

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT AUTHORIZATION AND REQUEST
FOR ALLOTMENT OF FUNDS PART I

1. TRANSACTION CODE

A ADD
 C CHANGE
 D DELETE

PAF

2. DOCUMENT CODE
5

3. COUNTRY ENTITY
TA/RD

4. DOCUMENT REVISION NUMBER
Original

5. PROJECT NUMBER (7 digits)
[931-1170]

6. BUREAU OFFICE
A SYMBOL TA/RD B CODE [08]

7. PROJECT TITLE (Maximum 40 characters)
[Rural Development and Fertility]

8. PROJECT APPROVAL DECISION ACTION TAKEN
 A APPROVED
 B DISAPPROVED
 C DEAUTHORIZED

9. EST. PERIOD OF IMPLEMENTATION
YRS [4] QTRS []

10. APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH CODE		E. 1ST FY <u>78</u>		H. 2ND FY <u>79</u>		K. 3RD FY <u>80</u>	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) FN	201	244		358				420	
(2)									
(3)									
(4)									
TOTALS				358				420	

A. APPROPRIATION	N. 4TH FY <u>81</u>		O. 5TH FY		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED	
	D. GRANT	P. LOAN	R. GRANT	S. LOAN	T. GRANT	J. LOAN	A. GRANT	B. LOAN
(1) FN					778		(ENTER APPROPRIATE CODE(S)) 1 - LIFE OF PROJECT 2 - INCREMENTAL, LIFE OF PROJECT 2	
(2)								
(3)								
(4)								
TOTALS					778		C. PROJECT FUNDING AUTHORIZED THRU FY [8] [1]	

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)

A. APPROPRIATION	B. ALLOTMENT REQUEST NO.	
	C. GRANT	D. LOAN
(1) FN	778	
(2)		
(3)		
(4)		
TOTALS		778

13. FUNDS RESERVED FOR ALLOTMENT

TYPED NAME (Check SER FM/FSD)

SIGNATURE

DATE

14. SOURCE ORIGIN OF GOODS AND SERVICES

000 941 LOCAL OTHER

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

BEST AVAILABLE DOCUMENT

FOR MPC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYMBOL	17. ACTION DATE	18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE
		MM DD YY		MM DD YY

PROJECT AUTHORIZATION AND REQUEST FOR
ALLOTMENT OF FUNDS

PART II

ENTITY : TA Bureau
PROJECT : Rural Development and Fertility
PROJECT NUMBER : 931-1170

Funding in the amount of \$778,000 is requested to conduct a new TAB project, managed by TA/RD, entitled Rural Development and Fertility. Amounts requested include \$358,000 in FY 1978 and \$420,000 in FY 1980. The project is to be executed over a four year period running from calendar year 1977 into calendar year 1981.

Signature: Marjorie Belcher*
Marjorie Belcher
Acting AA/TADS

Date: Dec 1 77

attached to the project in my memorandum

Attachment
Project Paper for "Rural Development and Fertility"

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT IDENTIFICATION DOCUMENT FACESHEET TO BE COMPLETED BY ORIGINATING OFFICE	1. TRANSACTION CODE <div style="border: 1px solid black; display: inline-block; padding: 2px;">A</div> A = ADD C = CHANGE D = DELETE	PID 2. DOCUMENT CODE _____
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3. COUNTRY/ENTITY TA/RD Adaptation and Application	4. DOCUMENT REVISION NUMBER Original □
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5. PROJECT NUMBER (7 DIGITS) <div style="border: 1px solid black; display: inline-block; padding: 2px;">931-1170</div>	6. BUREAU/OFFICE A. SYMBOL TAB	B. CODE <div style="border: 1px solid black; display: inline-block; padding: 2px;">D.8</div>	7. PROJECT TITLE (MAXIMUM 40 CHARACTERS) <div style="border: 1px solid black; display: inline-block; padding: 2px;">Rural Development and Fertility</div>
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8. PROPOSED NEXT DOCUMENT A. <div style="border: 1px solid black; display: inline-block; padding: 2px;">3</div> = PRP <div style="border: 1px solid black; display: inline-block; padding: 2px;">3</div> = PP B. DATE MM YY <div style="border: 1px solid black; display: inline-block; padding: 2px;">15 77</div>	10. ESTIMATED COSTS (\$000 OR EQUIVALENT, \$1 = _____) <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:80%;">FUNDING SOURCE</th> <th style="width:20%;">\$</th> </tr> <tr> <td>A. AID APPROPRIATED</td> <td style="text-align: right;">667</td> </tr> <tr> <td>B. OTHER U.S.</td> <td></td> </tr> <tr> <td>C. HOST COUNTRY</td> <td></td> </tr> <tr> <td>D. OTHER DONOR(S)</td> <td></td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td style="text-align: right;">667</td> </tr> </table>	FUNDING SOURCE	\$	A. AID APPROPRIATED	667	B. OTHER U.S.		C. HOST COUNTRY		D. OTHER DONOR(S)		TOTAL	667
FUNDING SOURCE	\$												
A. AID APPROPRIATED	667												
B. OTHER U.S.													
C. HOST COUNTRY													
D. OTHER DONOR(S)													
TOTAL	667												

9. ESTIMATED FY OF AUTHORIZATION/OBLIGATION A. INITIAL FY <div style="border: 1px solid black; display: inline-block; padding: 2px;">77</div> B. FINAL FY <div style="border: 1px solid black; display: inline-block; padding: 2px;">80</div>	
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11. PROPOSED BUDGET AID APPROPRIATED FUNDS (\$000)							
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. FIRST FY <u>77</u>		LIFE OF PROJECT	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	H. GRANT	I. LOAN
(1) SW	201	244		255		667	
(2)							
(3)							
		TOTAL					

12. SECONDARY TECHNICAL CODES (MAXIMUM SIX CODES OF THREE POSITIONS EACH) <div style="display: flex; justify-content: space-between;"> 090 420 </div>
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13. SPECIAL CONCERNS CODES (MAXIMUM SIX CODES OF FOUR POSITIONS EACH) <div style="display: flex; justify-content: space-between;"> BRW DNR </div>	14. SECONDARY PURPOSE CODE <div style="border: 1px solid black; display: inline-block; padding: 2px;">401</div>
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15. PROJECT GOAL (MAXIMUM 240 CHARACTERS) <div style="border: 1px solid black; padding: 5px;"> Improved design and implementation of AID mission programs directed toward increased productivity, income and quality of life of the rural poor. </div>

16. PROJECT PURPOSE (MAXIMUM 400 CHARACTERS) <ol style="list-style-type: none"> 1. Generate new knowledge about the effects of rural development on fertility and the consequences for rural development of high fertility rates. 2. Marshall existing and new knowledge in convenient digestible form for practitioners. 3. Assist mission programs by providing access to consultants to build concern for fertility — rural development relationships into their programs.

17. PLANNING RESOURCE REQUIREMENTS (staff/funds) On board staff in PHA/POP and TA/RD — 1 mm IPA assigned to TA/RD 4/1/77 — 1 mm

18. ORIGINATING OFFICE CLEARANCE Signature: <u>Charles S. Blankstein</u> Title: <u>Director, TA/RD</u>	19. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS DATE OF DISTRIBUTION <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> Date Signed MM DD YY </div> <div style="text-align: center;"> MM DD YY </div> </div>
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RURAL DEVELOPMENT AND FERTILITY

I. Summary of Problem

It is widely accepted that the problem of rural development must be attacked simultaneously through efforts to improve income through increased productivity and more equitable distribution as well as through efforts to slow the rate of population growth. Within AID these concerns have been approached independently in the past.

However, with the advent of Section 117 of the Proposed Foreign Assistance Act,¹ explicit recognition must be given to the fact that rural development activities, both affect and are affected by demographic events. The purpose of this project is to marshal resources through applied research, consulting and practitioner-oriented information flows on the relationships between rural development in general — with special emphasis on the seven areas in the TA/RD Critical Problems in Rural Development (CPRD) program — and population concerns. Indeed there is a clear need for better understanding of how RD initiatives do or may affect fertility trends and how these trends do or may affect RD strategies, programs and projects.

1

Section 117 (Proposed) of the Foreign Assistance Act requires that AID build motivation for family planning into programs in other fields such as education, in and out of school, nutrition, disease control, maternal and child health services, agricultural production, rural development, and assistance to the urban poor.

