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**AGRICULTURAL POLICY ANALYSIS PROJECT**

**CONTRACT NO. DAN-4084-C-3087-00**

**OKLAHOMA STATE UNIVERSITY**

**1986**

**ANNUAL REPORT AND ACTIVITY WORK PLAN**

**Submitted to:**

**Abt Associates, Inc.  
55 Wheeler Street  
Cambridge, MA 02138**

**Subcontractor:**

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## INTRODUCTION

Oklahoma State University is nearing completion of the second year of an anticipated five year subcontract with Abt Associates, Inc., on the USAID Agricultural Policy Analysis Project (APAP), Contract No. DAN-4084-C-00-3087-00. Considerable progress and success has been achieved in attaining the original objectives of the Project as assigned to Oklahoma State University. Specific areas of progress are outlined in the following section. Basically, the same staff that was involved in the APAP the first year from Oklahoma State was involved in the second year and is projected for the third year. There has been considerable interaction of OSU staff with staff of Abt Associates, Inc., and with staff of the other subcontractors, Nathan Associates, and Abel, Daft and Earley. It was a productive and enjoyable second year.

After the section on Annual Progress Report, the Annual Activity Work Plan is presented for the third year. In that section we present our proposed work plan in achieving the assigned third year objectives of APAP as best we can interpret those objectives at this time. It should be noted, that as of the writing of this 1986 Annual Report and Activity Work Plan, Oklahoma State University has not received approval of its 1985 Annual Report and Activity Work Plan nor has it signed the second year subcontract with Abt Associates, Inc. This has not interfered in any major tangible way with the operation and performance of our institution in carrying out its responsibilities but it has hampered, in numerous intangible ways, the forcefulness in which management of the subcontract could be handled. Oklahoma State allocated 28.4 person months to the second year activities and incurred a second year expenditure of \$243,815. The institution has allocated 25.5 person months to the third year activities and has projected an expected expenditure of \$261,133.

## ANNUAL PROGRESS REPORT

Oklahoma State University has contributed in a major way to two activities of the USAID Agricultural Policy Analysis Project:

- Workshops - Activity 7
- Technical Assistance to Ongoing Projects - Activity 8

// Oklahoma State has been only marginally involved in activities of the // guidelines, networking, agricultural policy project design and evaluation and comparative policy studies. In this section progress in the two major activities is discussed, staff utilization is presented and compared with first year activities, and budget allocation is summarized by subactivity.

## Workshops

The long-term objective of Activity 7 as stated in the First Annual Activity Work Plan is to develop and use a structured framework for training public and private sector decision makers and analysts on agricultural policy problem analysis in their own institutional environment. Specific objectives include:

- To increase awareness in agricultural policy problems and to instruct in problem identification, diagnosis and analysis.
- To construct case studies involving actual policy problems for use in instruction and analysis.
- To inform host government personnel on sources of policy analysis technical assistance -- agencies, personnel, data, and publications.
- To assist host country training institutions in developing materials and instructing in agricultural policy analysis.

Projected outputs over the life of the Project, as stated in the Project Paper, are a series of workshops in specific areas of agricultural and food policy analysis. During the first year of the Project a format and approach was to be developed. The Project Paper calls for two workshops in each of the second and third contract years and four in each of the remaining two contract years.

Progress-to-date is summarized in terms of (1) approaches to agricultural policy analysis training, (2) specific country activities completed in year two, and (3) preparation of materials and background information. (Progress reports submitted to Abt Associates, Inc., are contained in Annex I.)

### Approaches to Agricultural Policy Analysis Training

Experiences of the last two years in carrying out three different workshops has helped to formulate in our minds the best approaches to use in providing agricultural policy analysis training. Dr. Luther Tweeten, in a memo to the APAP personnel, has summarized some approaches that can be used:

- Workshops can be extremely effective instruments to analyze and communicate policy alternatives for developing countries. No one workshop model fits all needs. The appropriate model depends on the unique circumstances and needs of each situation. For example, a tool-technique policy analysis workshop is appropriate for an audience of technicians to help them gain fairly rapid acquaintance with analytical techniques, concepts, microcomputers and other tools used in

policy analysis. A disadvantage of this model is that inadequate attention is likely to be given to the unique economic problems of the country involved. Also, communication with policy makers is likely to be restricted.

- A second option is a policy-maker and advisor workshop. In say a four day session, policy makers can gain a concise overview of economic problems of their country and what is known of alternatives to deal with the problems. A disadvantage of this approach is that it places little or no emphasis on developing local capabilities to analyze problems either in preparation for the workshop or as a followup. If a country's problems are dealt with in some depth, policy makers are unlikely to stay around for more than one-half day. The success of the workshop may depend on availability of "off-the-shelf" research results for presentation.
- A third model is the Liberia model or economic policy systems workshop. The advantage of this approach is that agricultural policy analysis personnel spend sufficient time in the host country to learn issues in some depth, work with local technicians, analysts and advisors, and confer with policy makers to define and analyze real policy issues. This not only ensures that felt needs are addressed but also provides a collaborative atmosphere for APAP personnel to interact with local analysts. Such collaboration in preparing position papers on major issues provides local personnel with training and gives continuity to efforts. Local counterparts can analyze emerging issues with the tools and analytical experience long after the APAP personnel are out of the scene.
- Several key personnel from the Ministry of Agriculture in Liberia were brought to Oklahoma State University where they received two months of intense training in microcomputer and policy analysis methods. During that time they worked with APAP personnel at Oklahoma State to develop position papers for presentation at the workshop. In a four day workshop held in Liberia, attended by 51 persons and including the Minister of Agriculture and associate and assistance ministers as well as other key personnel in policy positions regarding agriculture, the Liberian policy analysts and APAP personnel jointly made presentations dealing with key policy issues. Others from Liberia also prepared papers on key issues. A workshop format was followed in that considerable time was allowed for discussion of issues in formulating a Liberian agricultural policy statement. Proceeding will be published. Later, persons in the Ministry of Agriculture will prepare an agricultural policy statement using input from the workshop and other sources.

- In summary, the Liberian model was successful in (1) developing in-country analytical capabilities to perform agricultural policy analysis, (2) fostering collaborative working relationships between APAP personnel and in-country analysts and policy makers so as to respond to felt needs and to address short- and long-term problems in depth, and (3) carrying the in-depth analysis of policy issues to policy makers through intense interaction in approximately a four day policy workshop.
- The Liberian Model is more expensive than the other workshop model because it entails more APAP personnel time than do other approaches but it has a long-term payoff that compensates for the added cost.

### Country Activities

The Project Paper calls for two workshops in the second year of implementation. Oklahoma State has (1) completed workshops in Liberia and the Dominican Republic and is scheduled for another technical workshop in the Dominican Republic during the last part of the second year; (2) maintained follow-up on earlier activities and expressions of interest in workshops; and (3) submitted a proposal to Abt Associates for a workshop in Jamaica.

*Why not a workshop series paper*

It has been found useful to prepare a rather complete workshop proposal that can be used as a guideline for workshop activity development, for negotiation with AID Missions and host government institutions, and for implementation. Such proposals were developed for Liberia and Jamaica and is proposed for the Dominican Republic. The workshop proposal briefly identifies and describes the policy issues of major concern to a country and to be included in the policy analysis training activity. The proposal sets out tentative procedures to be used in the training phase and in the actual analysis of policy problems. An implementation plan and schedule are worked out identifying resource people, subactivities to be completed, expected products or outputs and due dates of subactivity completion. The workshop proposal should be budgeted out and a preliminary assessment of costs made to all parties and institutions involved in the activity. The major advantage of such a proposal is the basis it provides for purposes of discussion, negotiation, contracting, implementation and management.

Liberia - Subaccounts (701 and 711). This activity evolved into a program of training, technical assistance and policy workshop. With completion of the policy workshop on March 25-29, 1985, the activity has been drawn to a conclusion except for informal follow-ups and a suggestion to include this activity in any evaluation of the APAP. The activity received extensive exposure through a State Department cable (REF: State 126178) on the subject: Liberia National Agricultural Policy Seminar. Excerpts of that cable are

given here and serve as a summary of the activity. (The entire cable is included in Annex I):

Summary: National Agricultural Policy seminar jointly sponsored by the Liberia Ministry of Agriculture (MOA) and USAID was held in Yekepa, Liberia, March 25-29, 1985. Attendance was by invitation of the Minister of Agriculture and was restricted to influential representatives of concerned GOL agencies and the private sector.

Major topics were: agricultural comparative advantage, welfare effects of current rice policy, food security, food self-sufficiency and rice policy, agricultural parastatals, land tenure, input supply and distribution, agricultural research extension and training, and investment strategy. The papers presented stimulated lively discussions that were also surprisingly candid and at times provocative. Recommendations for a coherent national agricultural policy were formulated and will be included in proceedings which are being edited for publication.

Background: The seminar was the culmination of a series of activities initiated by the Liberian Agricultural Sector Analysis and Planning Project, under the able and sensitive leadership of the pasa advisor, to test the growing capability of the analysis unit of the MOA to contribute to the elaboration of national agricultural policy. Critical assistance was provided, under the S&T/AGR Agricultural Policy Project, by two Oklahoma State University (OSU) professors who worked closely with the Liberia Project advisor and staff and USAID in the planning and preparation for the seminar. Special mention should be made of the short-term training the professors organized at OSU for three members of the MOA Project staff. This training enabled the trainees, while at OSU, to improve existing and build new analytical models of the Liberian agricultural sector, using previously gathered data. Further application and refinement in Liberia was made possible by the exchange of floppy discs to transfer data and solve problems. This procedure proved to be extremely effective in that it allowed for close monitoring of the research and more productive consultancies by the OSU professors. Four major papers which formed the centerpiece of the seminar were developed through this process and were presented jointly by the MOA staff and the OSU professors.

