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AMERICAN TECHNICAL ASSISTANCE CORPORATION

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August 11, 1971

Mr. Herman Myers
Agency for International Development
Room #3918
State Department
Washington, D. C.

Subject: Task Order VII, Contract AID LA-649
Michigan State University/Latin
American Market Planning Center

Dear Mr. Myers:

The attached material is supplemental to the draft prospectus submitted June 28, 1971, and amplifies and modifies that document. It consists of:

- (1) An evaluation logic of the MSU/LAMP program;
- (2) A list of questions related to the logic;
- (3) A list of persons knowledgeable about some phase of the LAMP/MSU work who we will seek to interview; and
- (4) A curriculum vitae of Dr. Lehman P. Fletcher of Iowa State University who with the undersigned will conduct the evaluation;
- (5) A modified schedule and budget.

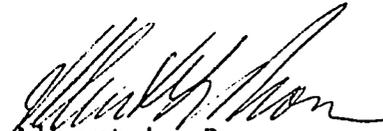
In order to utilize Dr. Fletcher's limited time to the utmost, I have concentrated our joint field time into two weeks in Colombia and Brazil (August 22 - September 4) taking maximum advantage of night and weekend travel. I plan to leave August 16 to review the La Paz project and the Panama consultation. By that time, initial interviews will have been held with most of the people presently available at MSU and in Washington, and a format developed for recording frequency distribution of answers to selected questions.

Mr. Herman Myers
Agency for International Development

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Please let me know if I can provide additional information.

Sincerely,



Albert L. Brown

ALB/mb

Enclosures - 5

ATTACHMENT #1 - EVALUATION LOGIC

MICHIGAN STATE UNIVERSITY
LATIN AMERICAN MARKET PLANNING CENTER

INPUT - A funded contract to establish LAMP - a joint undertaking of the Department of Marketing, School of Business and the Department of Agricultural Economics, School of Agriculture, Michigan State University. Funds support individuals (professors and graduate students) on campus and in the field to (1) conduct detailed study of integrated market systems, and (2) provide advice on market problems. Research and advisory work was carried out primarily in La Paz, Recife and Cali, with recent additional consultation in Bogota and Panama.

OUTPUT - Institutionalization of capability to learn about and understand integrated marketing systems and advise on their modification.

Indicators

1. Research performed and understanding achieved-hypotheses proved
2. Data amassed and analyzed
3. Institutions created or strengthened
4. Local professionals trained and positioned
5. U.S. professionals trained and positioned
6. Publications and other communications

PURPOSE - To enable responsible Government agencies to manipulate the marketing mechanism in an intelligent manner.

Indicators

1. Changed attitudes about the nature and importance of market systems to development.
2. Policies proposed or announced
3. Programs and projects being planned or implemented

GOAL - To use the market mechanism as

a stimulator

a regulator

a communicator

for
developmental
purposes

ATTACHMENT #2 - SAMPLE QUESTIONS

It is our intent to raise some or all of the following questions with any of those individuals (Attachment #3) who may be able to render informed opinion on the work of MSU/LAMP and on the utility of that work to current problems. These questions relate directly to the foregoing evaluation logic (Attachment #1).

1. The Project Inputs. Our principal concern is to describe the three individual studies, the events leading up to them, and the conditions under which they were carried out. This will provide a basis for judging the adequacy of planning, support and implementation and permit recommendations on possible improvements.

A. Objectives and Plans.

(1) Country Selection and Preparation. How incisive was the assessment of opportunity? How well did all parties understand their respective commitments? Were these commitments reflected adequately in agreements?

(2) Implementation.

a. Work Plans. Was a detailed plan developed and carried out? How carefully was this prepared and negotiated? What were the significant differences among the three projects?

- b. Direction. Who was responsible for leadership? How did management arrangements affect research implementation and results? staff training and development?
- c. Staff. Where did U.S. and local personnel come from? What was their motivation and commitment? What were their qualifications? What roles did they play?
- d. Funding. What were the sources and amounts of cash and kind contributions? Were these contributions available as needed? If not, what kinds of problems resulted?
- e. Administration. How were staff deployed? Were they adequately supported? If not, what problems resulted?

II. The Expected Project Outputs.

A. Development of U.S. capacity to assist in marketing programs - the 211(d) type objective.

(1) Enhancement of LAMP capacity.

- a. Increased availability of qualified U.S. staff (numbers, qualifications, location) as a result of the LAMP project.
- b. Has professional understanding of integrated marketing systems been increased by the LAMP research?