II. Proposed Response

The object of this proposal is to elucidate the demographic dimensions of RD problems, promote relevant applied research to provide new insights into the implied linkages, and to help missions and LDC governments to take better account of the causes and consequences of demographic change in planning rural development projects.

The knowledge and techniques for accomplishing these objectives are not well developed at present. However, an Agency Task Force has been constituted to develop the guidelines of an Agency approach toward the implementation of Section 117. This project would build on that initiative and develop a range of information and consultant capability consistent with the guidelines and the findings of the project. In the meantime, one of the first activities of the project will be to formulate a series of hypotheses about the linkages between population and rural development. Some initial conjectures about possible hypotheses are listed below by TA/RD program area:

Participation - Population

The goal of AID assistance is to encourage, on the one hand, greater participation on the part of the rural poor in the financing, construction and management of rural development projects and on the other, more equitable participation in the benefits of development. High fertility may constitute a significant obstacle. For example, willingness to participate especially on the part of women, will be

affected by their child rearing responsibilities and pregnancy status, both of which are a function of fertility rates. Financial participation will also be impeded, to the extent that family savings are a negative function of family size.

At the same time, granting poor people, especially women, a greater share in planning and controlling their futures may help to reduce adherence to traditional family size norms and to lower fertility.

Foundations - Population

Population deserves a central place in the theory of rural development. Customarily, poverty is defined in terms of inadequate income measured by some arbitrary level of per capita GNP. With equal logic, poverty could be defined in terms of the reciprocal, population/GNP. In other words, the problem could equally well be defined as too many people for a given output. Family planning programs provide one way to slow population growth and allow income to catch up. This strategy is well documented and defended in the literature. What is missing is a tested theory of how rural development itself works to alter population growth. Further efforts are needed to apply theories of demographic change, specifically to rural areas.

Integration - Population

Population growth and age/sex composition are prime determinants of demand for social services. These demographic dimensions are part of the normal planning process. Also, plans should recognize that

the expansion of coverage of social services to rural areas should have a far reaching effect on rural couples' decisions about family size. It has been hypothesized that in many cultures numerous children represent a do-it-yourself system of social welfare insurance for current services and as hedges against old age and its risks. It is unclear, however, how the provision of some services may affect this attitude and fertility rates. In this and other respects, just how the integration of social services and income producing functions, per se, is related to population requires more study in order to formulate specific hypotheses.

Area Development - Population

Planning the development of a given region must take into account the existing population, likely changes over time as the result of natural events, and changes wrought by development itself. Thus, knowing and understanding the implication of rates of natural increase are important. Of equal or greater interest are likely migration flows. Demographic projections and analytical skill in using these projections are fundamental. Furthermore, some consideration must be given to ecological costs of increased development in a given area, and ultimately to the capacity of the region to sustain some maximum bio-mass. Nature's way of correcting for overshoots are often less humane than man's. Also, careful planning may be able to enhance carrying capacity by altering the development/population growth ratio, if we can identify the means, relationships, and consequences of the reactive factors.

Rural marketing Systems

For a given output, the rate of population growth affects the size of the marketable surplus on small farms. With lower fertility, it is quite likely that a greater proportion of a given farm's output will be brought to market than otherwise would have. Furthermore, women will have more time to devote to raising cash crops if they have fewer children. Thus, population change can affect market flows. Just how demographic factors may affect the efficiency of markets will require further study. Certainly the demand in rural areas for marketed goods has to do with gross population factors as well as consumption patterns. Moving up from subsistence levels as a desired goal by rural peoples as influenced by more efficient markets may have more positive impact on fertility attitudes than we now know.

Rural Financial Markets - Population

Family size and spacing affect a family's ability and willingness to save. Thus, efforts to mobilize more savings in the rural areas may be affected by demographic change. Demand for credit is also affected. First, family size and composition are traditionally important factors in determining creditworthiness. Secondly, family size and composition affect the financial requirements of the family. For example, the largest single source of demand for loans among small farmers in many areas, apart from production credit, is the desire to finance children's education. Such demographically related demands compete directly with production demands. Thirdly, family size and composition may be an important factor in loan delinquency.

Off Farm Employment - Population

The supply of labor, especially female, available for both on and off farm employment should be sensitive to demographic change. If women have fewer children, they are more likely to seek additional work. At the same time, evidence is accumulating that, under the right circumstances, women who work in non-traditional jobs tend to have fewer children. The presence or absence of income producing off-farm job opportunities may have a more direct relationship to attitudes about the economic (i.e., insurance role of children) than has yet been adequately determined. Linkages between outside income and reduced fertility rates need more careful analysis.

III. State-of-the-Arts Papers

Since the application of population impact analysis to rural development problems is a novel experience, little directly applicable knowledge can be derived from the existing literature. Nevertheless, this literature will be reviewed to gather whatever useful information may be available. In addition, the following state-of-the-arts papers touching on more general, but key rural development issues, will be prepared.

A. Intra-Household Allocation of Consumption and Work on Owner Occupied Small Farms

Child and female labor are vital to maintaining the viability of small, owner-occupied farms under existing technologies. Yet, the continual reliance on child and female labor can retard the formation of human capital and, hence, reduce the prospects for productivity growth and

the emergence from poverty in the longer run. At the heart of this problem may be a divergence between the goals of women and children and those of the male head of households. It may be that rural development activities can be structured to bring about a greater convergence of interests.

Available information needs to be compiled and analyzed about the interaction between farm-family income, female off-farm employment, breastfeeding behavior, infant mortality, fertility and net population growth. Important policy concerns derive from these interactions. For example, to what extent will the introduction of labor saving technologies affect the demand for female and child labor, and thereby affect fertility on the one hand? On the other hand, to what extent will these innovations enhance the prospects for improving the education, health and nutrition of the population? What are the implications for the welfare of different classes of individuals among the rural poor of directing transfers to the head of the family through, for example, subsidized credit schemes as opposed to transfers directed at other members of the family through school lunch programs or maternal and child health schemes? What are the long and short run tradeoffs in terms of rural development and population goals of a particular program mix? What additional leverage can be gained by packaging rural development programs to attack poverty simultaneously on several fronts?

B. Rural Development and Fertility Thresholds

Although it is generally believed that development leads to lower fertility, studies carried out in the Philippines indicate that rising incomes, below a certain threshold level, will lead to higher fertility.² Similar findings are attributed to cross section analysis of urban surveys in Zaire.³ In part, this threshold phenomenon may relate to sub-fecundity in very poor groups occasioned by malnutrition, delayed age of menarche (start of menstruation and hence fecundability) and extreme poverty. The real possibility exists that reaching the poorest of the poor through rural development may lead to higher fertility. Thus, threshold studies ought to be reviewed to see under what circumstances an undesirable fertility outcome may accompany rural development.

C. Carrying Capacity and Unwanted Ecological Side-Effects

Some countries of Latin America and Africa do not presently suffer from high rural population densities, but in South Asia, where about half the poor majority in the developing world reside, the rural population growth has already led to deterioration of the rural ecosystem and the chances for rural development.

2

Jose Encarnacion, NDS 1968.

3

Barbara Anderson and James L. McCabe, "Nutrition and Fertility of Younger Women in Kinshasa, Zaire, Economic Growth Center Discussion Papers," Yale University, New Haven, 1976, p. 21.

According to a recent ESCAP Committee on Population Report:

The growth of population will alter the supply of land in a number of ways: The pressure of population may induce migration to remote areas and the placing of new lands under cultivation. On the other hand, under pressure of population, new housing, roads and other facilities will subtract from the already insufficient amount of land now under cultivation. Furthermore, exploitive practices of forestry and land management in response to population pressures will result in continued loss of fertile top soil through erosion....

In 1970 a study of selected ESCAP countries indicated that irrigation requirements would amount to 11.5 per cent of mean annual runoff.⁴

Rural development projects throughout tropical areas are carried on in large part within major river-basin regions. When these projects call for substantial increases in irrigation, dam construction and hydroelectric power facilities, they constitute important determinants of population changes:⁵

(1) Displacements of population have already been substantial: The Volta Lake flooded 63,000 persons, the Aswan High Dam, 120,000, the Kossou Dam, 100,000 and the Pa Mong dam would flood as many as 340,000 at the 260-meter level, taking into account population growth until the time of dam closure in 1990, or thereafter (assuming agreement is reached between Thailand and Laos on this international project):

4

United Nations Economic and Social Commission for Asia and the Pacific, Committee on Population, "Interrelationship of Population Change and Environment, with special reference to the rural sector" (Item 4 of the provisional agenda), Interrelationship of Population Change and Economic and Social Development (E/ESCAP/POP/1/L.1, 7 May 1976), pp. 14-15.

