

February 7, 1978

MEMORANDUM

TO: AA/DS, Mr. Sander Levin

FROM: DS/POP, R. T. Ravenholt  
J. Joseph Speidel

SUBJECT: Constraints on AID's Population Assistance Program

We wish to provide you with our most recent view of problems facing AID's Population Program Assistance effort in order to facilitate strengthening and improvement of this program so it may move forward more vigorously and effectively.

While there are many barriers and constraints relating to successful implementation of population programs imposed by conditions in developing countries, this memorandum focuses on constraints over which we have the greatest control and therefore offer the greatest opportunity for successful removal and resolution in the near future.

STAFFING

Perhaps the most serious and chronic problem faced by AID's population program is understaffing. Since the program was mandated by the Congress in 1967, the Agency has failed to allocate adequate numbers of staff positions to the population program to allow most effective and efficient management of Congressional appropriations for population. Unfortunately, the population program has been the victim of the dilemma faced by any bureaucracy which must increase the staffing of a major new initiative while at the same time undergoing a severe reduction in overall staffing. Seemingly an inability to eliminate positions in old, obsolete programs has contributed to failure to establish adequate positions for the new population initiative. For example, in 1971, 151 positions were devoted to the population program, which amounted to 2.3% of AID's total staff of 6,513 while the population appropriation amounted to 5.3% of the total appropriation for AID. This ratio has remained little changed to the present. Fiscal 1977 population funds were about 5% of the total \$3.2 billion AID budget while worldwide population staffing was only 2 1/2% of the total AID staff.

The proposed reorganization, in spite of statements that it is intended to strengthen professional capability within AID, will further seriously weaken the cadre of population professionals within the Agency. The reorganization proposes to transfer 10 of the 68 professional positions from the Office of Population and to cancel 9 additional professional positions. The cancellation of 9 professional positions is a 13% cut in professional staff and the loss of 19 positions is a cut of 28%.

It may be argued that the transfer of the 10 positions will not result in the weakening of population staff within the Agency. However, we are not assured all of these positions will remain in the population area or that their incumbents will be allowed to work full time on population within the Geographic Bureaus. Perhaps two to three mid level population positions will be established in each of the Geographic Bureaus. But whatever figure is used it is apparent that there will be a reduction in staff devoted to population which will seriously weaken the Agency's ability effectively to manage the population program.

The attached table I and figure I show the number of central positions authorized for work on population programs compared to funding. If, as has been pointed out, these funding levels were presented in constant 1972 dollars, the ratio of dollars per person would be a more constant figure. We also agree with your recent observation that dollars per person is only one way to assess personnel needs of an organization and that some projects and programs are relatively labor intensive and others less so. However, it is also true that the Office of Population, since program inception in FY 1967, has used intermediaries and wholesalers to the maximum degree possible because of chronic understaffing. Throughout this entire period we have been forced into the undesirable position of being unable to staff adequately to best manage our inventory of 100 to 150 major projects and subprojects and to carry out other non-project program activity. We are therefore unimpressed with the argument that since we have developed wholesaling operations to a greater extent than other offices within AID that less staff is necessary for us compared to other offices.

Compared to other offices within AID and those of other organizations carrying on similar activities (see table 2) it becomes even more apparent how understaffed AID's population activities have been. Within the total DSB staff of 341, only 65 or 19% are in the Office of Population. Yet the total DSB 1979 budget for non-population amounts to \$123 million while the 1979 budget for the Office of Population amounts to \$163 million including contraceptives. Compared to other DSB offices the Office of Population must manage from twice to 10 times as much funds per person.

Numbers are just one part of the staffing problems which we face. We agree fully with the Reorganization Report's observations that the number of managers and generalists is excessive compared to those with professional technical expertise in a given subject area. Yet we see little being done to remedy the situation. In fact, through a combination of down gradings of existing professional positions by job classifiers and job freezes on outside hires needed to bring in technically qualified individuals, numerically, the technical quality of AID's population staff has at best remained stagnant over the past year. Staff cuts and inability to fill empty positions has also had an adverse affect on morale. Inability to recruit or upgrade positions also hampers our efforts to recruit and advance qualified women and minority professionals. We are told that the current hiring freeze and elimination of positions results from a cut in AID's operating budget by Congress. We are given to understand the operating budget is low partially because of an error in AID's Congressional presentation yet, as far as we know, there has been no effort to explain this situation to Congress and to seek relief.