Comments: Although follow-up actions are uncertain at this time, we feel that the seminar has been a successful undertaking. It provided an unprecedented opportunity to concerned and influential government officials to discuss freely the potentials and problems of Liberia's agricultural sector and likely effects of related government policies. Their active participation to the end of the seminar suggests that they valued that opportunity.

We also feel that the seminar has enhanced the credibility and standing of the MOA and its planning unit. Their professional staff were put to a grueling test and they performed competently.

USAID appreciates highly the services rendered by the OSU professors, and their willingness to continue their assistance through consultancies and further training of the Liberian Project staff.

Papers prepared by the OSU staff in conjunction with their Liberian counterparts were the following:

- Components of an Overall Development Policy for Liberian Agriculture - Luther Tweeten and Richard Edwards.
- Costs, Benefits and Income Redistribution from Liberian Rice Policies - Luther Tweeten and Boima Rogers.
- Liberian Rice Policy: Rice Self-Sufficiency Versus Rice Security - James Trapp, Boima Rogers and Rudene Wilkens.
- A Representative Farm Planning Model for Liberia - Francis Epplin and Joseph Musah.

As indicated in the cable, a proceedings of the workshop is being edited by the Liberian staff and will be published later. The proceedings, in addition to the papers listed above, will contain papers of other presenters on topics of agricultural parastatals, land tenure, input supply and distribution, agricultural research extension and training, and investment strategy.

Since the policy workshop, Mr. Boima Rogers returned to OSU for a brief period of discussions and training. Mr. Rogers also presented a seminar to the APAP staff in Washington, D.C.

Dominican Republic - Subaccounts (703 and 713). This activity started with a policy-maker and advisor workshop, is scheduled for a brief tool-technique oriented workshop, and is proposed for a longer term technical assistance and economic policy systems workshop in year three of the APAP.

Dr. Roger Norton assisted the USAID Mission and the Agricultural Economics Unit of the Ministry of Agriculture in organizing and conducting a policy workshop on April 1-3, 1985. In Dr. Norton's activity report he summarizes the workshop as the following:

1. The workshop in the Dominican Republic was titled Analysis of Agricultural Policy, and it was intended to provide Dominican analysts and policy makers with views of how applied analysis has been carried out in other settings. The workshop was held at the Instituto Superior Agricola, in the city of Santiago, about three and one-half hours' drive from Santo Domingo. About 70 persons attended, including officials from the Ministry of Agriculture and other ministries, private sector representatives, faculty and students of ISA, and AID representatives. The workshop was co-sponsored by AID's

1

Agricultural Policy and Analysis Project and by the Agricultural Economics Unit (UEA) in the Ministry of Agriculture.

2. There were ten presentations, of which six were by outside speakers. The latter were Celso Cartas from the Ministry of Programming and Budgeting in Mexico, Carlos Pomareda from North Carolina State Mission to Peru, Per Pinstруп-Anderson from IFPRI, Rafael Celis from the University of Costa Rica and the University of New Mexico, Carlos Benito from the University of California at Berkeley, and myself. At the request of the UEA, all presentations and discussions were in Spanish.
3. The presentations were diverse in themes, as intended and addressed many issues of relevance in designing agricultural policy. Cartas spoke on the recent Mexican experience in pricing policy. He emphasized the need to link support prices with fiscal capabilities, agricultural extension, programs for storage and transport, and other policies and programs. He also stressed the fact that changes in support prices can give rise to substitution effects, so the net effect on variables such as foreign exchange earnings is not easy to predict. He also noted that pricing policy should be designed in a way that maximizes the gains in terms of productivity improvements.
4. Carlos Pomareda's paper focused on policies aimed at productivity improvements, reviewing those policies from a farm-level perspective. He emphasized the need to design policies to develop the managerial capacity of farmers, and not simply give them higher incentives. He also discussed the need to place agricultural research in the setting of actual resource constraints on farms, and to orient the research toward cost-reducing technologies. Per Pinstруп-Anderson advanced the view that sector-wide policies generally have more impact on rural nutrition than nutrition-specific programs do. Furthermore, changes in sector policies do not necessarily require continuing fiscal outlays, unlike nutrition programs. He pointed out the need to design agricultural policies with nutrition goals explicitly in mind.
5. Carlos Benito gave broader presentation based on analyses of different social and political contexts of development. He discussed differing Latin American contexts of recent years and different views of the role of economic regulation by the government. Rafael Celis discussed lessons from the sugar cane-for-alcohol program in Costa Rica, and how the official views of that program have changed over time, as functions of both external circumstances and internal analyses. He then presented a view of what the essential components of analysis of such a program should be.

6. My own paper reviewed the role and nature of pricing policy, with emphasis on the fact that price supports themselves usually are one of the less important instruments of pricing policy. The exchange rate usually is the most important, and other instruments of trade and fiscal policy are important as well. The presentation also included a review of different tools of analysis for pricing policy, which will be added to the final version of the paper.
7. The UEA wants to put out a soft-cover publication (jointly with APAP) of the proceedings of the conference, and toward that end authors have been asked to submit revised versions of the papers. The discussion at the workshop was extremely lively for all the papers. It is evident that, among other things, the workshop helped raise the visibility of the UEA within the economic circles of the Dominican Republic.
8. The next stage in APAP's participation is to assist the UEA in defining an eighteen-month work program, and correspondingly to define the role of external advisors in that program. To date, UEA has initiated a few very specific studies, but there are not studies touching on sector-wide policies.

A proceedings of the workshop has been assembled and distributed to APAP personnel. Drs. Norton and Carlos Pomareda are scheduled to organize and conduct a technical workshop August 10-15, 1985 and to identify high priority agricultural policy issues for inclusion in a longer-term workshop proposal.

Jamaica - Subaccount (702). USAID Jamaica requested assistance from the S&T/ACGR/EPP Agricultural Policy Analysis Project in completing an evaluation of the Agricultural Planning Project (532-0061) and conducting a policy analysis workshop. Dr. Ozzie Blaich of Nathan Associates, Inc., transmitted a letter to Mr. William McClusky, ARDO with a proposed schedule and work plan for the evaluation. Dr. Luther Tweeten and Daryll Ray discussed the possibilities of a policy workshop with Mr. William McClusky, Mr. Trevor Clarke, Ms. Marie Strachan and Mr. Cyril Buchanan.

Ms. Clarke, Divisional Director of Planning and Policy for the Jamaican Ministry of Agriculture (MOA), and Ms. Strachan, Director of Economic Planning in MOA, expressed interest in the MOA participation in a policy analysis workshop for policy planning technicians. A proposal has been prepared and presented to Abt Associates detailing the policy setting in which such a workshop can be conducted, a proposed plan of work for purposes of implementing a policy workshop, and a budget with proposed participation by the MOA Jamaica, the USAID Jamaica and the S&T Agricultural Policy Analysis Project.

Cameroon - Subaccount (704). Dr. James Trapp visited the USAID Cameroon Mission to follow-up on an earlier expression of interest in a policy workshop. It appears the Mission is interested in further

linkages with APAP but sometime after completion of the Agricultural Census activities. Dr. Rodney Kite of the USAID Mission is interested in pursuing the approach used in Liberia where some thought and discussion first took place relative to policy concerns, some analyses are done (perhaps using the new agricultural census data) and results presented and discussed in a workshop.

### Preparation of Materials

Several major advances have been made in the preparation of materials for use in policy workshops and for distribution to USAID Missions and host country institutions as part of the networking of APAP. Policy workshops themselves serve as a major source of materials. Eight APAP staff members and consultants have been directly involved in workshops the past year and several others have been involved in organizing and preparing materials. Project staff have completed 12 international trips in conjunction with the APAP for purposes of (1) conducting workshops, (2) providing technical assistance in planning and policy analysis and (3) preparing agenda and developing procedures and materials for workshops. Additional trips are proposed for the end of the second year in preparation for activities in year three. These types of APAP country involvements are beneficial to Project staff in identifying key policy issues and organizing of Project activities.

A broader, more expansive position was taken in year two to develop materials and summarize results of policy studies of several countries for use as case studies in the policy guidelines activity and in training through the workshops. Dr. Roger Norton, in conjunction with Dr. Peter Hazell of IFPRI, has completed a manuscript titled Mathematical Programming for Economic Analysis in Agriculture. MacMillan has formally accepted the manuscript and has set a target date for publication of May, 1986. The following is the table of contents for the manuscript:

MATHEMATICAL PROGRAMMING FOR  
ECONOMIC ANALYSIS IN AGRICULTURE

Peter B. R. Hazell and Roger D. Norton

Table of Contents

Preface - Richard A. King

Acknowledgements

1. Introduction

Part I. The Farm Model

2. Mathematical Programming and the Farm Model
3. Solving the Model on a Computer
4. Basic Techniques of Modelling the Farm
5. Advanced Techniques of Modelling the Farm
6. Risk in the Farm Model

Part II. The Sector Model

7. The Economic Structure of the Sector Model
8. Modelling Market Equilibrium
9. Modelling Market Equilibrium: Extensions
10. Risk in the Sector Model
11. Construction and Validation of Sector Models

Part III. Application and Extensions for Policy Analysis

12. Methods of Policy Analysis
13. Applied Studies of the Role of Risk

Appendix. The Theory of Linear Programming Bibliography

The APAP supported part of the research for this manuscript through Dr. Norton's efforts. Dr. Norton has identified Chapters 2-5, 7, 11 and 12 as material most appropriate for technique oriented policy workshops. Some of this material can be made available from Dr. Norton before publication if desired.