5

For a general review, see Ackermann, White, and Worthington, Man-Made Lakes: Their Problems and Environmental Effects, American Geophysical Union: Washington, D. C., 1973.

(2) The carrying capacity of aquatic habitats for accompanying human populations may be affected by such projects, particularly because of the relatively higher protein content of fish flesh over beef and other animal protein:

(3) The spread of these aquatic habitats has been accompanied in Africa and Asia with the spread of the water hyacinth (*Eichornia* spp.) and the snail intermediate hosts of schistosomiasis and mosquito vectors of malaria, and in Southeast Asia with the proliferation of voracious carnivorous fish (several species of murrel). These factors obviously have a detrimental impact on the carrying capacity of the altered ecosystems.

Although current AID strategy does not call for direct financing of such projects, AID's rural development goals will be significantly affected by their outcomes.

Both short and long run ecological projections related to human habitation are vital to the formulation of rural development strategies in given areas. A State-of-the-Arts paper is needed, both to assemble existing information about specific areas and to distill a methodology which can be incorporated into the DAP process.

Case Studies

Much of the information needed to add the population dimension to rural development problem areas will have to be developed through additional research. Since the focus will be on providing practical advice for decision makers at the project level, the best research vehicles will be case studies of specific development projects. A number of on-going development projects may be candidates for further study from the population impact perspective. A few examples are:

(1) Misamis Oriental Electrification. Much population data on this project has already been gathered by the Mindinao

population project. Electrification does appear to have reduced fertility. One feature of the analysis will be examination of the possibilities of replication of the fertility impact in other rural electrification projects.

(2) Bicol Project, Philippines. This project is using selective combinations of inputs in separable study areas which may have differential impact on fertility. A study group from University of the Philippines, Los Bancs, is working with the Bicol project staff to analyze as well as to develop baseline population and agricultural productivity data for use in studying program impact on fertility in the course of the project's execution.

(3) Natural Experiments. Situations exist in which rural development efforts have a longstanding presence in specific villages, countries or otherwise identifiable population sub-units. There has been selective application of rural development efforts with identifiable population consequences. These can be identified for future study. Some examples follow:

(a) Cornell Peru Project. For more than 20 years, Allan Holmberg, William F. Whyte and associates have studied a rural area of highland in Peru. Study of the impact of the many interventions which the project made on population growth, fertility, mortality and migration, could yield valuable insights into how currently proposed rural development efforts affect population growth.

(b) Danfa Project. The School of Public Health of UCLA has operated a multi-village health project with rural development components in Ghana for many years. That project could be evaluated with respect to the impact of rural development elements on population growth.

Time Frame

To reiterate, the initial phase of the project will be dedicated to developing specific hypotheses concerning the linkages between the seven critical problem areas of rural development, in searching the

⁶
Frank Madigan, et. al., "Dual Record Systems for Population Analysis", ICP Monograph 3, Smithsonian, Washington, D. C. 1976.

existing literature, and in writing at least two State-of-the-Arts papers including, but not limited to the topics previously suggested.

The second phase will involve selecting and initiating 5-15 case studies bearing on specific issues arising out of the initial phase of the project. Both existing and new projects will be candidates for research.

During the third and final phase of the project, a number of guidelines for building population impact analysis into the design of rural development projects will be developed and provided to the field. Most important, consultants associated with the work in the first two phases will be available to missions in the third phase to help incorporate sensitivity to population relationships into selected projects as indicated in the findings and reflected in the guidelines.

Although it is clearly premature to anticipate the results, we might expect guidelines that can at least begin to shed light on meaningful fertility linkages with rural development projects such as:

1. Technological innovations and their impact on:
 - a) male/female role changes
 - b) dependence on children involved in earlier labor intensive processes
 - c) consequent changes in fertility attitudes and family size choices;

2. Off-farm employment generation and its impact on:
 - a) tendencies toward later mating patterns
 - b) changes in male/female roles
 - c) shifts in value systems about productivity related to income as opposed to fecundity.

3. The introduction of rural social services and welfare systems and the affect of these upon:
 - a) family oriented concepts of risk reduction
 - b) views of children as insurance systems
 - c) corresponding changes in values about family size

4. The role of effective rural organizations for development efforts as vehicles for disseminating information about family planning, an understanding of the negative development function of high dependency ratios vis-a-vis marketable surpluses and negative effects on savings.

This list is only illustrative and suggestive. Actions have not been taken to implement studies of these projects, natural experiments or themes for State-of-the-Arts papers and targets for the guidelines to be developed in phase III of the project. It is anticipated that staff members of AID/PHA/POP/PPD will maintain a continuing dialogue with TA/ED on means to analyze the population impact of rural development, and to build-in means to mitigate undesirable impacts and to enhance desirable ones.

Budget for Population Growth
and Rural Development Project
(Obligations)

	FY 77 (2 yr. funding) <u>(9/77-3/79)</u>	FY 79 (1 yr. funding) <u>(10/79-9/80)</u>	FY 80 (1 yr. funding) <u>(10/80-9/81)</u>
State-of-knowledge papers	55,000	50,000	10,000
(SOTA)	(55,000)	(10,000)	
(Practitioner Guidelines)	-	(40,000)	(10,000)
Applied Research and Consulting	65,000	85,000	30,000
(Case studies)	(50,000)	(55,000)	
(Consulting)	(15,000)	(30,000)	(30,000)
Consultant Network Development	10,000	5,000	5,000
Information Dissemination	10,000	20,000	15,000
Program Direction, Travel Conferences, Supplies	115,000	80,000	60,000
(Seminar)	(20,000)	(20,000)	
(Direction/Admin.)	(60,000)	(30,000)	30,000
(Travel)	(15,000)	(20,000)	20,000
(Other Costs)	(20,000)	(10,000)	10,000
	<hr/>	<hr/>	<hr/>
	\$255,000	240,000	120,000
+ .06% inflation per annum		<u>29,000</u>	<u>23,000</u>
		269,000	143,000

15.
November 17, 1977

MEMORANDUM

TO: Acting AA/TA, Marjorie Belcher

FROM: TA/RD, Harlan Hobbs

SUBJECT: Approval of the Rural Development and Fertility Project

This Office does not agree with Mr. Simpson's recommendation to refer the Rural Development and Fertility Project for further outside review and advice prior to its authorization. Having already been submitted to a protracted internal review and subsequently revised to reflect the results, this small, experimental project is ready for your authorization now. We strongly recommend against any additional review that would further delay its obligation and the expeditious negotiation of a cooperative agreement for its earliest possible implementation.

The PID for this project, collaboratively developed between TA/RD and PHA/POP, was approved by the R&DC on March 22. In July, a first draft project paper was circulated for comment to the Rural Development Steering Committee, PHA/POP, and other concerned parties within the Agency. These comments were taken into account in writing the final draft paper which was circulated to R&DC members on August 19 for comment by September 2, 1977. All comments received were favorable.

We then prepared an action memorandum transmitting the PAF for your approval on September 6, which PPU held for internal analysis. Meanwhile, on September 21, PPU received a critical review of the project from TA/AGR/ESP. On October 18, PPU held a further meeting with us to review the project in the light of project management/methodology issues raised in the AGR/ESP memo. We then prepared a point by point reply in a detailed memorandum to Mr. Simpson. Concurrently, moreover, we conducted a thorough internal reexamination of the project, taking into account the memo from AGR/ESP, PPU comments, a careful in-house evaluation by TA/RD staff, and additional discussions with RTI and SECID. Subsequently, on November 7 we met with Tony Schwarzwald and Bob Simpson to discuss the history of the project and its disposition. We agreed that TA/RD would revise the project paper for greater clarity before its submission for your approval. PPU

still felt, however, that you should be encouraged to consider the option of seeking further outside technical review assistance. Obviously, this option is yours. But given its history and the nature of the project as an experimental, applied research/consulting effort to explore the associations between rural development activities and fertility behavior, we see its referral to the RAC or to a sub-committee thereof as highly inappropriate and unnecessary. It is ready for your approval now.

If an outside opinion were to be sought, we believe that it should be from PHA/POP, perhaps to include one of their outside demographically informed consultants, rather than from the RAC membership. Should you choose to seek such a review, we would again urge that it be done to avoid all unnecessary delay in reaching a decision to authorize this initiative.