- c. Has LAMP developed a research methodology for learning about market systems?
 - d. Has LAMP developed an operating methodology for advising AID and Latin American institutions about marketing? How well are they able to explain marketing principles?
- (2) Enhancement of U.S. understanding and capacity
- a. Publications, seminars, other communications of LAMP research.
 - b. Extent of professional interest in the relationships of integrated marketing systems to development.
- B. Development of host country capacity to assist in marketing reform - the national institutional objective.
- (1) Were new market regulating agencies established or the capacity of existing agencies enhanced by the LAMP operation? Was this an intentional result or a fall out?
- (2) Are former local staff of LAMP project engaged in marketing activities? If so, how do these activities relate to the LAMP study? Did participation in the LAMP study improve their career opportunities?
- (3) Extent of local professional interest generated in marketing by the LAMP study.
- (4) Additional uses to which data developed by the LAMP study has been put.

C. Improved understanding of integrated marketing systems- the research objective. By its nature, research is exploratory and the significance of its end product is unpredictable. However, the probability of success can be improved by the care which goes into design and implementation, while the significance of research findings can be enhanced by thoughtful analysis and careful presentation. This is an exquisitely difficult area to measure, requiring primary reliance on judgment of highly qualified professionals whose personal knowledge of the field can provide a basis for comparison.

- (1) Adequacy of research design
- (2) Adequacy of research implementation
- (3) Adequacy of analysis, avoidance of bias
- (4) Adequacy of presentation
- (5) Professional significance of findings

III. The Purpose. Has the research and resultant report and recommendations helped the national development authority to manipulate the market mechanism in a more effective manner?

A. Have the report and its recommendations helped authorities to understand the market system? What evidence can be adduced as to changes in attitudes among national planners and program managers as to the characteristics of the marketing system and its importance to development?

- B. Has this information been directly useful in developing policies, programs, projects? Cite examples.
 - (1) If there has been a significant change in marketing during or since the study, how does this relate to the study?
 - (2) If there has not been a change, how might a better study have helped instigate it?

- C. What are seen as faults or weaknesses of the report and recommendations from the point of view of operational end users? How can these be remedied in the future?

- D. How have the recommendations of the study been received? Has action begun on implementation?

- E. Are the institutions created or strengthened and the people trained through the LAMP program being used and supported effectively?

IV. The Goal. If answers to the foregoing questions indicate positive progress over time and a clearly defined attempt to use the market system for development purposes, we would then:

- A. Seek to identify the primary purpose, e.g., to stimulate, regulate or communicate, or some combination.

- B. Identify the principal mechanisms being used, e.g. extension, marketing credit, pricing policies, and the extent of their success.
- C. Relate the foregoing to the LAMP studies either in a causal or a coincidental manner.

ATTACHMENT #3 - PLANNED INTERVIEWS

The following lists note the people who have been recommended for interview either because of their involvement in the conduct of the studies, or their specialized knowledge of marketing and/or of the research reports. People formerly involved in a country study and now in the Washington area are listed in both places. No follow-up is planned for anyone who is not at one of the sites included for visit. Two exceptions to this policy are telephone interviews with Charles Slater, former MSU/LAMP Co-Director and John Wish, former Chief of Party on Bolivia Study.

The list is necessarily incomplete. We expect to add to it in each country.

I. COLOMBIA

A. Bogota

<u>Name</u>	<u>Current Position or Address</u>	<u>Relationship to Study</u>
Tomas Lopez	Vice Minister of Agriculture	Observer
German Feged	Manager, Corporacion de Abastecimientos de Bogota (CORABASTOS)	CORASBASTOS follow-on to LAMP/CALI
Nelson Suarez	Technical Director, CORABASTOS	Co-Director LAMP Mktg. Study in Cali
Armando Samper	Rector, Universidad de Bogota	Former Minister of Agriculture
Wade Gregory	USDA PASA Team Leader Ministry of Agriculture	Observer, Agricultural Economist
Fernando Villamizar	Director, Office of Planning IDEMA	Official Storage/ Stabilization Agency
Hugo Gonzales	CORABASTOS	Staff Member LAMP/Cali
Romulo Campo	"	"
Aldo Patruno	"	"
Alvaro Hernandez	"	"
Angusto Cano	Asst. Director, Planeacion	Negotiator LAMP/Cali Agreement
Camilo Cardenas	Legal Section, Planeacion	Negotiator LAMP/Cali Agreement
Marvin Weissman	D/USAID/Colombia	D/USAID/Colombia
Howard Harper	RDO/USAID/Colombia	RDO/USAID/Colombia
Kenneth McDermott	RDO/USAID/Colombia	RDO/USAID/Colombia
Leonard Kornfeld	AD/Program/USAID/Colombia	
Jimmy Philpott	Program Officer USAID/Colombia	
Omar Botero	Agricultural Sector Analysis	Ministry of Agriculture Agricultural Economist