In summary, we need to improve the quality of the professional staff by selecting and appropriately placing individuals with population expertise and proven ability to manage population programs. We need to provide appropriate grade structure and clear career patterns for these individuals and to recruit within and outside the Agency. The Office of Population which had a staff with authorized positions of 103 in 1974 has been cut back to 65. Only 49 of these 65 are professionals.

The situation overseas is similar. In the early 1970s we had about 75 individuals working in overseas Missions full or part time on population activities. This number has declined to about 35. It is our view that each country Mission should have a population officer and those with large programs require two to three such officers and appropriate local professional assistants, administrative, and secretarial support. Despite the stated goal of reorganization: to increase effective technical expertise in the Missions,

this has not happened in the population program. A serious, determined effort to implement population program assistance requires skilled dedicated full time professional staff in Washington or overseas. Currently, the situation is worsening not improving. it is our judgment that to implement this program in a fully satisfactory way would require a considerable increase in total staffing. We recommend approximately 100 population officers stationed overseas, ordinarily several per large country, and a staff of approximately 100 in Washington.

#### ORGANIZATION AND ADMINISTRATION

Reorganization of AID offers considerable opportunity to improve the Agency's organization, administration, and program efficiency.

Unfortunately, from our perspective, the reorganization is pursuing some fundamentally unsound strategies, In other areas where there was agreement benefits would result from reorganization there appears to be a considerable gap between what was proposed and what is actually occurring. For example, the reorganization report proposed a substantial increase in Mission capability, yet actions to date indicate little prospect of increasing Mission strength in the population field. We are unaware of any efforts to establish new positions or upgrade current low level positions for population officers.

The reorganization also noted that AID's work force was weak in the major professional technical development disciplines. It pointed out that only 395 employees or 15% of the professional staff were qualified in the priority functional areas of agricultural, health, population and education whereas 1646 employees or 65% of the professional staff were devoted to program/economics, administration, controller, general services, audit, legal and procurement. The cuts in population professional staff now being made are not consistent with the reorganization recommendation to strengthen professional technical staff.

The report also stressed simplifying AID operating procedures but to date there has been little or no change in the complexity of documentation and the number of steps required to bring a project to fruition. Charles Johnson's memo on this subject is attached. Particularly in a smaller agency with a smaller staff, communications should be easier and it should be possible to simplify the tedious procedures and series of committees which must be traversed by any project. Yet, this reorganization appears to be considering additional "coordination" mechanisms which would increase the number of steps in program development, and the number of actors relating to each individual action and the number of committees. Although these actions may be taken in the name of improved communications and to foster further integration of projects and programs, they will consume huge, additional amounts of time better devoted to technical strengthening of program activities and thus be counterproductive to individual program achievement.

We have expressed our serious concern regarding the transfer of backstop responsibility for country population activities to each of the Geographic Bureaus rather than relying on the larger and better qualified staff available in the Office of Population. We are of the view that the functionally unified backstop for population programs has been more successful than other organizational patterns. As the reorganization takes shape, our concern regarding this new pattern of operation deepens. The Agency appears to be going back to the pattern set in 1961 when AID was established, when technical staff was scattered from the strong central technical groups to geographical bureaus. AID was unable to create adequate technical strength for each

function in each of four geographic bureaus then, and it appears more unlikely that it can be accomplished now with the overall AID staff much smaller than it was then and especially with the very small staff now available for population work in the Agency. Furthermore, the theory that the few technicians in the geographic bureaus would rely on the greater technical expertise in the central unit was not borne out in practice and is unlikely to be the case after the current reorganization. Current plans to establish one or two individuals with grades perhaps at the level of 12 or 13 (see ANNE memo on this matter attached) suggests a considerable degradation in AID's ability to backstop Mission and country population programs. Additionally, it appears that these few individuals in each geographic bureau will otherwise have responsibilities in addition to working on population.