Recommendation: That you approve this project and funding for it in the amount of \$778,000, with \$358,000 to be obligated in FY 1978 and the remaining \$420,000 to be obligated in FY 1980.

Enclosure:
Project Paper and PAF

Clearance:
TA/PPU, Robert Simpson _____

MEMORANDUM

TO : Acting AA/TA, Ms. Marjorie Belcher DATE: November 10, 1977

FROM : TA/PPU, R. Simpson *RS*

SUBJECT: TA/RD's Rural Development and Fertility Project Paper

TA/PPU raised two issues with TA/RD about the rural development and fertility project paper: (1) management relationships between AID and the contractor, (2) need for expert advice about methodology for the research aspects of the project.

The issue of management relationships has been resolved through clarification. We now understand that Dr. Ed Vickery, Executive Director of SECID, will be primarily responsible for operational management of the project. SECID and Vickery will be acting as subcontractor to the Research Triangle Institute. Dr. Abraham David at RTI is designated as project manager under a cooperative agreement with AID.

The second issue concerns the methodology for the case studies in the context of responding to Mission requests for assistance with bilateral programs. The two primary objectives are: (1) to make USAID staff more aware of the relationships between fertility and rural development through participating in an analysis of these relationships for bilateral programs, and (2) to provide documentation on the fertility effects of rural development projects which will help fill in gaps in the available research revealed by the state-of-the-art papers. The case studies will use a common methodology to permit comparison among countries and types of projects. Where no baseline data is available and where measurements of change over time are not possible, i.e., retrospective analysis of country programs, TA/RD believes cross-sectional data analysis will permit useful observations about fertility effects. Some questions have been raised about the feasibility of the methodology. See the memo by Whitney Hicks attached. TA/PPU recommends that you solicit expert advice as a basis for approving the project. There are four possible ways to get expert advice:

1. Refer the project to the Research Advisory Committee, perhaps on an informal basis rather than as a research project.
2. Establish a committee of two or three experts selected from RAC members who could review the project documents and provide advice directly to you.
3. Establish a committee of experts within the Agency, perhaps including someone from TA/RES, PHA/POP and PPP.
4. Request documentation of the judgments of experts already provided to TA/RD during development of the project.

I recommend option 2 on the assumption that qualified RAC members would be available and able to complete the review and make a recommendation within three weeks or so. Option 3 would be the next best alternative. Mike Rechcigl suggests the following individuals as members of a review committee: Montgomery, Connell, Linder, and Thorbecke. A separate memo from Mike Rechcigl is attached.^{*} TA/RD is revising the project paper to clarify some of the points questioned and would prefer that the project be authorized without further review.

Attachments:

1. Project Paper
2. TA/AGR/ESP Comments drafted by Whitney Hicks
3. TA/RES Memo, 11/9/77

Clearances:

AA/TA, A. Schwarzwaldler _____ date _____

cc: TA/RES, M. Rechcigl
TA/RD, B. Hobgood

PD-AAH-555

9311170 (4)

19.

STATE - A.I.D. - USIA ROUTING SLIP				DATE 12/16/77		
TO:	Name or Title	Orgn. Symbol	Room No.	Bldg.	Initials	Date
1.	K. WILSON					
2.	Jim - I discussed the mtg. with Ray Smith & he will let you know whether Halgood is going to appeal or not.					
3.						
4.						
5.						Officed on 12/20/77
Approval		For Your Information		Note and Return		
As Requested		Initial for Clearance		Per Conversation		
Comment		Investigate		Prepare Reply		
File		Justify		See Me		
For Correction		Necessary Action		Signature		
REMARKS OR ADDITIONAL ROUTING						
<p>AT BIRAM MEETING TODAY, M. KELLER CONFIRMED THAT HER 12/11 MEMO #2 CONTAINS TYPO ERROR AS BOB SIMPSON BELIEVED (SEE ATTACHED); IN-DEPTH REVIEW IS TO BE BEFORE ANY CASE STUDIES ARE <u>STARTED</u>. HARLAN SAYS HE WILL PREPARE MEMO APPEALING THIS CONDITION ON BASIS IT WOULD PREVENT ANY DSI/RO SPONSORED SERVICES TO REGIONS UNTIL AFTER REVIEW. P10/T (ATTACHED) SCOPE OF</p>						
FROM: (Name and Org. Symbol)			ROOM NO. & BLDG.		PHONE NO.	
J. DURAN					(OVER)	

WORK IS BASED ON MISTAKE IN MEMO, I.E.
DOES NOT CALL FOR ^①SPECIAL IN-DEPTH
REVIEW ^②BEFORE START OF CASE STUDIES.
HARLAND WILL NOT CHANGE P10/JT UNTIL
HE HAS APPEALED BELCHER CONDITION.

IT BELIEVE WE MAY HAVE TO
HAVE YET ANOTHER MEETING WITH BELCHER
ON THIS!

MEMORANDUM

TO: DS/TA/PPU, Mr. Robert Simpson December 1, 1977

FROM: AA/DS, Marjorie S. Belcher, Acting *MB*

SUBJECT: PAF Approval - Rural Development and Fertility Project

This project is approved subject to the following:

- 1) The State-of-the Arts studies will be designed and carried out in a manner which will insure comparability of study design and conclusions.
- 2) An indepth review to be undertaken on completion of the State-of-the-Arts studies. The study would be undertaken by people not involved in the project's direction or management including the inter-Bureau committees (not necessarily outside AID). This review will be completed before any of the case studies mentioned on page 14 are completed. Case studies shall be similarly reviewed before workshops to consider them are arranged.
- 3) Work to be coordinated with the PPC/Univ. of Pennsylvania project on the Impact of Education, Employment, Rural Development and Health/Family Planning on Women's Roles and with ongoing projects in the Office of Population on 104d (e.g., Battelle, Rand-Malaysia), and in collaboration with the inter-Agency committee on 104d as it works out further Agency response to 104d.

cc: DS/RD, Harland Hobgood

started?

*Should have been "started"
per M. Belcher 2/16*

MEMORANDUM

TO: DS/TA/PPU, Mr. Robert Simpson December 1, 1977

FROM: AA/DS, Marjorie S. Belcher, Acting *MS*

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cc: DS/RD, Harland Hobgood

Harland?

NOTE

November 18, 1977

TO: AA/TA, Marjorie S. Belcher (Acting)
 FROM: AA/TA, Tony Schwarzwalder *AMS*
 RE: Rural Development and Fertility PD

Much of the criticism in the Hicks memo centers on the shortcomings of the Easterlin model. I think the drafting in the PP is unfortunate since the detailed discussion of the model gives the clear impression that it will be used. However, pages 40 and 41 (see paper clips) state that the model will only: (a) serve as an underpinning to the SOA papers and the coefficients will not be estimated, and (b) be used in the case studies when sufficient data are available. Note that page 41 says "...case study teams are not restricted to, nor are they expected to use the Easterlin model since in most, if not all cases, sufficient data would not exist to permit its use."

I am concerned that another review will produce another set of views. The paper as now written is not a research effort. Therefore, I recommend signing the PAF now with a note emphasizing the importance of not being locked into a single model.

Attachment: PD

Diwan 24

UNITED STATES GOVERNMENT

Memorandum

TO : TA/RD, Charles Blankstein
TA/RD, Robert Simpson

DATE: September 20, 1977

FROM : TA/AGR/ESP, Dr. William C. Merrill

SUBJECT: TA/RD Project Paper on Rural Development and Fertility

Several weeks ago I requested Whitney Hicks to review the TA/RD proposal on fertility. The project paper was lost for a week or so in the mails. Thus the attached review is late. Nevertheless, I trust that it may be of some value in implementing the project.

Attachment

SEP 21 3 56 PM '77

TA/RD

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Review of a Project Paper, Rural Development and Fertility

The preparation of a roster of consultants is a useful function. It is important to have a pool of qualified persons available who know something about both rural development and the demographic changes associated with rural development. My feeling is that this group will be needed even more than the PP anticipates, because I do not believe that it is possible to design guidelines or a guide book based on SOAPs and case studies that mission officers can apply in a more or less routine manner. I think missions will have to rely more heavily on consultants or specialists in AID to integrate population considerations into rural development projects than the PP indicates.