Dr. Norton has proposed a further manuscript on agricultural policy analysis methods and case studies for development during year three of the APAP. The proposed topics and case studies are the following:

AGRICULTURAL POLICY ANALYSIS:  
METHODS AND CASE STUDIES

Roger D. Norton and Associates

1. Issues and Approaches in Agricultural Policy Analysis

Part I. Pricing and Input Policies

2. Pricing Policy Issues in Mexican Agriculture (n)
3. Fiscal and Pricing Policy in Haitian Agriculture (n)
4. Nutrition Goals and Alternative Policies in Honduras (p)
5. Comparative Advantage and Agricultural Policy in Turkey (n)
6. A Model of Fertilizer Distribution and Storage in Turkey (n)
7. An Analysis of Mexican Crop Insurance Program ( )

Part II. Economy-wide Linkages and International Trade

8. Intersectoral Linkages and Agricultural Policy in Bangladesh
9. International Trade in Agriculture: the Central American Case (p)
10. Optimal Subsidies and Agricultural Trade: A Study in Mexico (p)
11. National Objectives and the Theory of Agricultural Trade Policy

Part III. Project Evaluation and Investment Programs

12. Project Evaluation and Employment Objectives
13. The Design of a Sectoral Investment Program: A Case Study in Peru (p)
14. Joint Evaluation of Irrigation Projects: A case Study in Egypt (n)
15. Investment Finance and Farm Adjustment: A Case Study in Italy (p)
16. Regional Project Evaluation: A Case Study in Northwestern Mexico (p)

Part IV. Methods and Data Issues

17. Reconciliation of a Sector Data Base: A Case Study for Nigeria (n)
18. The Construction and Use of Sector Models (p)
19. Policy Analysis with Programming Models (p)
20. The Importance of Risk in Agriculture (p)
21. General Equilibrium Analysis with Activity Analysis Technologies of Production (p)
22. The Use of Microcomputers in Agricultural Policy Analysis
23. (review of Kutcher) (p)
24. (review of Schiefer) (p)

p = previously published  
n = use not yet cleared

## Summary Counts

- 13 Chapters previously published (in 4 books, 6 journals)
- 6 Chapters do not yet have use cleared
- 10 Countries represented in the case studies (including the Central American region as a whole as one)

Elton Li has prepared various materials on the use of microcomputers for agricultural policy analysis. As part of the on-campus training program for the Liberians, Elton constructed a microcomputer program that inputs a linear programming matrix by LOTUS 1-2-3 spreadsheet program, solves it by the simplex method, then outputs the solution in a form directly readable by LOTUS 1-2-3. The program can handle a matrix of about 100 variables and 75 constraints. Elton is further testing the program and has written a manual for its use titled "Tutorial Introduction to MUSAH86: A Microcomputer Program for LP."

Li has developed a microcomputer program using spreadsheet to analyze the distribution of economic costs and benefits from market intervention. Application has been made to the Liberian rice economy using the Tweeten and Boima paper. Plans are to expand the program to a multi-commodity model.

Li and Norton have written a discussion paper on the role of microcomputers for agricultural policy analysis in developing countries.

Dr. Shida Henneberry and Tweeten are preparing materials on agricultural supply responses. Dr. Henneberry has prepared a background paper on a review of agricultural supply responses for international policy models. In the introduction to the paper Dr. Henneberry states:

In order to increase agricultural production and support the farm family, most of the farm programs in developed as well as developing countries have concentrated on agricultural price policies. These policies call for estimates of farmers responses to price, i.e., the price elasticity of supply. These elasticities have been used to predict:

1. The effect of government farm policies such as price support programs, import and export taxes or subsidies on quantity produced.
2. The impact of demand shifters such as changes in export demand, income, or population on prices and quantity of output.

This study summarizes the agricultural price supply responses in developed as well as developing countries. The specific objectives of this study are:

1. To investigate whether the supply elasticities are greater in developed countries than developing countries.
2. To see whether there exists a systematic pattern in supply responses by developing countries to certain economic and policy variables.
3. To use these estimates to measure export demand elasticities for U.S. agricultural products.
4. To estimate price transmission elasticities, i.e., response of a country's domestic price to changes in the world price.

In the first part of this paper the formula for calculating supply elasticities (short-run and long-run) and various methods used in estimating these elasticities are presented.

In the second part, a literature review of the estimates of price elasticities of supply are given. Finally, the shortcomings of the estimates are discussed.

Dr. Tweeten revised and expanded his paper on "Introduction to Agricultural Policy Analysis: The Distribution of Economic Costs and Benefits from Market Intervention." The paper was expanded to include an illustration of the framework applied to actual data for price policies in Liberia. This paper has received wide distribution. The paper will be published in an International Development Series at Oklahoma State University.

#### Technical Assistance

The long-term objective of Activity 8 as stated in the First Annual Activity Work Plan is to assist developing countries in solving their key agricultural and food policy problems. Specific objectives include:

- To assist policymakers in identifying where public policy might improve the output and functioning of agricultural and food systems.
- To assist policy analysts in applying methods of economic analysis to current agricultural and food policy problems.
- To assist countries in assessing data needs to evaluate alternative agricultural and food policies.

To advise countries and AID Missions on sources of policy analysis technical assistance.

Projected outputs over the life of the Project as stated in the Project Paper for Activity 8 include technical support to two host countries during the first contract year and to four countries in each of the remaining four years of the contract. Activity reports are to be submitted to the AID Project Manager within 60 days after completing each country visit.

Agricultural policy workshops and technical assistance are frequently a joint product. The Liberia model is an example of how technical assistance can be provided through collaborative analysis by APAP personnel and local analysts of current policy issues with the result of not only increasing capability of analysis but also providing alternatives for policy makers to consider in addressing the issues. For this reason, the workshop activities for Liberia and the Dominican Republic should also be viewed as technical assistance activities.

The only other technical assistance activity engaged in by Oklahoma State Staff was subactivity 803 ROCAP. Dr. Dean Schreiner met with the technical coordinating committee of the Council of Agriculture Cooperation of Central America, Panama and Dominican Republic (CORECA) to advise on jointly sponsored workshops.

Requests for technical assistance were not sufficient in year two to meet the projected outputs for the Project.

Several other miscellaneous activities should be mentioned as having occurred in year two. Dean Schreiner presented a seminar to APAP staff in Washington, D.C. on approaches to training programs through policy workshops. Luther Tweeten was invited to present a seminar and participate in an AID training program for agricultural and rural development officers in Washington. Shida Henneberry presented a seminar to APAP and AID staff on agricultural supply response in developing countries. James Trapp participated in the Green Revolution Game conducted at the World Bank offices in Washington.

#### Staff Utilization

Oklahoma State utilized 28.4 person months of staff time on the Agricultural Policy Analysis Project during year two (Table 1). The institution was budgeted for 27.5 person months in year two. This compares with a staff utilization of 19.6 person months in year one and a budgeted amount of 24.0 person months in year one.

*Leaf*  
Oklahoma State utilized 17 different professionals, including five consultants, on the Project in year two versus 10 professionals in year one. All of the professionals utilized in year one of the

TABLE 1

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 STAFFING (PERSON MONTHS)

PERSONNEL	YEAR 1		YEAR 2	
	BUDGETED	ACTUAL	BUDGETED	ACTUAL (EST.)
<b>Core</b>				
D. F. Schreiner	6.0	5.0	6.0	5.5
L. G. Tweeten	3.0	3.6	3.0	3.7
R. D. Norton	<u>3.5</u>	<u>2.9</u>	<u>3.0</u>	<u>3.7</u>
Subtotal	12.5	11.5	12.0	12.9
<b>Non-Core</b>				
D. D. Badger	1.0		1.0	0.1
J. E. Osborn	1.0	0.4	1.0	0.9
D. E. Ray	1.0	0.5	1.0	1.0
F. M. Epplin		0.3		1.3
S. Henneberry		0.3		1.5
T. D. Kinzie	8.5	0.3	10.5	0.3
E. C. Li		5.0		6.0
J. M. Trapp		1.3		2.6
B. C. Wright				0.1
Consultants				<u>1.7</u>
Subtotal	11.5	8.1	15.5	15.5
<b>TOTAL</b>	<b>24.0</b>	<b>19.6</b>	<b>27.5</b>	<b>28.4</b>

Project were available and used in year two. Core personnel accounted for 12.9 person months in year two or 45 percent of total staff months. More core staff time was utilized than was budgeted. Consultants accounted for 1.7 person months in year two and came from the following institutions: IFPRI, the Mexican government, the University of California at Berkeley, the North Carolina State University Mission to Peru, and the University of New Mexico.

Approximately 5.6 person months were spent on international assignments (Table 2). This represents about 20 percent of total staff time. This is down slightly from the 23 percent of staff time on international assignments in year one.