The staffing pattern which has existed in the Office of Population provided four full time professionals to backstop each geographic region's country population program with a senior supervisor. Under the reorganization only about half the number of staff will be available. This in conjunction with separation of the geographic bureaus population staff from technical personnel of the Office of Population, will result in further degradation of the Agency's ability to initiate and backstop country population programs.

With severe staffing problems of their own, aggravated by the unexpected cut in operating funds, the Geographic Bureaus have shown little enthusiasm to vigorously pick up the additional responsibility for backstopping bilateral population projects. Meanwhile the Office of Population is being denuded of staff necessary to carry out this function. The net result, unless something is changed, will be a serious failure of needed support for these crucial bilateral country population programs. (See Mexico 01357 attached expressing concern in this regard.) Accordingly, we recommend retention of the current unified pattern of support for population activities with responsibility for these activities placed within the Office of Population. At least until such a time as the geographic bureaus, will have demonstrated their capacity to pick up the field support baton.

We further recommend that other functional areas such as health, agriculture etc. be allowed to emulate the successful pattern of operation pioneered by population with a strong central functionally organized unit backstopping and assisting the field rather than pattern of divided support and responsibility now being created.

## POLICY

### Loans Versus Grants

An impediment to the population assistance effort in several of the largest country programs has been the requirement that contraceptive commodities be provided through loans rather than by grants. The history of support for social development, in contrast to capital development projects, suggests that most LDCs are reluctant to use loans for social development activities they must later repay from general revenues. The experience of AID in a few countries such as Turkey, India, Pakistan, Indonesia and the Philippines suggests that loans move very slowly, if at all, for family planning purposes. The World Bank's experience in making loan funds available for population and family planning is a case in point: the loan mechanism triggers expenditures too late to fund a dynamic program where time is of utmost importance. The removal of the requirements for loan funding would increase the effectiveness of population assistance.

### Overseas Profile

The State Department and the Ambassadors make the critical decisions on the size and staffing of USAID Missions consistent with their decision on overall U. S. representation in country. We believe the Ambassador and Mission Director should again be urged to establish one or two positions of suitable rank in each country who would report directly to the Ambassador or Mission Director on their conduct of Population activities. Currently there is no clearly identifiable and adequately staffed locus of responsibility for population matters in the embassy or mission of many countries.

### Helms Amendment

A major policy impediment which seriously reduces U. S. ability to more effectively support LDC family planning programs relates to the Helms Amendment prohibiting use of AID funds to support abortion as a means of family planning. Two-thirds of the countries of the world allow abortion legally on reasonable indications. Termination of pregnancy is one of the five major fertility control technologies. It is in tremendous demand as can be seen by the sometimes untoward results of millions of abortions in LDCs performed by untrained persons. To allow the Agency to respond to legitimate requests for abortion assistance which the U. S. Supreme Court has declared to be the right of every American woman, would provide a quantum improvement in the health of women and in the effectiveness of LDC population programs.

### Human Rights

In some countries political concerns and human rights considerations have necessitated cessation of funding for critical population projects. An exception for population, such as that now made for drug control activities, especially to allow support for non-governmental projects would, ensure the maintenance of momentum of family planning programs in these countries. Since the right of individuals and couples to information and means for family planning is itself a basic human right, to cut all such assistance because other rights are denied represents a dual deprivation.

### FUNDS

Another serious problem hampering AID's ability to provide adequate population assistance is lack of funds. Experience with family planning programs suggests that application of very limited resources has resulted in considerable, in fact historically unprecedented, declines in birth rates. Although tens of millions of births have been averted by the AID program since their inception, this crucial area of social change is still being provided with very limited resources.

The world population is now about 4 billion--one-half of whom (2 billion) live in developing countries exclusive of China.