*See of the
PP and
1/10/70*

I am concerned about the procedures for doing the SOAPs outlined in Annex A: Project Technical Details. The PP suggests that perhaps seven different authors will write the seven SOAPs, i.e. one author for each specific rural development intervention. However, the interrelations between all seven rural development interventions and the population variables will depend on how the interventions affect the seven intermediate variables, i.e., rural-urban migration, land tenure, status of women, costs and benefits of children, income, education, and health and in turn how these intermediate variables affect fertility and mortality. This suggests that a common effort should be made to determine the relationship between human fertility and mortality and the intermediate variables. After this has been done then each author could use this information to determine the impact of a specific rural development intervention on the intermediate variables and then indirectly on human fertility and mortality. This also makes it clear that there is scope for error at two levels in determining the effect of a rural development intervention on the rate of population growth. I do not believe that a survey of

the existing literature will make it possible to "abstract and draw together existing findings and translate them into operational planning and evaluating guidelines". The information on the interrelationships in the literature is simply not adequate. It is based on too many different models without controls on important variables and it is too time and location specific. For example, the effect of rural-to-urban migration on fertility is probably different in Latin American where migrants are more often women than in Africa where they are more often men.

There are problems with the unifying theoretical approach. Easterlin's approach which integrates economic and sociological considerations is conceptually sound but as far as I know no attempt has been made to estimate this model. The modifications to Easterlin's model that are proposed on page A7 and following pages are consistent with an expanded model that Easterlin suggested in earlier work including functions for mortality, income, migration, and institutional change as well as fertility. While several of his students have pursued research within the framework of this more general model, no empirical estimates of elasticities have been estimated for the expanded model. Most empirical estimates of the response of fertility and mortality to social, economic and demographic change are made within the framework of partial equilibrium models rather than the "general equilibrium" models as proposed here. In order to make determinations about the impact rural development policies or projects on human fertility (and mortality) it is necessary to specify the structural equations in a general equilibrium framework and not just estimate the reduced form equation. In other words you need to know what the casual relationships (coefficients in the structural model) are and not just what the correlation (or partial correlation) coefficients are.

No "clear guidelines for AID missions regarding the range of ^{impacts} migrants"

of rural development projects referred to are ^{v. p.} PA11 can be provided unless the structural model has been specified and there is little or no research that has done this. Many of the seven interventions may act to increase fertility in some respects and decrease it in other respects. This means that you have to determine the net effect in order to determine the direction of change in fertility. For example, the availability of off-farm employment may cause farm women to reduce fertility (by delaying marriage or adopting contraception) if they have access to the off-farm jobs. On the other hand, the availability of off-farm jobs may act as a safety valve for un- or underemployed rural workers and remove the incentive for reducing fertility in rural areas that would exist otherwise. This suggests that it may be difficult to generalize even about the direction in which off-farm jobs influence fertility.

The problems mentioned above with the unifying theoretical approach are the same ones that exist under the Practical Assessments of Population Impact, i.e., the case studies (PA12 and following pages). The problems of making an assessment of the population impact of a rural development project by comparing an experimental and a control group are faced up to quite honestly. The most important difficulty is in finding two groups or areas that differ only in respect to the existence of a rural development project. However, the "modelling" approach is presented as an alternative that "allows an estimate of the separate (partial" impact of the project while taking account of simultaneously occurring forces which lie totally outside the influence of that project." However in addition to the conceptual and econometric problems of specifying the general equilibrium structural model we must add the problems of data availability.

Purely cross-sectional data would not reveal the temporal impact of a

rural development project on human fertility (and mortality) and the time span required to measure the impact of a rural development project would probably be at least 20 years. No indication is given about how this problem will be solved for the case studies and this is a real problem. Even if you could solve the conceptual and econometric problems, the data problems for the case studies will seriously limit the information to be gleaned from them. The PP seriously oversells the potential output of the case studies when it talks about "translating the results of the empirical work from the case studies into operational planning tools" [my emphasis] and converting the regression coefficients estimated in the case studies into elasticities."

In summary I think that some research along the general lines proposed in this PP is desirable. However, I don't think that this project is very well designed to accomplish its purposes. In contrast to previous research it is necessary to look at the fertility consequences of variables that can be manipulated, i.e., policy variables. Previous research has frequently not had very direct implications for policy. However, I think that some of the interventions considered in this PP such as rural marketing systems or rural financial markets have little impact on fertility.

With regard to the case studies, I think it is important to do some empirical work that can be used to guide policy. Care must be taken to design a project on a sound theoretical basis that is feasible from the standpoint of available data and statistical techniques. It is counterproductive to promise immediate results from case studies that can be used as a set of guidelines by AID personnel with little background in demography or economics. Contrary to what the PP says, the guidebooks could not indicate clearly the situations in which the resultant elasticity might safely be applied. An AID program officer probably could not estimate the fertility impact of the program

by (a) estimating its likely impact on the explanatory variables in the pro-creative function, then (b) multiplying the result from (a) by the elasticity. Someone with training in demography and economics will be needed to make "an educated guess" based on the information available and past experience in different situations. Systematic empirical research must be accumulated in order to make more information available to policy makers. This will require a firm commitment on the part of AID and other agencies over a significant period of time. This information will provide a basis for improving AID and LDC decisionmaking with regard to projects and programs by incorporating the indirect consequences of projects and programs on population growth into the project and policy decisionmaking process.

UNITED STATES GOVERNMENT

Memorandum

TA/PPU, R. Simpson

DATE: November 9, 1977

TO : TA/RES, M. Rechcigl

SUBJECT: Review of TA/RD Fertility Project

Inasmuch as there will be a RAC meeting on November 30-December 1, anyway, the easiest way might be to simply schedule the review of the referenced proposal during that meeting. There is enough time available on the agenda and no additional processing of travel documents would be required. This would be the most efficient use of consultant time and money. Apart from the administrative advantages, this approach would have the added advantage of including the entire RAC in the discussion.

We have tentatively picked the following RAC members for the sub-committee: J. Montgomery (Chairman), Connel, Linder and Thorbecke.

Following precedent set earlier with other similar projects, the RAC would be asked to provide scientific input only. No formal RAC motion would be requested.

UNITED STATES GOVERNMENT

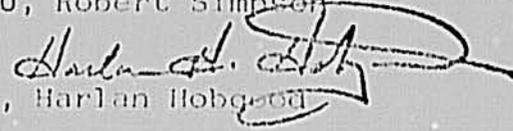
Memorandum

~~Handwritten notes and signatures~~
31

TO : TA/PPU, Robert Simpson

DATE: October 27, 1977

FROM : TA/RD, Harlan Hobgood



SUBJECT: Issues Raised at the Oct 18 Meeting on the R. D. and Fertility Project Paper

"Rural Development and Fertility" is a \$778,000 three-year project planned for authorization during the first quarter of FY 1978. Initial work on the PID was undertaken early in 1977 by a team representing PHA/POP/PPD and the Office of Rural Development. The PID was drafted, reviewed and finally edited by myself with the collaboration of other TA/RD staff members. The Fertility PID was approved by the R&DC on 22 March 1977. In April, Dr. Jerry Weaver was brought aboard and given primary responsibility for developing the Project Paper. Weaver began by holding a series of discussions with PHA/POP/PPD professionals who have demonstrated expertise in fertility and demographic research. In May 1977, a workshop was convened composed of PHA/POP/PPD staff, a consultant from the Population Council, and experts in population impact analysis methodology from Pennsylvania State University, the University of North Carolina, Duke University, the University of Florida, Research Triangle Institute and half a dozen other institutions.

After extensive dialogue and exploration of various approaches to determining the impact of rural intervention projects on human fertility and population distribution, a draft paper was completed and sent to the members of the Rural Development Steering Committee, relevant officers of PPC, PHA/POP/PPD and regional bureaus, and to those outside who had participated in the May workshop. Specific attention was requested to the viability of proposed methodology for generating insights into the fertility consequence of rural development projects in order that Agency personnel charged with determining the factors in rural development efforts which motivate couples to have smaller families or space their children might obtain useful guidelines.



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Responses were received from this first circulation (TA/ARG/ESP failed to respond to both the written and the follow-up telephonic invitations), and a second draft PP was prepared which incorporated the proffered suggestions. This edition was sent to the above readers on 19 August 1977 for response by September 6th. Those offices/individuals that had not responded by the 6th were telephoned and their comments and suggestions obtained. It is a matter of record that no adverse or critical remarks concerning either quality control or methodology were forthcoming. Those individuals who are recognized as leaders on population activities, such as the population officers in the regional bureaus, in PHA/POP/PPD, the Population Council, and internationally known scholars at Penn State, Florida, Duke, North Carolina and the RTI, who read the project paper were uniformly favorably impressed.