A. Bogota, Page 2

<u>Name</u>	<u>Current Position or Address</u>	<u>Relationship to Study</u>
Ligia Fonseca	Secretary RD/USAID/Colombia	File Information
Jose Maria Perez	IDB/Bogota	Storage Project Engineer
Harold Riley	USAID Colombia/MSU	Former LAMP CoDirector
Laughlin Curry		Economist

B. Cali

Name	Current Position or Address	Relationship to Study
Henry Eder	Manager, CVC	CVC Co-sponsored
Oscar Mazuera	Head, CVC Office of Economics	CVC Co-sponsored
Alfonso Blum	Acting Manager Corporacion de Abastecimientos de Cali	Staff member LAMP/Cali
Gerry Trant	Centro Internacional de Agricultura Tropical (CIAT)	Agricultural Economics Observer
David Lloyd Clark	Manager Belmonte Supermarkets	Staff member LAMP/Cali
John DeWitt	US Consul	Observer
Geraldo de Francisco		Former Manager EMSIRVA (co-sponsor)
Fernando Solorzano	Regional Director DANE	Colombia statistical Agency
Roberto Moncado	Chief of Personnel, CVC	Staff locator

II. BRAZIL

A. Recife

<u>Name</u>	<u>Current Position or Address</u>	<u>Relationship to Study</u>
Harlan Davis	RDO/Recife	
Donor Lion	Assoc. Director/Recife USAID/BRA Consul General	
Ferdinando Neves	Deputy Director SUDINE	CoDirector LAMP/Recife
Jose Anchieta Espinola Pinto Coelho	Director Division of Food Supply SUDENE	
Leonardo V. deSa Barretto Sampaio	SUDENE	Staff LAMP/Recife
Jaime de Souza Terencio		Staff LAMP/Recife
Freeman Smith	IDS/Washington	RDO/USAID/Recife
Philip Smith	AID/Washington	RDO/USAID/Recife
James Lockard	AID/Washington	Program Officer/ Recife
Philip Schwab	AID/Washington	AD/USAID/Recife
Shepard Hollander	AID/Washington	Assoc. Director/ Recife

B. Rio

<u>Name</u>	<u>Current Position or Address</u>	<u>Relationship to Study</u>
Michael J. Moran	Course Coordinator CICOM	Observer - New PROP
Vicente Fernandez	Project Co-director CICOM	Observer - New PROP
Ed Shuh	Ford Foundation/Rio	
Rudolfo Beck	IDB/Rio	
(Ask Beck)	ATEAI	Niteroi & Rio Feasibility Study
(Ask Beck)	Hydroservice	Fortaleza & Belo Horizonte Feasibility Study
Vivacqua (Ask Beck)	BNDE	Development Banker

C. Brazilia

<u>Name</u>	<u>Current Position or Address</u>	<u>Relationship to Study</u>
William Ellis	D/USAID	
William Rodgers	RDO/USAID	
Dwight Johnson	AD/Capital Development/USAID	
D. J. Mackell	Capital Development Officer	NE Agricultural Marketing Loan
S. Krause	Marketing Advisor/USAID	"
Francisco Veira	Minag/Agric. Econ.	Former Head of Market News Service
Antonio Chavez	Director GEMAB	Executive Agency Ag Mktg Loan
Roberto Pineiro	Technical Director COBAL	Executive Agency Ag Mktg Loan

III. BOLIVIA

<u>Name</u>	<u>Current Position or Address</u>	<u>Relationship to Study</u>
Raul Vivado	Director, Industrial Productivity Center	AID Channel for LAMP/Bolivia
Irving Tragen		D/USAID/Bolivia
Ed Coy		D/USAID/Bolivia
Gordon Daniels	Acting D/USAID/Bolivia	Industrial/Mktg USAID/Bolivia
Ed Faison		
Milton Lobel		RDO/USAID/Bolivia
Jack Morris	RDO/USAID/Brazil	DRDO/USAID/Bolivia
John Wish (Jerry)	Professor, Dept. of Marketing University of Oregon, Eugene.	Chief of Party LAMP/Bolivia
Don Henley	Professor, CoDirector LAMP	Major MSU consultant LAMP/Bolivia
Vince Farace	Professor, Communications MSU	MSU consultant LAMP/Bolivia
Dave Lindley	New York Advertising Firm	Masters degree candidate communication
Alfredo Mercado		Counterpart Chief of Party LAMP/Bolivia
Nilo Robles	cooperative group	Staff Researcher LAMP/Bolivia
Lloyd Jacobs		Staff Researcher LAMP/Bolivia contracted locally
Mario Vizcarra	Ministry of Agriculture	Observer
Marcos Paredes	University of the Andes Marketing Professor	Observer
Gonzalo Rodriguez	Artist	Staff researcher
Lou Perez	D/USAID/Peru	Capital Development Officer
Dave Lazar	Vietnam to AID/W	DD/USAID/Bolivia

