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DEPARTMENT OF STATE  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

ICN 38736

August 4, 1977

931-11-1

ACTION MEMORANDUM

TO: Acting DAA/TA, Ms. Caroline McGraw  
FROM: TA/RD, *CSB by Adam D. Holt*  
Charles S. Blankstein  
SUBJECT: Small Activity Grant -- Seminar on Integrated Rural Development as an Approach to Meeting Basic Human Needs

Problem: The Office of Rural Development is developing an FY 1978 project to provide fresh insights based on lessons of experience from many development efforts into meeting basic human needs through rural assistance projects which combine income production, production support, and social service components. While there exists a sizeable body of theoretical speculation and some anecdotal reports on integrated projects, there is little writing which analyzes the links among the elements of multifunctional projects as they represent efforts to meet some or most basic human needs. Yet if progress is to be made in designing multifunctional interventions which attack directly the complex web of forces which snare and impoverish the rural poor majorities of LDCs, it seems appropriate to document and analyze this experience.

To help us develop our approach to this "Integrated Rural Development" project, a unique and potentially very valuable opportunity has been presented in the form of a seminar of 8-10 officials from several Asian countries which met on three previous occasions under the chairmanship of Harvard University's Professor John Montgomery. As a result of these previous meetings, the members of the seminar are accustomed to working together; and judging from the transcripts of their sessions, the intellectual outcomes of their interaction is first rate.

We propose that \$15,010 be allocated to the Asia Society of New York City for the purpose of convening this group

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at Penang, Malaysia for a four day seminar during November 1977. The topic of this assembly will be "Integrated Rural Development as an Approach to Meeting Basic Human Needs." Because it will be necessary to spend funds to reserve hotel space and for other administrative functions during FY 1977, it is necessary to make this small activity grant an FY 1977 allocation.

Discussion: Each participant (see list attached) has indicated via Professor Montgomery his/her willingness and ability to participate in this meeting; indeed, initial responses indicated an eagerness to exchange experiences. Formal letters of invitation will contain a topical outline to organize the discussion. (Discussion rather than formal papers is indicated since these executives are extremely busy; a transcript will be made of the discussions from which an edited manuscript will be produced for governments, and the broader community of development observers.) Questions such as the following will be addressed:

- Should there be sequences or phases to rural development projects? For instance, should efforts to raise income be preceded by health? by education? by family planning components?
- Should the provision of certain social services (which?) be made only as income increases and then is taxed to pay for all or part of these social services?
- What are lessons your experience can teach donor agencies about integrating rural programs which combine income production and social services features?
- What are the future needs and prospects for rural development projects in such areas as nutrition, health, family planning and education?
- What has been your experience in attempting to verify the outputs and outcomes of planned interventions in the nutrition field? (This question reflects the continuing effort of seminar members to develop methods for pre-

dicting and verifying results of rural development projects -- an activity of great potential utility to the Agency.)

These are merely suggestive of the range of issues to be explored. The conference will be a "south-south" discussion in which LDC officials share their views with counterparts from neighboring governments; AID will be there to observe and to learn -- we shall record and incorporate the experience and opinions of senior LDC administrators, men and women with years of experience in project design, implementation and evaluation. There will be no more than six Americans present; perhaps four from AID, one representative of the Rockefeller Foundation (no cost to AID), and Professor Montgomery who will act primarily as a facilitator.

Recommendation: In order to facilitate the preparation of a sound approach to the Integrated Rural Development Project while fostering a dialogue useful to both Agency and LDC development executives, it is recommended that you approve \$15,010 in small activity funds to be executed by the Asia Society to cover travel and per diem expenses of 8-10 participants to attend a November 1977 seminar in Penang, Malaysia, and miscellaneous seminar expenses such as transcription of proceedings, locally procured supplies, administrative costs, etc., (see attached budget).

Approved: *Pauline D. McGraw*

Disapproved: \_\_\_\_\_

Date: *August 12, 1977*

## Participants

Amorn Nondasuta  
Ministry of Health  
Royal Government of Thailand  
Bangkok, Thailand

Aree Valyaseui, Dean  
Faculty of Medicine  
Ramathibodi Hospital  
Rama VI Road  
Bangkok, Thailand

Javed Hamid, Chief  
Economic Research Planning Division  
Islamabad, Pakistan

Another Pakistani yet to be  
nominated by the GOP

Soe Kirman  
Academy of Nutrition  
P.O.Box KBYB  
Kebayoran Barat  
Jakarta Selatan, Indonesia

Another Indonesian yet to be  
nominated by the GOI

Floretino S. Solon  
Nutrition Center of  
the Philippines  
South Superhighway  
Makati, Rizal P-3116  
Philippines

Another Pilipino, probably  
Dr. Floretino of the Ministry  
of Health

John D. Montgomery  
John F. Kennedy School of  
Government  
Harvard University  
Cambridge, Massachusetts 02138

Beverly Winikoff, M.D.  
The Rockefeller Foundation  
113 Avenue of the Americas  
New York, New York 10036

2 USAID/Washington

2 USAID Missions in region

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## Estimated Budget

I. International Airfares		
(Roundtrip to Penang, economy class)		
2 Thailand	\$	404
2 Indonesia		648
2 Philippines		936
2 Pakistan		1,500
1 Boston, Massachusetts		2,011
(10% inflation factor)		<u>500</u>
	Subtotal	\$5,995
II. Per diem and additional expenses		
1 American participant x 5 days x \$45.00		225
8 Asian participants x 4 days x \$45.00		1,440
additional cost: 9 people x \$50.00		450
(local transportation, visas, inoculations, etc.)		<u>          </u>
	Subtotal	\$2,115
III. Preparation and publication of Conference Report		\$1,500
IV. Communications (cable, telephone, postage)		\$1,500
V. Overhead to Asia Society @ 30%		\$3,000
(This rate is consistent with Artifice VI, Contract #AID/ASIA-C-1226 [Regional] between The Asia Society and the Asia Bureau/AID.)		
	Total Direct and Indirect Costs:	\$15,010