On the basis of this review, a memorandum of transmittal, PP and PAF were prepared and sent to Ms. Belcher on 7 September 1977.

Nevertheless, in face of this exhaustive developmental procedure, TA/PPU decided to hold an additional project review, in house, focusing on the design and methodology of this project. Two of the points raised are essentially requests to clarify details of organization and administrative control which you concluded were not adequately presented in the PP; a third issue is substantive (i.e., the appropriateness of the methodology) and requires a detailed response.

Organization

In this project, TA/RD proposes to enter into a substantial activity involving minority, predominantly Black, institutions that are members of the Southeast Consortium for International Development (SECID). We feel that it is incumbent on the Agency to explore accessing minority institutions in ways that are neither mere give-aways nor short term, narrowly defined activities. This is necessary in order to encourage these institutions to develop broad and substantial expertise in areas of concern to the Agency. We believe that by working on a transectoral, multicountry project such as R. D. and Fertility, both institutional and individual capacities can and will be strengthened. In a real sense, we see the involvement of the Black institution in the Fertility project as mutually advantageous institution

building. And by working through the SECID, we can connect with not one or two Black institutions, but with ten or twelve. While the individual rewards will be proportionately small, the experience of working with the Agency (and with some of the leading research universities in the country) should encourage the Black institutions to seek greater future involvement with AID.

We are able to contract with SECID (and hence the individual minority institutions) through SECID's membership in the Research Triangle Institute, which is in turn a member of the Expanded Program. RTI is a consortium of institutions and programs under a central administration and management organization. For the purposes of the Fertility Project, the formal organization is from Dr. Jerry Weaver, TA/RD project manager, to Dr. Abraham David, RTI, who is project manager, to Dr. Ed Vickery, executive director of SECID. All financial management will be handled by the Contracts Office of RTI and internal control will be done by RTI's Comptroller.

RTI is a well-known research and consulting organization that does millions of dollars of business with the U. S. government and with AID. Dr. David is head of the International Projects division and has been responsible for many AID and other contracts. Similarly, Dr. Vickery is well known and highly respected both inside and outside AID. In addition to Vickery's formal link with RTI, he is responsible to and can be removed by the executive council of SECID. By RTI's subcontracting of mission assistance and state of the art papers to SECID which inturn contracts with its individual member institutions for specific components, a double control is placed on the key operational link. Dr. David has financial control over Dr. Vickery. On the other hand, operational review and control comes from below through the campus representatives and the executive council to Vickery as executive director of SECID.

We recognize that this organization structure is unusual. We also recognize that the complexity of the collaborative arrangement will require a substantial amount of Weaver's time over the next year, perhaps as much as half a person year. This high administrative cost we believe to be justified by the desirability of accessing the Black institutions through the collaborative mechanism of RTI and SECID.

Quality Control

PPU questioned the extent to which this organizational procedure provided for adequate technical review and analysis of the two major project outputs: state of art papers (SOAPs) and case studies of the impact on human fertility of selected rural development projects. Specifically, you raised the issue of the quality of the work likely to be submitted by the representatives of the Black colleges. While it is true that the central mission of these institutions is undergraduate teaching and service to the local and regional community rather than basic research and international service, it does not follow, as your question implies, that members of the faculties of Black and other minority schools are inferior in ability. We have seen remarkably fine work from some of the individuals we wish to access; and we are confident that the 1890 faculty members will hold up their end of the effort as well as do those from the lead universities.

Let me point out that continuous quality control is exercised in a number of ways throughout the project. Summarizing the pertinent information presented in the Project Paper, we see: First, all cooperating individuals will be invited to a workshop to discuss and concretize a common frame of reference to be used in the work on the SOAPs. This procedure will not only ensure the high quality of the SOAPs but also a uniform design that will generate comparable papers.

Similarly, a workshop will be held in which the frame of reference for the case studies will be discussed. Both quality and comparability of findings will be strengthened by this collective review and dialogue.

Our plan is that Drs. Vickery, David, and Weaver will draw up draft papers before the two workshops. Each draft will be circulated to a 3-5 member "Advisory Council" composed of recognized leaders in fertility research who are not associated with SECID member institutions. Members of this Council will also be brought to the two workshops to act as resource persons. As drafts of SOAPs and case studies become available, they will be submitted for review by the Council.

In addition to this external review and advisory panel, quality control will be maintained constantly through the close association between the RTI personnel and the working scholars. Drs. Vickery and David, along with Dr. R. W. Johnson, who is a full time professional in the RTI population program, will discuss drafts and ideas with individual subcontractors and review papers before they are sent to the Advisory Council. Moreover, it is expected that a collegial peer group control will be exercised among the individual scholars. To facilitate this intercourse, close collaboration is being urged on those who share common assignments (e.g., SOAPs and case studies) and who will team up to complete some of the larger case studies.

Formally, the ultimate responsibility for the quality of all deliverables is fixed with Dr. David, the RTI project manager. Given his personal reputation and that of the Institute, we feel confident that the highest standards of quality will be maintained and that the Agency will receive first rate products.

Methodology

Several questions were put to us at the October 19th meeting reflecting concern about the appropriateness of the project design and the manner in which the SOAPs will be developed. It appears that the foundation for your concern with the substance of the project was set by a memorandum dated 20 September 1977 from William Merrill TA/AGR/ESP to Charles Blankstein TA/RD with a copy to yourself. A careful review of our log shows that our copy, if indeed there was such a thing, was not received in our office. Moreover, the memo was dated a full 18 days after the closing date for receiving comments on the PP. Most disturbing is the fact the author, from a collegial TAB office, never discussed the substance with Dr. Weaver or myself. Had this been done, we feel that easy resolution of the issues could have quickly resulted.

State of Art Papers

In considering the comments about the state of art papers raised by the Merrill memo and during our discussion, we have reviewed the description of the process by which the SOAPs will be developed presented on page 11 and in Annex A. We now appreciate that this discussion lends itself to misunderstanding, and we would like to clarify the issue.

We intend that the SOAPs will make a major contribution to our understanding of the impact of rural development projects on human fertility. Yet the topics of the SOAPs as outlined on page 11 appear not to connect directly rural development and fertility. In part, this ambiguity results from poor writing; in part, however, the confusion arises from the manner in which scholars organize their research and present their findings. Discussions of the impact on fertility of rural roads, to take one example, is not reported in the literature on road construction or in the literature dealing with rural development: rather, fertility consequences of rural roads is generally found in the literature on migration. Similarly, fertility impacts of agrarian reform are found in the literature on land tenure; impact of off-farm employment on female role behavior is reported in sociology and anthropology outlets, generally under the label "role behavior of women." Being aware of how the literature is organized led us to propose a set of topical headings not in harmony, apparently, with the major thrust of this project. We see this and wish to take steps to improve communication.

What is inadequately described in the PP is the process in which the findings from the SOAPs will be integrated into the final output of the project: operational materials for assessing population impact of rural development projects. In this final document, the findings from the various SOAPs which report on the fertility consequences of rural credit, off-farm employment, participation, rural marketing systems, integrated development and so on, will be presented topically: all references to rural credit activities and fertility will be grouped under "Rural Credit and Fertility" and so forth for each major rural development activity.

This clarification adds no cost to the project: we shall still commission seven SOAPs, the collaborating scholars will still do a synthesis of SOAP findings for inclusion in the final project report, the individual SOAPs will still be reviewed as planned. Nor will there be substantive changes in the scope of effort detailed in the PP. Hence, we hope that this clarification can be appended to the PAF and memorandum of Transmittal to Ms Belcher in lieu of re-writing page 11 and Annex A.

On the bases of the SOAPs plus our case studies, we shall be in a position to say to Agency project planners: "given the presence of this configuration of variables (levels of development, culture, political system, history, etc.), the weight of evidence suggests that your proposed intervention X is likely to produce short term fertility consequences a,b,c, and longer range results r,s,t." We believe that at the present stage in applied social science work on fertility plus the congressional mandate of section 104d that the Agency find out what factors in its projects motivate couples to have smaller families or space their children, the seven SOAPs will be a most productive investment of our resources. We have discussed the level of support for the SOAPs with a number of individuals both in and outside the Agency who have experience in such enterprises and we are assured that our commitment is reasonable.

Contrary to the assertion in the Merrill memorandum, there is a large yet manageable literature on the seven topics. This can be easily verified by a trip to the Population Library or a phone call to any reputable university department of demography, rural sociology or anthropology.