Staffing by activity is presented in Table 3. The bulk of the staffing occurred in Activity 7 (Workshops) - approximately 24.9 person months or 87.6 percent of the total person months. Liberia, preparation of workshops materials, and the Dominican Republic accounted for the major amounts of staff time. Liberia, in all subactivity accounts, utilized 10.2 person months or 35.9 percent of the total and the Dominican Republic utilized 4.8 person months or 16.8 percent of staff time. Preparation of workshop materials accounted for 7.4 person months of staff time or 26.0 percent of the total. Management of Activities (7) and (8) accounted for 3.7 person months or 13.1 percent of total staff time.

A comparison of staffing by activity between years one and two is given in Table 4. Proportionally, much more time was allocated to workshops in year two compared to year one. No staff time was allocated to Activities (1), (3) and (5) in year two.

Staffing by activity for individual staff members is presented in Annex II, Tables A-1 to A-13.

#### Budget Allocation

Expenditures for year two are estimated at \$243,815 (Table 5). Actual expenditures may differ due to the fact billings for the months of June through September are not known and must be estimated. Oklahoma State was budgeted for \$256,359 for year two of APAP (Table 6). However, because of budget cuts for APAP for year two, Abt Associates reduced OSU allocation by \$12,544. This follows an unused allocation of \$84,311 for year one of the Project.

Salaries and fringe benefits are substantially under-budget for year two. Travel costs are about 10 percent under-budget. Overhead is 12 percent over-budget and other direct costs are about 100 percent over-budget.

TABLE 2

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 DOMESTIC-INTERNATIONAL STAFFING (PERSON DAYS)

PERSONNEL	YEAR 1			YEAR 2 (EST).		
	DOMESTIC	INTERNAT.	TOTAL	DOMESTIC	INTERNAT.	TOTAL
D. F. Schreiner	79.7	31.0	110.7	111.0	10.0	121.0
L. G. Tweeten	41.3	38.5	79.8	54.9	26.5	81.4
R. D. Norton	51.9	12.4	64.3	62.3	20.0	82.3
D. D. Badger				2.2		2.2
J. E. Osborn	8.8		8.8	19.8		19.8
D. E. Ray	8.8	2.2	11.0	20.3	2.8	23.1
F. M. Epplin	6.6		6.6	22.0	5.5	27.5
S. Henneberry	7.0		7.0	33.0		33.0
T. D. Kinzie	5.5		5.5	5.5		5.5
E. C. Li	110.0		110.0	132.0		132.0
J. M. Trapp	12.1	17.0	29.1	35.3	22.0	57.3
B. C. Wright				3.0		3.0
Consultants					37.0	37.0
TOTAL	331.7	101.1	432.8	501.3	123.8	625.1

TABLE 3

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
Workshops (7)													
7 Management	4.0	5.5	5.5	7.0	6.5	6.5	5.0	3.0	5.0	8.0		1.0	57.0
70 Preparation	7.5	9.8	2.5	7.2	10.4	6.9	6.9	7.2	25.6	33.6	25.7	19.1	162.4
701 Liberia	22.6	15.9	13.3	25.4	18.6	9.2	9.2	7.9	12.7	3.7	1.0		139.5
702 Jamaica	8.0	1.0						5.0	1.0	1.0	4.2	14.5	34.7
703 Dominican Republic	2.0	3.0	6.5	3.0	3.0	7.5	10.6	17.9	21.0	9.0	16.9	4.5	104.9
704 Cameroon		2.0	2.0	6.0	1.0								11.0
711 Liberia (Mission)						15.4	17.2	5.3					37.9
713 Dom. Rep. (Mission)													
Subtotal	44.1	37.2	29.8	48.6	39.5	45.5	48.9	46.3	65.3	55.3	47.8	39.1	547.4
Technical Assist. (8)													
8 Management	2.5	3.0	3.5	4.5	3.0	2.0	1.5	1.5	1.5	1.5		0.5	25.0
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP								3.0	2.0	1.0			6.0
804 Liberia	4.0	3.8	3.0	7.0	7.0	2.0	2.0		2.0	1.0	1.0		32.8
814 Liberia (Mission)						5.5	6.0	2.4					13.9
Subtotal	6.5	6.8	6.5	11.5	10.0	9.5	9.5	6.9	5.5	3.5	1.0	0.5	77.7
TOTAL	50.6	44.0	36.3	60.1	49.5	55.0	58.4	53.2	70.8	58.8	48.8	39.6	625.1

TABLE 4

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 STAFFING BY ACTIVITY (PERSON DAYS)  
 YEAR 1 AND YEAR 2

ACTIVITY	YEAR 1	YEAR 2 (EST.)	TOTAL
<b>Workshops (7)</b>			
7 Management	21.0	57.0	78.0
70 Preparation	120.2	162.4	282.6
701 Liberia	128.9	139.5	268.4
702 Jamaica	14.7	34.7	49.4
703 Dominican Republic	3.0	104.9	107.9
704 Cameroon		11.0	11.0
711 Liberia (Mission)		37.9	37.9
713 Dom. Rep. (Mission)			
Subtotal	<u>287.8</u>	<u>547.4</u>	<u>835.2</u>
<b>Technical Assist. (8)</b>			
8 Management	19.4	25.0	44.4
80 Preparation	11.9		11.9
801 Dominican Republic	9.0		9.0
802 Peru	34.4		34.4
803 ROCAP	12.0	6.0	18.0
804 Liberia	27.8	32.8	60.6
814 Liberia (Mission)		<u>13.9</u>	<u>13.9</u>
Subtotal	<u>114.5</u>	<u>77.7</u>	<u>192.2</u>
Technical Assist. (1)	11.0		11.0
Guidelines (3)	1.2		1.2
Design and Evaluation (5)	<u>18.3</u>		<u>18.3</u>
<b>TOTAL</b>	<b>432.8</b>	<b>625.1</b>	<b>1057.9</b>

TABLE 5

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 EXPENDITURES (DOLLARS)  
 OCTOBER 1984 - SEPTEMBER 1985

CATEGORY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
1. Salaries	8,176	8,029	7,541	12,304	10,497	10,639	11,303	10,518	11,334	7,937	7,937	7,938	114,693
2. Overhead	3,602	3,542	3,051	7,090	4,509	6,198	6,700	6,014	5,800	4,062	4,062	4,062	58,692
3. Fringe Benefits	1,426	1,089	850	2,205	1,569	1,638	1,572	1,209	1,647	1,153	1,153	1,153	16,664
4. Travel/ Transportation		528	51	5,661	174	8,754	5,291	3,866	3,466	2,427	2,427	2,427	35,072
5. Other Direct Costs	452	771	531	684	1,023	947	3,948	4,610	1,846	1,294	1,294	1,294	18,694
TOTAL	14,196	13,959	12,024	27,944	17,772	28,176	28,814	26,217	24,093	16,873	16,873	16,874	243,815

TABLE 6

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 ACTUAL EXPENDITURES VERSUS BUDGET (DOLLARS)  
 YEAR 1 AND YEAR 2

LINE ITEM	CATEGORY	BUDGET <sup>a</sup> YEAR 1	ACTUAL YEAR 1	BUDGET <sup>a</sup> YEAR 2	ACTUAL <sup>b</sup> YEAR 2 (EST.)
1	Salaries	110,520	77,101	127,055	114,693
2	Overhead	47,854	33,339	52,422	58,692
3	Fringe Benefits	25,660	9,804	28,547	16,664
4	Consultancies	--	--	--	--
5	Travel	33,300	21,144	39,020	35,072
6	Other Direct Costs	14,914	6,549	9,315	18,694
7	Subcontracts	--	--	--	--
TOTAL		232,248	147,937	256,359	243,815

<sup>a</sup>See Annex III for Revised Budget

<sup>b</sup>From Table 5.

## Reports and Papers

1. Schreiner, D. F. "1985 Annual Report and Activity Work Plan." Revised, September 14, 1984.
2. Norton, R. D. "Dominican Republic Trip Report." Activity Report, February 6, 1985.
3. Tweeten, L. G. and J. N. Trapp. "Liberia, Ivory Coast and Cameroon Trip Report." Activity Report, January, 30, 1985.
4. Tweeten, L. G. "Components of an Overall Development Policy for Liberian Agriculture." Paper presented at the National Agricultural Policy Seminar, Yekepa, Liberia, March 25-19, 1985.
5. Tweeten, L. G. and B. Rogers. "Costs, Benefits and Income Redistribution from Liberian Rice Policies." Paper presented at the National Agricultural Policy Seminar, Yekepa, Liberia, March 25-19, 1985.
6. Trapp, J. N., B. Rogers and R. Wilkens. "Liberian Rice Policy: Rice Self-Sufficiency Versus Rice Security." Paper presented at the National Agricultural Policy Seminar, Yekepa, Liberia, March 25-29, 1985.
7. Epplin, F. M. and J. G. Musah. "A Representative Farm Planning Model for Liberia." Paper presented at the National Agricultural Policy Seminar, Yekepa, Liberia, March 25-19, 1985.
8. Tweeten, L. G. and J. N. Trapp. "Activity Report on Liberia Workshop, March 26-29, 1985," April 8, 1985.
9. Li, E. C. "Tutorial Introduction to MUSAH86: A Microcomputer Program for LP." Mimeo, Department of Agricultural Economics, Oklahoma State University, Stillwater, n.d.
10. Li, E. C. and R. D. Norton. "Notes on the Roles of Microcomputers in Agricultural Policy Analysis in Developing Countries." Mimeo, Department of Agricultural Economics, Oklahoma State University, Stillwater, n.d.
11. Schreiner, D. F., L. G. Tweeten and D. E. Ray. "Workshop Proposal for Purposes of Increasing the Capacity for Agricultural Policy Analysis in Jamaica," May 31, 1985.
12. Tweeten, L. G. "Introduction to Agricultural Policy Analysis: The Distribution of Economic Costs and Benefits from Market Intervention." Mimeo, Department of Agricultural Economics, Oklahoma State University, Stillwater, June, 1985 (revised).