IV. WASHINGTON

Name	Current Position or Address	Relationship to Study
Larry Witt	AID/TA/AGF	USDA Mktg PASA Back-stop
Art Coutu	AID/TA/AGF	Ag Economist
Remy Freire	OAS/W	Ag Economist
Tom Carrol	IDB/W	Ag Economist
Medford Alexander	IDB/W	Mktg Specialist
Jack Kozub	IDB/W	Mktg Specialist
Jose Soto Angli	"	"
Francisco Andrade	"	Agric Economist
Dr. Dragisic	"	Economist for Brazil
Frank Meissner	"	Mktg Specialist
J. K. McDermott	AID/W	Colombia
George Phillips	"	Bolivia Desk
Martin Stoller	Earth Satellite Corp.	Mktg. Advisor
Freeman Smith	IDS	Recife
Phillip Smith	AID/W	Recife
James Lockard	"	"
Phillip Schwab	"	"
Irving Tragen	ISDI	Bolivia
Shepard Hollander	AID/W	Recife
Donor Lion	AID/W	Recife
Dave Lazar		Bolivia
Genza		

ATTACHMENT #4 - CURRICULUM VITA

Name: Lehman B. Fletcher

Address: Department of Economics
Iowa State University
Ames, Iowa 50010
Telephone: (515) - 294-2701

Present Position:

Professor of Economics, Iowa State University, 1966 to present
Director of Graduate Studies, Department of Economics

Present Duties:

Graduate teaching in economic theory, industrial organization and agricultural marketing; research in U.S. and Latin America; Supervision of graduate programs.

Work Experience:

Research in Uruguay, 1969-70.
Visiting Scholar, Food Research Institute, Stanford University, 1970.
Research in Guatemala, 1968-69.
Visiting Professor, Economics Institute, University of Colorado, June-Aug. 1968.
Consultant, Ford Foundation, 1966-1968.
Summer Research Program, USAID, Washington 1967
Visiting Professor and Advisor, Agricultural Economics Center, Postgraduate College, National School of Agriculture, Mexico, 1965-1966.
Consultant, Iowa-Peru AID Program, Lima, Peru, 1964, 1965, 1969, 1970.
Research in Indonesia. 1963
Consultant, USAID/Argentina, Buenos Aires, Argentina, 1962.

Education: University of Florida, B.S., 1954
University of California, Ph.D., 1960

References: Dr. Karl A. Fox, Head, Department of Economics
Iowa State University, Ames, Iowa 50010

Dr. Raymond Beneke, Professor of Economics
Iowa State University, Ames, Iowa 50010

Dr. Lowell Hardin, The Ford Foundation, 320 E.
43rd Street, New York, New York 10022

Languages: Spanish

Publications:

1. Research Articles, Bulletins, Monographs and Books

- Growth and Adjustment of the Los Angeles Milkshed (with C. O. McCorkle, Jr.)
Calif. Ag. Exp. Station Bulletin 737, June 1962
- "Factors Influencing Firm and Regional Adjustments in the Los Angeles Milkshed", Journal of Farm Economics, May 1962.
- Adjusting Grain Marketing Facilities and Practices in Argentina (with R. Phillips) Agri-Research, 1962.
- "Evolving Public Policy Issues in Food Marketing", Journal of Farm Economics, December 1963.
- Market Organization of the Grain Industries in the North Central Region, Mo. Agr. Exp. Station Bulletin 847, 1964.
- "Soybean Processing Industry" (with D. Kramer) in Market Structure of the Agricultural Industries, ISU Press, 1966.
- Least-Cost Egg Marketing Organization Under Alternative Production Patterns (with B. Sanders), Iowa Agr. Exp. Sta. Bul. 547, 1966.
- The Marketable Surplus of Rice in Indonesia (with Mubyarto) Monograph 4, ISU, International Studies in Economics, 1966.
- Firm Growth Processes and Market Structure Changes in the Grain Industries (with D. Kramer), Iowa Agr. Exp. Sta. Bul. 557, 1967.
- "A Generalization of the CES Production Function" (with Yeo-Chi-Lu) Review of Economics and Statistics, Nov. 1968.
- "Pricing and Allocative Efficiency in Agricultural Development", American Journal of Agricultural Economics, December, 1968.
- Latin American Agricultural Development and Policies (with W. Merrill), Monograph 8, ISU International Studies in Economics, 1968.
- Guatemala's Economic Development: The Role of Agriculture (with E. Graber, W. Merrill, and E. Thorbecke), ISU Press, 1970.
- The Uruguayan Agricultural Sector: Priorities for Government Policies and Investment Programs (with W. Merrill) Inter-American Development Bank, Washington, D. C., 1970. Agr. Dev. Report No. 9.
- "A Cobb-Douglas Production Function with Variable Returns to Scale" (with E. Ulveling) Amer. Jour. Agr. Econ. Vol. 52, No. 2, May 1970.
- Location and Efficiency of the Iowa Feed-Manufacturing Industry (with A. Warrack) Iowa Agr. Exp. Sta. Res. Bull. 571, 1970.
- "Plant-Location Model Supotimization for Large Problems" (with A. Warrack) Amer. Jour. Agr. Econ., November 1970.

