on administration does not appear to have been greatly lessened by this lack.

The chief of field party as director of the *Servicio* generally has a dual administrative responsibility. As chief of field party, he is responsible for the supervision of Institute personnel in the field and for the Institute's participation in the cooperative program. As such, he is on equal footing with the minister of health in negotiating basic agreements and in determining the program to be followed by the *Servicio*. However, the chief of field party as director of the *Servicio* is subject to the administrative direction of the minister, at least theoretically, since the *Servicio* is a part of the ministry. There is a considerable variation from country to country as to how much administrative direction is given by the minister, but

in most countries it appears that the chief of field party has exercised very wide latitude in determining program content and in supervising its execution.

In Chile, the field party members, with the exception of the chief of field party, hold official positions within the *Servicio* but are designated as consultants to a national counterpart. The relative influence exerted by the different members of the field party on the administration of the program appear to depend much more on the individual's capabilities than on his official designation.

In Brazil, a national replaced the chief of field party as administrative head of the *Servicio* after the program had been in operation 2 years. The chief of field party, as the United States representative, continued to approve all expenditure of *Servicio* funds and served in an advisory capacity to the Brazilian director. As local counterparts of other members of the field party were trained to the point where they could assume the responsibility for direct program administration, the other United States technicians in Brazil also stepped aside and became consultants.

In some countries there would seem to be little justification for not training local personnel and transferring operational responsibility to them in a relatively short time. In others, because of such factors as frequent changes in government, general economic and political instability, and a scarcity of trained personnel, the process necessarily must be much slower. Every effort should be made in all countries to train local counterparts of the United States technicians, even though it may not be practicable to turn over complete administrative responsibility for some time.

#### *Relationship to Other Ministries*

Although the *Servicio* is an administrative unit of the ministry of health, some members of the field party are engaged in work as consultants to, or are closely associated with, another ministry or unit of government other than the ministry of health. For example, it is not unusual for a nurse consultant assigned to the field party to have as her primary assignment work with a school of nursing located in

the ministry of education or some other branch of government.

The *Servicio* may not only conduct a major program which involves working closely with another ministry, but it may actually be performing activities which would normally be performed by another ministry. For example, in Ecuador the *Servicio* has engaged in a large program of building water supply and sewage systems, an activity which would normally be performed by the ministry of public works. The *Servicio's* activities in that field have necessarily been closely coordinated with that ministry's activities.

It has become clear that the *Servicio* should be administratively attached to that ministry of government having the major responsibility for the field of activity for which the *Servicio* is established. In establishing *Servicios* in the field of health and sanitation in Latin America, the choice of ministries is fairly obvious, since most ministries of health have the major responsibility for public health and a substantial responsibility for hospital and institutional care. It is not unusual, however, to find education, welfare, health, and other functions in the same ministry. The *Ministerio de Previsión Social* of Ecuador, for example, has responsibility for public health, the federally administered hospitals, welfare, labor, and fire-fighting services.

It is of paramount importance that all activities of the *Servicio* be carried out in close collaboration with that unit of the national government which has the responsibility for the specific function or which will be expected to assume such responsibility at the time the *Servicio* can turn it over for local administration.

#### Principles of Administration

As there are great differences in the size and type of programs in the various countries, it is to be expected that organizational differences should exist. Even so, the various programs illustrate extremes both of well-organized operations with defined administrative lines of authority and responsibility and of poorly organized operations without clearly defined lines of authority and responsibility.

Proper supervision within a field party and

within a *Servicio* can be achieved only when the organizational structure is so defined that all employees have a clear understanding of their responsibility and authority, including their administrative "chain of command." It is extremely important that the chief of party give impartial and adequate supervision and con-

sultation to Institute and national personnel responsible for each type of activity. It is also important that the members of the field party keep the chief informed of developments in their programs, particularly if these developments are likely to have implications which would affect the total *Servicio* program.



---

10-year evaluation of the Bilateral Health Programs, Institute of Inter-American Affairs

---

## The Servicio as an Administrative Device

EVALUATION of the *Servicio* as an administrative device for implementing the cooperative health and sanitation programs in Latin America necessarily took into account both the advantages and the disadvantages of this arrangement. No contention was made, however, that other administrative arrangements might not have served as well.

The characteristics of the *Servicio* considered advantageous include its continuous existence, its official status as an administrative unit of the host government, its large amount of freedom, from administrative controls of both the host government and the United States Government, and its stability. Thus, the *Servicio* provides an operational framework for technical assistance, facilitates the translation of plans into action, contributes to the training of nationals in technical skills, provides a base for indirect assistance to ministries other than the one in which it is established, and offers an opportunity for training nationals in general administration.

### An Organizational Framework

Since the *Servicio* is an actual administrative unit of the host country, the technicians arriving from the United States have an established base of operations, with facilities for office space, clerical assistance, supplies, telephones, and related supplies and services. Of even greater importance is the fact that the *Servicios*

have existed in most countries as a stable unit of government for 10 years, thus permitting the establishment and maintenance of lines of communication and contact between *Servicio* personnel and all other officials and offices of the host government.

A large body of knowledge exists within the *Servicio* personnel regarding the operations of the host government which may affect the work of the *Servicio*. Knowledge of local protocol and of the methods and channels to be followed for the most expeditious application of the technical skills represented in the field party is preserved, even though the personnel of the field party changes.

### Official Status

Opportunity for accomplishment of objectives by the field party is greatly enhanced by the official status accorded the *Servicio*. Such status opens many doors and makes available many operational facilities which otherwise would not be, at least without time-consuming negotiations.

As an official part of the national ministry, the *Servicio*, under the direction of the chief of field party, is in a position to carry out an operational program. Thus, once the minister and the chief of field party have agreed upon a program, the skills of the technical personnel may be applied to demonstrations under controlled conditions. Operational decisions may