13. Norton, R. D. "Dominican Republic Workshop, April 1-3, 1985," Activity Report, July 11, 1985.
14. Norton, R. D. "Proceedings, Dominican Republic Workshop, April 1-3, 1985," July 17, 1985.
15. Henneberry, S. R. "A Review of Agricultural Supply Responses for International Policy Models." Background paper, July 31, 1985.

## ANNUAL ACTIVITY WORK PLAN

Oklahoma State University in year three will contribute to two activities of the Agricultural Policy Analysis Project -- Policy Workshops (Activity 7) and Technical Assistance to Ongoing Policy Projects (Activity 8). These activities cut across the broad categories currently defined for APAP -- Worldwide Activities and Country Activities. The Worldwide Activities recognize a need to better understand a common set of agricultural policies among several countries and to improve the analytical base on which evaluation of those policies can occur. The Country Activities have two purposes: (1) to increase the capacity of host government institutions and personnel to evaluate alternative agricultural policies and (2) to provide country specific information and results of policy analysis for the Worldwide Activities.

These two activities, however, tie directly to the APAP activities of the Agricultural Officer and Policy Analysis Guidelines and the Networking. Analytical papers and case studies developed out of workshops should prove useful in expanding upon the Guidelines. Similarly, the dissemination of materials and the cross-country use of policy professionals and training of policy analysts in country and regional workshops contribute to the Networking activities.

Oklahoma State in year three is budgeting for 25.5 person months and for an estimated expenditure of \$261,133.

### Objectives for Year III

The objectives for year three can be classified by Worldwide Activities and Country Activities. The major objectives for Worldwide Activities include:

- To prepare, adapt and synthesize policy analysis materials for use and application in country and regional workshops and in technical assistance programs.
- To distribute APAP workshop and technical assistance materials to USAID Missions and host country institutions for purposes of policy analysis networking.
- To conduct a Workshop Symposium on methods of policy analysis training.

The major objectives for Country Activities include:

- To prepare country specific policy analyses and case studies for use in policy workshops and training programs.
- To conduct at least two country and/or region specific policy workshops in conjunction with USAID Missions and host country institutions.

To identify and utilize policy professionals in host countries for purposes of conducting workshops and networking.

A set of subactivities is identified and presented in Table 7 for purposes of further elaborating the Worldwide and Country Activities.

#### Subactivity Implementation

The primary emphasis of the subactivities is in the support and conducting of country and region specific policy workshops and in providing technical assistance in policy analysis. It is for this reason that 15 person months (Subactivities 7.3, 7.4, 8.2 and 8.3) out of the total 25.5 person months of staff time is allocated to Country and Regional Activities (see Table 8). Countries that have been initially identified for policy workshops and technical assistance in year three include: The Dominican Republic, Jamaica, Peru, Ecuador and Cameroon. Regional Activities initially identified include: ROCAP and its assistance to IICA and CORECA and the jointly sponsored AID/FAO Anglophone regionally supported conference and workshops.

A second area of emphasis is in preparation of case studies emphasizing policy results of several countries and the networking of information and policy professionals among countries. This will account for 10.5 person months during the third year (Subactivities 7.1, 7.2 and 8.1).

It is important to note that the APAP itself gains considerable information, experience and data from Country and Regional Activities. Each time the APAP conducts a workshop or series of policy studies within a country or region it adds to the materials and knowledge base available in other country and regional efforts. For this reason, the APAP emphasizes the importance of Country and Regional Activities and is willing to invest resources apart from Mission funded activities in gaining the country and region specific information, experience and data.

Staffing by activity is presented in Table 9 for year three. The core personnel accounts for 12 person months during the third project year in accordance with the OSU original proposal. Non-core staffing and consultants account for 13.5 person months. Projected staffing for year three involves the same staff as employed in years one and two.

The activity and subactivity budget is presented in Table 10 for year three. Country Activities account for about 60 percent of the total budget. Mission funding is approximately 20 percent of total funding with the rest coming from S&T (Bureau of Science and Technology) funding. Because of the importance of Country Activities in year three and the importance of gaining country information, experience and data to be used in Worldwide Activities, the emphasis

TABLE 7

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 WORLDWIDE AND COUNTRY SUBACTIVITIES

ACTIVITY AND SUBACTIVITY	WORLDWIDE	COUNTRY
Workshops (7)		
7.1 Preparation	<ul style="list-style-type: none"> <li>• Synthesize policy results</li> <li>• Develop case study materials</li> <li>• Develop microcomputer policy models</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare country specific analyses and case studies</li> </ul>
7.2 Dissemination and Networking	<ul style="list-style-type: none"> <li>• Distribute APAP materials</li> <li>• Conduct Workshop Symposium</li> </ul>	<ul style="list-style-type: none"> <li>• Identify and utilize policy professionals</li> <li>• Distribute APAP materials</li> </ul>
7.3 Country Activities	<ul style="list-style-type: none"> <li>• Adapt worldwide materials to specific countries</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct country workshops and train personnel (Subaccounts: 702, 703, 704, 711, 713)</li> </ul>
7.4 Regional Activities	<ul style="list-style-type: none"> <li>• Adapt worldwide materials to specific regions</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct regional workshops and seminars (Subaccounts: ROCAP, AID/FAO Anglophone)</li> </ul>

TABLE 7 (CONTINUED)

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 WORLDWIDE AND COUNTRY SUBACTIVITIES

ACTIVITY AND SUBACTIVITY	WORLDWIDE	COUNTRY
Technical Assistance (8)		
8.1 Dissemination and Networking	• Distribute APAP materials	• Identify and utilize policy professionals
8.2 Country Activities	• Collect and synthesize country specific policy study results	• Provide technical assistance (Subaccounts: 801, 802, 804, 814)
8.3 Regional Activities	• Collect and synthesize region specific policy study results	• Provide technical assistance (Subaccount: 803, Anglophone)

TABLE 8

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 LABOR UTILIZATION BY SUBACTIVITY (PERSON MONTHS)

ACTIVITY AND SUBACTIVITY	WORLDWIDE ACTIVITIES	COUNTRY ACTIVITIES	TOTAL
Workshops (7)			
7.1 Preparation	4.5	3.0	7.5
7.2 Dissemination and Networking	1.0	0.5	1.5
7.3 Country Activities	2.0	6.0	8.0
7.4 Regional Activities	<u>1.0</u>	<u>2.0</u>	<u>3.0</u>
Subtotal	8.5	11.5	20.0
Technical Assistance (8)			
8.1 Dissemination and Networking	1.0	0.5	1.5
8.2 Country Activities	0.3	2.5	2.8
8.3 Regional Activities	<u>0.2</u>	<u>1.0</u>	<u>1.2</u>
Subtotal	1.5	4.0	5.5
TOTAL	10.0	15.5	25.5

TABLE 9

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 STAFFING BY ACTIVITY (PERSON MONTHS)

PERSONNEL	WORLDWIDE ACTIVITIES		COUNTRY ACTIVITIES		TOTAL
	WORKSHOPS	TECHNICAL ASSISTANCE	WORKSHOPS	TECHNICAL ASSISTANCE	
<b>Core</b>					
D. F. Schreiner	1.0	1.0	2.0	1.0	5.0
L. G. Tweeten	1.0	--	1.5	0.5	3.0
R. D. Norton	<u>2.0</u>	<u>--</u>	<u>1.5</u>	<u>0.5</u>	<u>4.0</u>
Subtotal	4.0	1.0	5.0	2.0	12.0
<b>Non-Core</b>					
J. N. Trapp	0.5	--	1.0	0.5	2.0
J. E. Osborn	0.1	0.1	0.2	0.1	0.5
D. E. Ray	0.4	--	0.4	0.2	1.0
F. M. Epplin	0.2	--	0.5	0.3	1.0
D. D. Badger	0.2	--	0.2	0.1	0.5
S. Henneberry	2.0	0.4	1.4	0.2	4.0
E. C. Li	1.1	--	0.8	0.1	2.0
Consultants	<u>--</u>	<u>--</u>	<u>2.0</u>	<u>0.5</u>	<u>2.5</u>
Subtotal	4.5	0.5	6.5	2.0	13.5
<b>TOTAL</b>	<b>8.5</b>	<b>1.5</b>	<b>11.5</b>	<b>4.0</b>	<b>25.5</b>

TABLE 10

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 ACTIVITY BUDGET (\$)

ACTIVITY AND SUBACTIVITY	WORLDWIDE ACTIVITIES S&T FUNDING	COUNTRY ACTIVITIES		TOTAL
		S&T FUNDING	MISSION FUNDING	
Workshops (7)				
7.1 Preparation	46,082	20,600	10,122	76,804
7.2 Dissemination and Networking	10,240	3,433	1,687	15,360
7.3 Country Activities	20,481	41,200	20,243	81,924
7.4 Regional Activities	<u>10,241</u>	<u>13,733</u>	<u>6,748</u>	<u>30,722</u>
Subtotal	87,044	78,966	38,800	204,810
Technical Assistance (8)				
8.1 Dissemination and Networking	10,241	3,445	1,675	15,361
8.2 Country Activities	3,072	17,226	8,375	28,673
8.3 Regional Activities	<u>2,048</u>	<u>6,891</u>	<u>3,350</u>	<u>12,289</u>
Subtotal	15,361	27,562	13,400	56,323
Total	102,405	106,528	52,200	261,133

is not to pressure for mission funding of workshops and preparation of materials for workshops.