Consulting and Case Studies

In looking over the description of the case study activity, we see that undue emphasis was given the case study operation as an independent activity. The case studies as planned in the IP are to be undertaken as part of the mission consulting component of the project. Through consultation with our Fertility Project Technical Advisory Committee composed of representatives from each regional bureau, and in response to requests from Missions for assistance, teams of collaborating scholars will be dispatched to LDCs. It is planned that requests for assistance in evaluating the population impact of particular rural development projects will supply most of the examples to be reviewed in the case studies. Thus the case studies form an integral part of the mission service relationship of this project. In order to clarify the role of the case studies as dependent on mission consulting, we would be glad to submit a revised budget sheet to show the proper designation ("mission consulting") for up to 70% of the item presently labeled "case studies." We believe that most of the present case study allocation will be more closely associated to mission service than to independent impact evaluation.

Much is made by the author of the Merrill paper of the Easterlin model as an appropriate device for organizing our case studies. The writer wants our project to be judged against the standards of econometrics -- e.g., see his: "In other words you need to know what the 'causal' (emphasis added) relationships ... are and not just what the correlation ... coefficients are."

We agree: we do need to establish causality -- someday. However, causal modeling is a form of academic research which is not appropriate. What is appropriate, at this stage, is to attempt -- through precisely this type of project -- to obtain useful information for practitioners and project managers. As social scientists know, causal modeling is one of the more arcane arts which has as yet generated little or no operationally relevant prescriptions. In the real world of AID, associations among the many variables which affect project performance are so complicated and interconnected as to vitiate exploring causality. Why the author of the Merrill memorandum would call for such an effort, and use the absence of an inappropriate approach to criticize the Fertility PP, is a mystery nearly as confounding as the causal modeling he calls for.

We recognize that the availability of baseline data is a problem: in order to project a trend line, two or more points are needed. Hence, to see the longitudinal impact of an intervention on the population of specific site ideally requires two or more censuses. Some countries (regions) we have preselected have such a foundation. Yet others do not. However, this is no reason for despair and rejection, for, contrary to the Merrill memorandum, demographers know full well that it is possible to determine from cross-sectional data (one-time evidence) the ratios of children and women of child-bearing age and compare these ratios between an impact area and a controlled region in which no intervention has taken place. The author appears to be ill informed on commonly applied and fully recognized procedures which will serve the needs of the project adequately.

RACing the Fertility Project

After nearly two hours of dialogue during which the above questions were raised and responses given, the proposal was made that the Fertility project be submitted to the RAC for review. The TA/RD representatives firmly reject this proposal on three grounds.

Inappropriateness of RAC evaluation: the members of the RAC possess a wide range of academic backgrounds and their function is to ascertain the methodological rigour and conceptual viability of research projects. However, the present project is not principally a research undertaking; rather it is a highly experimental effort to (1) gain a handle on the impact of rural development on fertility -- something no other office of the Agency has seen fit to undertake on a transectoral, multiregional basis; and (2) engage the faculties of a dozen predominantly Black institutions in a ground breaking collaborative effort with faculties of some of the leading universities of the country. In essence, the Fertility project may be seen as an effort to generate resources for minority institutions while drawing their faculty into a new area of important, mainline activities vital to the Agency's realization of its Congressional mandate. In bringing together individuals from such a wide range of institutions and with such disparate experiences in applied research, the type of front-end methodological rigor customarily imposed by the RAC is misplaced -- indeed, is clearly inappropriate. We have produced a fully satisfactory methodology and design for experimental, applied research activities aimed at first order guidelines and suggestive findings which allow the 1890 and other collaborators to participate productively and usefully. Indeed, this multi-institutional project may serve as a model for others within the Agency.

Timeliness: Taking the project to the RAC is likely to delay authorization of funds until spring 1978. Even if an informal review is obtained on or about Nov 30/ Dec 1, it will be February or March before funds will flow. If the Nov RAC is missed, the delay will reach into April or May. But in either case, we shall lose one whole academic year: we shall be unable to begin significant work before the summer or fall 1978 unless funds are authorized by December 1977 because our collaborators must schedule classes and other university activities well in advance.

Project Backstepping: Dr. Weaver, TA/RD's project manager, was brought in on an IPA in large part because of the appropriateness of his experience to this project. He has ten years of experience working with minority institutions as well as over 50 publications dealing with evaluation research and social service program

analysis: he is perhaps uniquely qualified to initiate the Fertility project. Taking the project to the RAC could delay getting underway until only 3-4 months of his contract remain. Thus Weaver will have to launch the project while we are trying to recruit and orient his replacement. This is a situation that from a management point of view we clearly must avoid.

Recommendation

If, in light of the preceding discussion of the points you raised, there remains a question about the Fertility project, we suggest that sending it to the RAC is not an appropriate response for the reasons cited.

Hence, if a substantive review by qualified experts is deemed useful, we recommend PHA/POP/PPD -- perhaps supplemented by an individual such as Dr. William McGreevey of the Battelle Institute, who is recognized as an authority on and practitioner of the type of work the project envisions.

This procedure for reviewing the project will save valuable time and enable the rapid authorization of funds which will allow us to get underway during this quarter as planned.

Lest the recommendation to submit the PP for review by PHA/POP/PPD be misconstrued, I want to make it plain that we are not afraid of the RAC's judgement of the project as it is intended to be seen: an experimental effort to combine 1890 and lead institutions in an effort to begin within the Agency work on paragraph 104d. If the RAC understands that rigorous theoretical considerations are subordinate in this project, we are confident that the paper will stand the test.

However, for the reasons enumerated about the inappropriateness and severe time consequences of submitting this project to the RAC, should you nevertheless recommend sending Fertility and Rural Development for RAC review, I shall have no other course but to withdraw the project.

cc: Acting AA/TA, Ms. Belcher
TA/AGR/ESP, Mr. Merrill

March 7, 1977

MEMORANDUM FOR: Research and Development Committee Members

FROM: TA/PPU, Robert C. Simpson *RS*

SUBJECT: Research and Development Committee Meeting
March 15, 1977

The following projects will be discussed at the Research and Development Committee Meeting to be held March 15, 1977, 2:00 p.m., in Room 3886, NS.:

Impact of Education, Employment, Rural Development and Health/Family Planning on Fertility and Women's Roles, University of Pennsylvania, FPC/PDA/SPA.

R&DC Review of TA/RD Program Framework and PIDs, TA/RD:

1. Framework Paper
2. PID for Area Development
3. PID for Rural Development Participation
4. PID for Rural Financial Institution
5. PID for Rural Development and Fertility

These TA/RD documents have already been reviewed by Bureau representatives to the FD Steering Committee.

Attachments: a/s

(See attached list for distribution)

DISTRIBUTION FOR RESEARCH AND DEVELOPMENT COMMITTEE MEETINGS (R & DC)

RESEARCH AND DEVELOPMENT COMMITTEE

A. MEMBERS

AFR/DP, Frank Moore

ASIA/DP, Robert Meehan (2 sets)

LA/DR, William Feldman (2 sets)

NE/TECH, James Dalton

GC/TF&HA, A. R. Richstein

SER/IT, Joseph Kovach

SER/ENGR, John Rixse

++SER/CM/COD, Robert J. O'Brien

FFP/POD, Peggy Sheehan

PPC/DPRE, Edward Hogan

PHA/POP, David Mutchler

O/LAB, Paul P. Fera

C. INFO.

PPC/RB, L. Rogers

PPC/PDA, J. Hoath

MP, Norma Ayers*

A/WID, Nan Frederick

OMB, Ed. Sanders

PHA/PROG, C. D. McMakin

SER/MP, A. Schoepfer

B. ALTERNATES

AFR/DS, John Blumgart

AFR/DS, Woodrow Leake

ASIA/TR, T. C. Clark

LA/DP, Austin Heyman

NE/DP, Frank Denton

SER/IT, Dale Clark w/o att.

SER/CM/COD, M. Darvin w/o att.