Experience to date indicates that \$2 to \$3 per capita of international population program assistance is needed to enable a developing country to rapidly achieve fertility control self-sufficiency. Since 1965 almost \$2 billion has been provided by donor countries for international population program assistance; and to get the essential work done, the world community

must provide at least \$3 billion more during the next decade. Although AID provided nearly 60 percent of all international population assistance in the period 1965 to 1977, a sum totaling \$1 billion, this represented only 5 cents per capita per year. As shown in table 3 attached, AID expenditures per LDC individual are neither adequate nor increasing. Population assistance from all countries together with LDC population budgets provide only about 30% of the total amount that is needed annually to provide minimal services.

It is not surprising that the severely limited resources applied to family planning activities in LDCs have not solved all of the problems of excess fertility. It is surprising that so much has been accomplished. The proposed \$200 million AID budget for worldwide population program assistance in fiscal year 1979 amounts to the cost of but a few fighter planes or a bit more than the usual annual budget cost of the D. C. Public School System.

#### CONCLUSIONS

We believe you can understand our feelings of dismay as we review the progress of this supposedly high priority program in recent years. In constant dollars the funds available have been drifting downward. They are now less than 10 cents per person in LDCs. The trend line for the numbers of our staff is even more steeply downward. From a worldwide population staff of about 175 in the early 1970s there are now a little over 100 when the reorganization is complete. Furthermore the organization of the population program appears to be evolving to a pattern previously found less efficient than the current pattern. We hope we can work together in the New Year to reverse these distressing trends and to eliminate policy obstacles to rapid implementation of this important program.

Table 1

AID Office of Population Staff and Funding1967 - 1979

<u>Year</u>	<u>Authorized Positions</u>	<u>Funds (Millions of \$)</u>	<u>Ratio of dollars per person (in millions)</u>
1967	4	1.1 **	0.2
1968	28	11.6 **	0.4
1969	36	21.4 **	0.6
1970	54	28.3 **	0.5
1971	67	53.3 **	0.8
1972	95	123.3	1.3
1973	95	125.6	1.3
1974	103	112.4	1.1
1975	80	110.0	1.4
1976*	81	103.0	1.3
1977	89	140.3	1.6
1978	65	160.1 **	2.5
1979	65	163.3**(central proposed)	2.5

\* excludes TQ

\*\* excludes bilateral and regional funds

Table 2

Professional Staff and Budget of Various Organizations  
Supporting LDC Population Programs

<u>Organization</u>	<u>Professional Staff</u>	<u>1978 Budget (\$ millions)</u>	<u>Ratio of \$ Per Professional (\$ millions)</u>
AID - Office of Population	49 <u>a/</u>	161.8	3.30
UNFPA	67 <u>b/</u>	105.0	1.56
IPPF	98 <u>c/</u>	30.0	.31
Population Council	75 <u>b/</u>	12.7	.17

Professional Staff and Budgets of Multilateral Organizations

UNICEF	323	152.0 <u>d/</u>	.47
FAO	957	105.6 <u>d/</u>	.11
UNESCO	1022	112.2 <u>d/</u>	.11
WHO	1773	147.2 <u>d/</u>	.08

- a/ central staff, Washington  
b/ central staff, New York  
c/ central staff, London  
d/ estimated regular budget, 1977

Table 3

LDC Population (exclusive of China)  
vs AID Title X Funding, 1967-1979

Year	Population in billions)	Title X funds (millions of \$)	Title X funds in 1972 \$ (millions of \$)	Title X dollars per LDC population (in cents)	Title X dollars per LDC population in 1972 dollars (in cents)
1967	1.62	4.4		.27	
1968	1.67	34.8		2.1	
1969	1.71	45.4		2.6	
1970	1.75	74.6		4.3	
1971	1.80	95.9		5.3	
1972	1.84	123.3	123.3	6.7	6.7
1973	1.89	125.6	121.8	6.6	6.4
1974	1.94	112.4	102.2	5.8	5.3
1975	2.00	110.0	89.1	5.5	4.5
1976*	2.05	103.0	76.2	5.0	3.7
1977	2.11	140.3	94.0	6.6	4.5
1978	2.16	160.1	99.3	7.4	4.6
1979	2.22	205.5	107.2	8.5	4.8

\* excludes TQ funds