The budget by item is summarized in Table 11. This projected expenditure is from the Revised Budget in Annex III and is from the OSU original proposal for the APAP.

TABLE 11

OKLAHOMA STATE UNIVERSITY  
AGRICULTURAL POLICY ANALYSIS PROJECT  
BUDGET FOR YEAR THREE

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ITEM	PROJECTED EXPENDITURE (\$)
Salaries	127,600
Overhead	52,894
Fringe Benefits	28,638
Travel	40,386
Other Direct Costs	<u>11,615</u>
TOTAL	261,133

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Source: Table 1 in Annex III.

ANNEX 1

PROGRESS REPORTS

Agricultural Policy Analysis Project  
Oklahoma State University  
Progress Report  
August - September, 1984

Activity 5 - Design and Evaluation of PA Projects

- (a) LACPLAN/PROPLAN (503). Ralph Hanson and Dean Schreiner spent August 20-24 in the Dominican Republic on the last stages of the LACPLAN/PROPLAN evaluation. A revised activity report was submitted dated September 10, 1984 to Jim Riordan for distribution to AID.

Activity 7 - Policy Workshops

- (a) Liberia (701). Mr. Joe Musah, Mr. Boima Rogers and Mrs. Rudene Wilkins arrived on campus September 5 for an approximate two months of short-term training on the use of microcomputers for agricultural policy analysis. Attached to the June - July progress report is a memo from Dr. Tweeten outlining the proposed training program. Terry Kinzie provided an orientation and introduction to micros and took them through a series of programs on the Apple IIe. Elton Li followed this with instruction on the IBM PC and started a series of data analyses on the IBM. Faculty members Epplin, Trapp, Ray and Tweeten will be involved in additional training (see attached Tweeten memo of September 5, 1984).

Dr. Richard Edwards who is in charge of the agricultural policy project in Liberia visited the campus and faculty September 12-14. Plans for the short-term training and the workshops in 1985 were discussed.

Dr. Epplin and Mr. Joe Musah are programming representative farms for Liberia and preparing materials for the policy workshop. Dr. Tweeten is preparing materials with the participants on the analysis of rice marketing and pricing policy.

- (b) Jamaica (702). Drs. Tweeten and Ray spent September 18-23 in Kingston in preparation for a proposed Policy Analysis Workshop. A trip report was filed with Jim Riordan dated September 24. Major areas of concern of the MOA over economic problems of agriculture included:

- Investment analysis: rehabilitating lowlands irrigation systems for export crops versus payments to small farmers for hillside production of domestic consumption crops.

- Marketing: market development for specialty crops and export markets.
- Pricing policies: influencing exports and imports through commodity subsidies, exchange rate policies, monetary-fiscal policies and other means.

(c) Dominican Republic (703). During the Hanson-Schreiner trip to Santo Domingo discussions were held with Roberto Castro and Tex Ford on the possibility of holding a policy workshop with the newly formed policy analysis group. Norton and/or Schreiner should follow-up on this with Roberto.

#### Project Management

- (a) Dean Schreiner attended the Activity Managers Meeting September 13. A preliminary 1985 Annual Report and Activity Work Plan was submitted.
- (b) A revised 1985 Annual Report and Activity Work Plan has been submitted dated September 14, 1984.

**M E M O R A N D U M**

DATE September 5, 1984  
TO Participants in Liberian Student Policy Analysis Training Using Microcomputers  
FROM Luther Tweeten  
SUBJECT Future Schedule

In addition to two weeks training on the Apple computers to be followed by two weeks training on the IBM computers during the morning hours, students will be provided instruction in specialized areas. Principal responsibilities and students involved will be as followed:

Faculty

Student and Area

Francis Epplin

Joe Musah - Linear Programming  
of Representative Farms in Liberia

Jim Trapp

Rudine Wilkens and Boema Rogers -  
KITE Model

Daryll Ray

All Students - Statistical Package  
including Regression Analysis

Luther Tweeten

All Students - Policy Analysis

Work with linear programming will begin early while the training on the Apple and IBM is in process. The four above areas will be scheduled according to the best time that can be worked out with the faculty and students involved.

Agricultural Policy Analysis Project  
Oklahoma State University  
Progress Report  
October - November, 1984

Activity 7 - Policy Workshops

(a) Liberia (701). Mr. Joe Musah, Mr. Boima Rogers and Mrs. Rudene Wilkins completed the short-term training program on use of microcomputers in Agricultural policy analysis. Attached is a letter to Dr. Richard Edwards written by Elton Li which provides a summary of the training program. A memo is also attached from the participants giving an expression of appreciation and gratitude.

Luther Tweeten and James Trapp are scheduled for a trip beginning January 7, 1985. Purpose of the TDY is to complete drafts of working papers and to make final preparations for policy workshop.

(b) Jamaica (702). The workshop and project evaluation has been postponed until early 1985. A workshop proposal needs to be put together and sent to the AID Mission for reaction. Dr. Phillip Foster of the University of Maryland has expressed interest in preparing workshop materials and case studies for agricultural and food policies. Phil has put on workshops in Southeast Asia and has Jamaica experience. He is currently submitting a brief proposal for consideration.

(c) Cameroon. The Mission has been cabled to consider a stopover by James Trapp after Liberia for purposes of advising USAID/Cameroon on Kite microcomputer policy model and for networking under S&T APAP. Mr. Boima Rogers of Liberia is proposed to accompany Trapp for purposes of discussing operational aspects of Kite model in context of Liberia data and economic structure. Other purpose of Rogers visit is to establish networking among institutions for sharing policy analysis procedures and results.

(d) REDSO/West. Mission has been cabled to consider a stopover by Luther Tweeten for purposes of briefing on APAP Liberia activity and other project activities.

(e) Dominican Republic (703). Roger Norton is scheduled to stopover in December to discuss proposed workshop with Roberto Castro. Tentative dates are December 13-15. James Riordan has provided Castro with list of potential candidates for personal services contract on the Mission's Agricultural Policy Analysis Project.

Activity 8 - Technical Assistance

- (a) Nepal. James Trapp has been proposed as a resource person for a National Agricultural Marketing Conference to be held in Kathmandu December 18-21, 1984. Trapp is proposed as a specialist on agricultural product pricing policy.



# Oklahoma State University

DEPARTMENT OF AGRICULTURAL ECONOMICS

STILLWATER, OKLAHOMA 74078  
AGRICULTURAL HALL, ROOM 308  
(405) 624-6157, 6154, 6081, 6086

11-13-1984

Dr. Richard Edwards  
USDA/Liberia  
A.P.O. New York 09155

Dear Dr. Edwards:

This letter provides a brief report on the Liberian training program and a response to your request for materials in the 10-24-84 cable.

The training program has been a pleasant experience for all of us involved. The main thrust of the program has been training on the IBM PC microcomputers with relevance to agricultural policy analysis. The IBM PC works very similar to, and is disk-compatible with, the WANG PC microcomputers. In fact, the participants took home data disks containing materials developed here as part of their training program. These disks are directly readable by the WANG PC. Most of the materials were derived from work and data the participants brought with them and should immediately be applicable to their everyday work at home.

The typical work day of the participants started with one or two hours sessions with faculty members of this department. Faculty members involved included Drs. Francis Eppin, Glen Knowles, Ron Krenz, James Trapp, Daryll Ray, Joe Schatzler, Dean Schreiner, Luther Tweeten, Clem Ward, and Joe Williams. Subject matter of the sessions included economic background to agricultural policy analysis, econometrics, farm budgeting, farm surveys, electronic marketing, and economic modelling (Dr. Rod Kite's model, in particular). The participants then worked on the computers for the rest of the day. They showed sufficient interest to come in on weekends and evenings for more work with the computers and informal discussion sessions.

Instruction on the computers was mostly on an individual basis and not as a group to better suit their different backgrounds, needs and interests. All three

participants, however, were trained on the basic operations of the MS-DOS disk operating system. They were also drilled on the basic skills of the Lotus 1-2-3 spreadsheet programs (up to graphics). From here, their training diverged.

Mr. Musah, for example, worked with Dr. Francis Eplin on a linear programming model for a Liberian representative farm. Mr. Musah used Lotus 1-2-3 to prepare the cost, returns, and labor requirements data needed as input to the L.P. tableau. He also used LOTUS to type in the L.P. matrix. While he was here, we developed for him a microcomputer program that can take in an L.P. matrix prepared with LOTUS 1-2-3, solve it, and output the solution as a LOTUS 1-2-3 worksheet file directly readable by LOTUS 1-2-3. Mr. Musah used this program to obtain solution to the Liberian representative farm matrix (a 47 times 60 matrix) and was able to obtain results identical to that of a mainframe computer using MPSX. In addition, he used LOTUS 1-2-3 for net present value and internal rate of return calculations.