++SER/CM/COD, V. Perelli

PHA/PVC, Cleo Shook

O/LAB Sigurd V. Moody

D. TA OFFICES

AA/TA, C. Farrar

M. Belcher

J. Chandler

C. McGraw

E. Long

R. Robinson

A. Firfer

R. Ware

TA/PPU, R. Simpson

J. Cuning

T. Eliot (211(d))

D. Myren

C. Ladenheim

M. Cruit

J. Hafenrichter

TA/PPU Analysts (as appropriate)

TA/AGR, L. Hesser

TA/DA, N. Luykx

TA/EHR, R. Schmeding

TA/H, L. Howard

TA/N, J. Levinson

TA/OST, H. Arnold

TA/RES, M. Rechcigl

TA/RD, C. Blankstein

TA/RD, M. Kilgour

TA/UD, W. Miner

TA/MGT, D. Mein*

TA/PPU, E. Shields, R&DC Files

++ c/o CM/SD/SUP, E. Cordaro

*Attachments on request

UNITED STATES GOVERNMENT

Memorandum

TO : TA/PPU, Robert Simpson

DATE: February 28, 1977

FROM : TA/RD, Charles S. Blankstein *CSB*

SUBJECT: R&DC Review of TA/RD Program Framework and PIDs

The following documents are attached for distribution to the R&DC:

1. Framework Paper which describes TA/RD's programmatic approach to work in selected critical problems in rural development;
2. PID for the "Area Development" critical problem;
3. PID for the "Rural Development Participation" critical problem;
4. PID for the Rural Financial Institution critical problem; and
5. PID for the "Rural Development and Fertility" critical problem.

Attachments: a/s



UNITED STATES GOVERNMENT

Memorandum

TO : AA/TA, Mr. Curtis Farrar

DATE: April 18, 1977

FROM : TA/PPU, Mr.  Gunning

SUBJECT: Environmental Threshold Decisions for TA/RD's PIDs.

The four PIDs:

Area Development - Applied Research and Consulting Participation
and Rural Development - Applied Research and Consulting Rural
Development and Fertility - Applied Research and Consulting Rural
Financial Institutions - Applied Research and Consulting were
approved by AA/TA on March 4, 1977. The Environmental Threshold
Decisions were not included with the PIDs at that time. They are
now ready for your approval.



5010-110

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

ENVIRONMENTAL THRESHOLD DECISION

(37) 45
1170

TO: AA/TA - Curtis Farrar
THRU: TA/PPU *YB*
FROM: TA/RD - Charles Blankstein *CSB*
SUBJ: Environmental Threshold Decision

Project Title: Rural Development and Fertility - Applied Research & Consulting

Project Number: _____

Project Manager: Mary Kilgour (temporary)

REFERENCE: Initial Environmental Examination (IEE) contained in attachment dated 3/21/77

On the basis of the Initial Environmental/Examination (IEE) referenced above and attached to this memorandum, I recommend that you make the following decision.

X 1. The proposed agency action is not a major Federal action which will have a significant effect on the human environment.

_____ 2. The proposed agency action is a major Federal action which will have a significant effect on the human environment, and:

_____ a. An Environmental Assessment is required; or

_____ b. An Environmental Impact Statement is required.

The cost of and schedule for this requirement is fully described in the referenced document.

_____ 3. Our environmental examination is not complete. We will submit the analysis no later than _____ with our recommendation for an environmental threshold decision.

Approved: *Curtis Farrar*

Disapproved: _____

Date: 4/19/77

Initial Environmental Examination

Project Location: N/A

Project Title: Rural Development and Fertility

Funding: FY-1977, \$255,000

Life of Project: FY 1977 - 1981

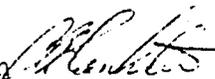
IEE Prepared by: TA/RD, Gary Ferguson

Date: 3/21/77

Environmental Action Recommended: Negative Determination

Concurrence

TA/RD, Charles S. Blankstein



Date: 4/2/77

1. Examination of nature, scope and magnitude of Environmental Impact.

A. Description of Project:

The project will marshal resources through applied research, consulting and practitioner-oriented information flows on the relationship between rural development and population concerns. The project will assist Missions and LDC governments to take better account of the causes and consequences of demographic change in planning rural development projects.

B. Identification and Evaluation of Environmental Impacts:

There will be no direct environmental impact. The project is confined to analysis of problems through applied research consulting, and state-of-the-art papers. Implementation of the results of the analyses at some future time by missions and LDCs could possibly have impacts on traditional family size due to increased participation and employment by women and expansion of coverage of social services.

Rural population growth has already led to deterioration of the rural ecosystem in some LDCs. The project hopes to generate new knowledge about the population "carrying capacity" of rural areas, which knowledge will be disseminated to rural development project designers with the purpose of assisting them to better deal with this problem.

DATE: March 3, 1977

TO: AA/TA, Mr. Curtis Farrar

FROM: TA/PPU, John Gunning

PROBLEM: Your Approval is Requested of the Project Identification Document (P.I.D.) for Population Growth and Rural Development
Proposed Project Begins: FY 77 Proposing Office: TA/RD

A. TA/PPU Review.

1. Does PID Adequately Describe and Justify Project?

Yes. A good deal of what could be considered RP development is described as phase I of the project. An area of particular importance will be the development of hypotheses in phase I and their inclusion within a conceptual framework. Without the prior establishment of this framework the danger of phase II studies becoming diffuse and implemented on a first come first served basis becomes great.

2. Funding Adequate? If T.Q. or FY 77, How Compares to FY 77 C.P.

The possibility of PRA/OP funding is open. If this avenue is not available and D funds are tight the initial obligation could be made for one year funding only.

3. Are Plans for RP Development, Approval and Project Initiation Realistic?

The three months anticipated for RP development is realistic although a fairly high level of effort will probably be required as this PID is (1) less well developed than others in the Critical Problems Area and (2) coordination with and assuring non-duplication of other POP activities will take time.

B. This PID has been in TA/PPU; staff work is incomplete because of:

TA/PPU work pressure; Tech. Office work pressure.
Recommend you return the PID for further work prior to your final decision.

C. TA/PPU recommends the following action:

- X Approval.
- Approval subject to _____

Return for further work prior to AA/TA decision.

Disapproval.

D. AA/TA Action.

Approved.

Approved subject to PPU point A1 above and clarification

of when ^{rather} ~~likely~~ or considered as a development and ~~and~~
disapproved ~~within a consequence of rural development activity~~

M. J. Belke
Signature

March 4
Date

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT DOCUMENT
ACTION FORM

1. TRANSACTION CODE

A A - Add
 C C - Change
 D D - Delete

PDAF

2. DOCUMENT CODE
4

3. DOCUMENT ENTITY
TA/RD Adaptation and Application

4. DOCUMENT TYPE (IN NUMERIC)
Original

PROJECT NUMBER (7 digits)
 931-1170

5. BUREAU OFFICE
A. Symbol B. Code
TAB 08

6. PROJECT TITLE (maximum 40 characters)
 Rural Development and Fertility

3. RELATED DOCUMENT CODE
 1 - PID
 2 - PRP

7. PROJECT DOCUMENT ACTION
(ENTER COMMENT FOR ITEMS IN BLOCK)
13)

ACTION TAKEN
 A - APPROVED CA - CONDITIONALLY APPROVED
 D - DISAPPROVED
 S - SUSPENDED CO - DECISION DEFERRED

10. FINANCE POINT AND APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. FINANCIAL CODE		D. FIRST FY		E. LIFE OF PROJECT	
		1. GRANT	2. LOAN	F. GRANT	G. LOAN	H. GRANT	I. LOAN
(1) FN	201	244		255		667	
(2)							
(3)							
(4)							
TOTALS							

11. PROPOSED PLANNING RESOURCES
 1 - APPROVED
 2 - DISAPPROVED
 3 - APPROVED AS MODIFIED

12. PROPOSED NEXT DOCUMENT
A. 1 - PRP
 2 - PRP
 3 - PRP
B. PROPOSED NEXT DOCUMENT DATE
MM YY
 05 77

13. COMMENTS (MAXIMUM 250 CHARACTERS)

14. ACTION REFERENCE

A. AIRGRAMS ADDITIONAL
TELEGRAMS STATISTICAL
MEMORANDA

B. ACTION REFERENCE DATE
MM DD YY

15. CONTACTS

NAME	TITLE	DATE	INITIALS
A. Harlan Hobgood	Deputy Director, TA/RD	2/28/77	HH
B. Mary Kilgour	Program Manager, TA/RD	2/28/77	MK
C. Charles Blankstein	Director, TA/RD	2/28/77	CB
D. David Holmes	PHA/POP	2/29/77	DK
E. Allan Randlow	Analyst, TA/PPU	3/3/77	AR
F. Robert Simpson	Director, TA/PPU		

16. RESPONSIBLE BUREAU SIGNATURE

17. ACTION DATE
MM DD YY