2. Chapters in Research Conference Volumes

- "Market Structure and Market Power" in Farmers in the Market Economy, ISU Press, 1964.
- "Commodity Markets and Marketing" in Economic Development of Agriculture, ISU Press, 1965.
- "Cooperatives as Instruments of Market Reform - The Economist's View" (with J. T. Scott), in Agricultural Cooperatives and Markets in Developing Countries, Praeger, 1969.

"Agricultural Development and the Structural Transformation of Latin American Economies" in Population Policy Reader for Heath & Co. (Forthcoming).

"Conglomerate Growth and Public Policy Discussion" in Economics of Conglomerate Growth, L. Carolan, ed., Oregon State Univ., 1969

3. Other Publications

"Output Management for Agriculture?" (with A. Paulsen and E. Heady), Iowa Farm Science, April 1961.

"Farm Co-ops: How Special a Status?", Iowa Farm Science, June 1961.
Agricultural Market Control Under Federal Agreements and Orders, M-941, Cooperative Extension Service, Iowa State University, November, 1961.

"Concept and Importance of Bargaining Power" in Bargaining Power in Agriculture, CISEA Report 9, Iowa State University, 1961.

"Implications of Needed Adjustments in Market Structure to Research on Agricultural Cooperatives" (with R. Phillips), in Research and Teaching Conference in Agricultural Cooperation, University of Nebraska, 1962.

"Mexican Economic and Agricultural Development: Implications for Research and Planning," in Proceedings of Western Farm Economics Association, Las Cruces, 1967.

"Price Policies for Agricultural Development," unpublished paper prepared for U. S. Agency for International Development, 1967.

Effects of Agricultural Pricing Policies in Mexico (with D. Sanders), unpublished report submitted to ERS, USDA, 1967.

The Agricultural Economics Program of CIMMYT, unpublished report presented to CIMMYT and the Ford Foundation, 1967.

Economics of Grades and Standards: Research Problems and Priorities, unpublished report presented to ERS, USDA, 1968.

"Potential Use of Agricultural Marketing Boards in the United States", in Agricultural Organization in the Modern Industrial Economy, NCR-20, 68, Ohio State University, 1968.

ATTACHMENT #5 - SCHEDULE AND BUDGET

Schedule:

Phase 1 - Preparation. Selection and orientation of team, collection and review of documents, interviews at Lansing and Washington. Twenty-five man-days.

Phase 2 - Field Reviews. Estimated 2-3 days in Bolivia, 1-2 days in Panama, 5-6 days in Colombia, 5-6 days in Brazil. Twenty-five man-days.

Phase 3 - Analysis and development of draft report, expected to be ready by late September. Twenty-five man-days, including four retained to provide for report clarification and briefing.

TASK VII - NATIONAL MARKET INTEGRATION PROJECT

REVISED ESTIMATE OF COST

1. Salaries		
Project Supervisor	50 days @\$120/day=	\$6000
Administrative Assistant	30 days @\$30/day =	<u>900</u>
		\$6,900
2. Fringe Benefits		1,242
3. Overhead		5,658
4. Consultant - Agricultural Marketing		
	25 days @\$113/day	2,825
5. Travel & Per Diem		
	Round trip air fares to Brazil, Colombia and Bolivia, internal travel in Brazil and Colombia; round trip air fares to East Lansing; local transport; 45 days per diem.	3,700
6. Other Direct Costs		
	Printing, shots, communications, miscellaneous	1,500
		<hr/>
	TOTAL ESTIMATED COST	<u>\$21,825</u>