Mrs. Wilkins and Mr. Rogers both worked on an analysis of the cost and returns of government intervention in the Liberian rice economy devised by Dr. Luther Twetten. This analysis was put in LOTUS 1-2-3.

Mrs. Wilkins worked on the S.P.S. statistical package. All features commonly used by economists were covered. In particular, she was shown how this package can be used to perform dummy variable regression. Also, she was shown how statistical data can be prepared by taking advantage of the data entry and manipulation power of LOTUS 1-2-3, and how to transfer the LOTUS prepared data for use by the S.P.S. statistical package.

Dr. James Trapp and Mr. Rogers worked with Dr. Rod Kite's econometric spreadsheet model for Liberia. They undertook several revisions of the model including the addition of supply response component based on a short literature review of supply elasticities. Mr. Rogers prepared a write-up on the modified version of Dr. Kite's model and now has a working knowledge of the model's structure. In addition, he used LOTUS 1-2-3 to perform calculation, and generate tables and charts from his price survey. He also completed a Lotus 1-2-3 worksheet for storing and presenting information for rice stocks and flows in Liberia.

Mrs. Wilkins took with her the complete statistical package for the WANG PC and four boxes of diskettes as requested. S.A.S. is not available for the WANG PC.

Mr. Musah took with him a microcomputer program for L.P. which we developed while he was here. The programs on the market we reviewed were all unsatisfactory and none was available for the WANG PC. This program is written in PASCAL and for now only works on the IBM PC. We have ordered a PASCAL compiler for the WANG PC whereby the L.P. program can be compiled to work on the WANG. The compiler is back-ordered but we are expecting it in the next week or so. Both the compiled L.P. program (with manual) and the PASCAL compiler will be sent to you as soon as the compiler arrives.

The L.P. program we developed takes a L.P. matrix directly from a LOTUS worksheet, solves the matrix with the simplex algorithm and outputs the final tableau back through LOTUS. The current version of the program handles a matrix up to 63 constraints and 64 real activities. The solution time for the Liberian representative farm matrix (47 constraints and 60 activities) is under 2 minutes (excluding I/O) for 37 iterations. Mr. Musah has a sample output of this program and should be able to describe how this program operates. The final version of the program is expected to handle a matrix up to about 75 constraints and 100 real activities.

The PASCAL compiler used to develop this program (and have ordered for your WANG PC) is called TURBO PASCAL. The compiler is very easy to work with compared to others. It is ideal for programs under 2000 statements. We also have MicroSoft PASCAL (version 3.2) which should work on any MS-DOS machine including the WANG and can send it to you if you want. MicroSoft PASCAL is much more difficult to work with than TURBO although it is supposed to generate more optimized code. We do not recommend UCSD PASCAL on the WANG.

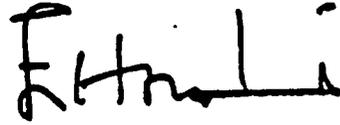
We recommend that at least one of your WANG PC (preferably the one with the hard disk) be equipped with the maximum allowable memory (640K), and a 8087 math coprocessor. Large LOTUS worksheets, for example, often require memory beyond the standard 256K. The 8087 speeds up floating point arithmetic substantially with the right software. TURBO PASCAL, for example, has an 8087 support option. The additional memory and the math coprocessor provide the potential environment for large analytical model implementation possible before only with a mainframe computer.

A suitable database package for the WANG PC is under investigation.

If we can be of any further assistance, please feel

free to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Elton Li'. The signature is written in a cursive style with a prominent 'E' and 'L'.

Elton Li  
Research Assistant

M E M O R A N D U M

TO: Faculty and Staff of the Department of Agricultural Economics, and Members of the Policy Analysis Project for Liberia, O.S.U.

FROM: Participants of the Policy Analysis Training Program: Messrs. J.G. Musah and J.B. Rogers, and Mrs. Rudene Wilkins.

SUBJECT: AN EXPRESSION OF APPRECIATION AND GRATITUDE

DATE: October 31, 1984.

This is to express our sincere thanks and appreciation to the above mentioned personnels for their valuable and timely cooperations given us through the provision of facilities and services during our two month stay on the O.S.U. campus.

We wish to assure you that the experience we have acquired here will be utilized according to its stated objectives. We again thank every one and wish you all prosperity and happiness in your endeavors.

Agricultural Policy Analysis Project  
Oklahoma State University  
Progress Report  
December, 1984 - January, 1985

Activity 7 - Policy Workshops

(a) Liberia (701). Luther Tweeten and James Trapp completed their scheduled trip to Monrovia. Their activity report is attached to this progress report. The policy workshop has been set for March 26-30 at the Lamco Mining facilities. The agenda for the workshop is contained in the Tweeten-Trapp Activity Report.

Interest has been raised in both the Cameroon and the Ivory Coast concerning attendance by outsiders at the policy workshop. Our position has been that this is a Liberian Workshop sponsored by the Liberian Ministry of Agriculture and the USAID Mission funded agricultural policy analysis project. Approval to attend must be granted by Dr. Richard Edwards, director of the Mission funded project, and the Liberian host government. Two reasons may dictate limiting outside participation. First, about twenty-five people are expected to attend representing Liberian government agencies and an additional twenty people will be there as resource people. The group will be large. Second, some relatively sensitive issues will be addressed that perhaps in the presence of outsiders there would be a hesitancy to have open discussion. In fact, the last part of the workshop is reserved for preparation of agricultural policy position statements.

(b) Jamaica (702). No further report.

(c) Cameroon. James Trapp stopped in at the USAID Cameroon Mission after leaving Monrovia. His trip report is included with the attached activity report. It appears the Mission is interested in further linkages with APAP but sometime after completion of the Agricultural Census activities. Dr. Rod Kite was interested in pursuing the approach used in Liberia where some thought and discussion first took place relative to policy concerns, some analyses were done (perhaps using the new agricultural census data) and results presented and discussed in a workshop.

(d) REDSO/West. Luther Tweeten stopped in Abidjan for purposes of networking with REDSO/West and the African Development Bank. His trip report is contained in the attached activity report. REDSO/West showed a keen interest in APAP and the Liberia Activity. Luther also presented a seminar at the African Development Bank.

- (e) Dominican Republic (703). Roger Norton completed his stop-over trip to Santa Domingo and, on the basis of that trip, planning for a policy workshop is proceeding. The date for the workshop has been set for April 1-3, 1985. A memo has been sent to James Riordan with the workshop proposal. Roger, along with Roberto Castro of the USAID Mission and the people of the Executive Secretary's Office of the National Agricultural Council, have put together the following agenda with topics and resource people:

- "Institutional and Social Context of Agricultural Policy"  
Carlos Benito, University of California at Berkeley,  
Department of Agricultural Economics.
- "Linkages Between Agricultural Extension and Agricultural Policy Analysis"  
Carlos Pomareda, North Carolina State University Mission to Peru, Lima.
- "Macro and Micro Aspects of Nutrition Policy"  
Per Pinstруп-Andersen, International Food Policy Research Institute.
- "Experiences in Agricultural Pricing Policies in Mexico"  
Celso Cartas, Ministry of Programming and Budgeting, Mexican Government.
- "Relationship Between Energy and Agriculture with Special References to Sugar Cane Sector"  
Rafael Celis, Prodesarrollo Research Foundation and the University of Costa Rica, Faculty of Economics.
- "Tools of Analysis for Pricing and Trade Policies"  
Roger Norton, Department of Economics, University of New Mexico.

The resource people have been contacted and are available.

(f) Materials.

1. As part of the on-campus training program for the Liberians, Elton Li constructed a microcomputer program that inputs a linear programming matrix by LOTUS 1-2-3 spreadsheet program, solves it with the simplex method, then outputs the solution in a form directly readable by LOTUS 1-2-3. The program can handle a matrix of about 100 variables and 75 constraints. Elton is further testing the program and has written a brief manual for its use titled "Tutorial Introduction to MUSAH86: A Microcomputer Program for LP."
2. Elton Li and Roger Norton have put together a discussion paper titled "Notes on the Roles of Microcomputers in Agricultural Policy Analysis in Developing Countries."

Activity 8 - Technical Assistance

- (a) Liberia (804). The Liberia Activity includes a great deal of technical assistance in addition to preparation and presentation of a policy workshop. The Tweeten-Trapp Activity Report of January 30, 1985 details the specific policy issues which are being addressed at this time with assistance of the S&T APAP. Tweeten, with the assistance of the three Liberians that

were at OSU for short-term training, presented a seminar to the Ministry of Agriculture on the issues to be discussed at the workshop. Three papers have been prepared for the policy workshop in conjunction with Liberian counterparts:

"A Representative Liberian Farm Planning Model"

by Francis M. Epplin and Joseph G. Musah

"Cost, Benefits and Income Distribution from Liberian Rice Policies"

by Luther Tweeten and Boima Rogers

"Liberian Rice Policy: Alternatives for Self-sufficiency and Trade Stability"

by James Trapp and Boima Rogers

Coordination of the APAP Liberia Activity with the Small Farmer Marketing Access Project was facilitated by a visit to our campus by Jerry Martin and Marty Mackinen.

Agricultural Policy Analysis Project  
Oklahoma State University  
PROGRESS REPORT  
February-April, 1985

Activity 7 - Policy Workshop

(a) Liberia (701). The high point of this activity was completion of the policy workshop on March 26-29. Results of the workshop are contained in the Tweeten-Trapp Activity Report of April 8, 1985 that has been distributed to APAP personnel. Additional write-ups are in the attached memo from Luther Tweeten to APAP personnel titled "Advantages of 'Liberia' Model Agricultural Policy Analysis Workshop" and the brief "Summary of Liberia Policy Workshop" that was written for use by Ernesto Lucas in AID newsletters.

Several follow-ups to the workshop are in process. Ernesto Lucas has requested the USAID Mission to provide a brief current evaluation of the activity. A proceedings of the workshop will be published in Liberia. An evaluation of the total Liberia activity is proposed for mid-1985. A follow-up visit by Tweeten and/or Trapp is proposed in late 1985 or early 1986 to advise on further policy analysis training.

As part of Jim Riordan's interest on dissemination of policy results, we should consider broader distribution of all or part of the proceedings from this workshop when they become available. The format and costs of publication and distribution needs to be addressed.

(b) Jamaica (702). No further report.

(c) Dominican Republic (703). The scheduled policy workshop/seminar was completed as scheduled on April 1-3. Roger Norton provided an oral report to the APAP staff and is submitting a written report. Ernesto Lucas has requested a USAID Mission evaluation at this time. Roberto Castro has requested further assistance from the APAP and is currently submitting a PIOT to cover part of the activity. Three policy studies are proposed over the next 12 months and will require technical assistance from the APAP. A policy workshop is proposed for purposes of discussing the policy studies results.

(d) Cameroon (704). No further report. A set of papers developed for the Liberia workshop and the activity reports should be sent to Dr. Rodney Kite. A copy of the proceedings should be sent when available.

(e) REDSO/West. This regional AID office and the African Development Bank in Abidjan should be sent copies of the Liberian papers and activity reports.

(f) Ecuador. Jim Riordan has been working with the USAID Mission in designing a policy project. Workshops have been included in the project paper.

(g) CORECA/ROCAP. Dean Schreiner and Lee Fletcher will be traveling to San Jose in May to assist CORECA in structuring and staffing a proposed set of policy studies. APAP staff will provide technical assistance to CORECA in completing the policy studies and in organizing policy workshops.

(h) Materials. Roger Norton discussed with the APAP staff the possibility of putting together a set of agricultural policy analysis case studies. A number of these studies have been published or are in the form of working papers for the World Bank and other agencies. An outline of the case studies and topics is attached. If you have any comments please contact Roger.

#### Activity 8 - Technical Assistance

(a) Honduras. The APAP has been contacted by Bill Goodwin of the USAID Mission to provide assistance in use of agricultural sector data for policy analysis purposes. The Mission is putting together a week of meetings with people from the public and private sectors on use of information for analysis purposes. Carlos Pomareda and/or Roger Norton will provide other country experiences in types of data and data assembly for purposes of policy analysis.

#### Project Management

APAP personnel met April 18-19 on campus with Jim Riordan and Tom Early. These meetings proved to be very beneficial to our staff in gaining an overall perspective of the total project. Even though there were reports and documents available for most of the topics discussed, the sessions provided a means for interaction among members of the project. This proved to be the most significant outcome of the meetings. A copy of the agenda is attached.

## AGRICULTURAL POLICY ANALYSIS PROJECT (APAP)

### Summary of Liberia Policy Workshop

Fifteen months of APAP personnel working with professionals of the Liberian Ministry of Agriculture (MOA), USDA technical advisors to the MOA, and USAID Agricultural Officers culminated in a five day National Agricultural Policy Seminar at Yekepa, Nimba County, Liberia. The fifty-one persons in attendance at the policy seminar listened to twelve presentations on current economic policy issues facing the government of Liberia and then further discussed the problems and issues in small work groups before reporting tentative solutions and alternative courses of action back to the entire group.

Professors Luther Tweeten and James Trapp, along with Liberian and USDA counterparts, represented the APAP personnel in presenting five of the prepared papers. The Minister of Agriculture led off the seminar with a Keynote Address on Liberian agricultural development. Professor Tweeten then set the stage for the rest of the seminar with a presentation on "A Conference Perspective and Principles of Economic Progress for Agriculture." Other topics covered by the APAP personnel included: marketing costs, benefits and income distribution of Liberian rice policy; food security and rice policy; comparative advantage and resource allocation for Liberian farms; and investment strategy and overall agricultural policy.

Preparation for the policy seminar started well before the actual March 26-29, 1985 presentations. Professors Tweeten and Trapp worked with their colleagues at Oklahoma State University and their Liberian counterparts in identifying the policy issues, developing analytical

models, seeking out data and performing the analyses that went into the final papers. Part of the preparation also included short-term training of Liberian counterparts in use of microcomputers for policy analysis. The end results were in-depth analyses of several policy issues, presentation of the analyses to leading decision makers, discussion of the issues and analyses, and, finally, a forum for preparation of governmental policy.



## MEMORANDUM

DATE April 26, 1985

TO Agricultural Policy Analysis Project Personnel

FROM Luther Tweeten *L. Tweeten*

SUBJECT Advantages of "Liberia" Model Agricultural Policy Analysis Workshop

Workshops can be extremely effective instruments to analyze and communicate policy alternatives for developing countries. No one workshop model fits all needs. The appropriate model depends on the unique circumstances and needs of each situation. For example a tool-technique policy analysis workshop is appropriate for an audience of technicians to help them gain fairly rapid acquaintance with analytical techniques, concepts, microcomputers and other tools used in policy analysis. A disadvantage of this model is that inadequate attention is likely to be given to the unique economic problems of the country involved. Also, communication with policy makers is likely to be restricted.

A second option is a policy-maker and advisor workshop. In say a four day session, policy makers can gain a concise overview of economic problems of their country and what is known of alternatives to deal with the problems. A disadvantage of this approach is that it places little or no emphasis on developing local capabilities to analyze problems either in preparation for the workshop or as a followup. If a country's problems are not dealt with in some depth, policy makers are unlikely to stay around for more than one-half day. The success of the workshop may depend on availability of "off-the-shelf" research results for presentation.

A third model is the Liberia model or economic policy systems workshop. The advantage of this approach is that agricultural policy analysis personnel spend sufficient time in the host country to learn issues in some depth, work with local technicians, analysts and advisors, and confer with policy makers to define and analyze real policy issues. This not only ensures that felt needs are addressed but also provides a collaborative atmosphere for APAP personnel to interact with local analysts. Such collaboration in preparing position papers on major issues provides local personnel with training and gives continuity to efforts. Local counterparts can analyze emerging issues with the tools and analytical experience long after the APAP personnel are out of the scene.

Several key personnel from the Ministry of Agriculture in Liberia were brought to Oklahoma State University where they received two months of intense training in microcomputer and policy analysis methods. During that time they worked with APAP personnel at Oklahoma State to develop position papers for presentation at the workshop. In a four day workshop held in Liberia, attended by 51 persons and including the Minister of Agriculture and associate and assistance ministers as well as other key personnel in policy positions regarding agriculture, the Liberian policy analysts and APAP personnel jointly made presentations dealing with key policy issues. Others from Liberia also prepared papers on key issues. A workshop format was followed in that considerable time was allowed for discussion of issues in formulating a Liberian agricultural policy statement. Proceedings will be published. Later, persons in the Ministry of Agriculture will prepare an agricultural policy statement using input from the workshop and other sources.

In summary, the Liberian model was successful in (1) developing in-country analytical capabilities to perform agricultural policy analysis, (2) fostering collaborative working relationships between APAP personnel and in-country analysts and policy makers so as to respond to felt needs and to address short- and long-term problems in depth, and (3) carrying the in-depth analysis of policy issues to policy makers through intense interaction in approximately a four day policy workshop.

The Liberian Model is more expensive than the other workshop models because it entails more APAP personnel time than do other approaches but it has a long-term payoff that compensates for the added cost.

AGRICULTURAL POLICY ANALYSIS:  
METHODS AND CASE STUDIES

Roger D. Norton and Associates

1. Issues and Approaches in Agricultural Policy Analysis

Part I. Pricing and Input Policies

2. Pricing Policy Issues in Mexican Agriculture (n)
3. Fiscal and Pricing Policy in Haitian Agriculture (n)
4. Nutrition Goals and Alternative Policies in Honduras (p)
5. Comparative Advantage and Agricultural Policy in Turkey (n)
6. A Model of Fertilizer Distribution and Storage in Turkey (n)
7. An Analysis of the Mexican Crop Insurance Program ( )

Part II. Economy-wide Linkages and International Trade

8. Intersectoral Linkages and Agricultural Policy in Bangladesh
9. International Trade in Agriculture: the Central American Case (p)
10. Optimal Subsidies and Agricultural Trade: A Study in Mexico (p)
11. National Objectives and the Theory of Agricultural Trade Policy

Part III. Project Evaluation and Investment Programs

12. Project Evaluation and Employment Objectives
13. The Design of a Sectoral Investment Program: A Case Study in Peru (p)
14. Joint Evaluation of Irrigation Projects: A Case Study in Egypt (n)
15. Investment Finance and Farm Adjustment: A Case Study in Italy (p)
16. Regional Project Evaluation: A Case Study in Northwestern Mexico (p)

Part IV. Methods and Data Issues

17. Reconciliation of a Sector Data Base: A Case Study for Nigeria (n)
18. The Construction and Use of Sector Models (p)
19. Policy Analysis with Programming Models (p)
20. The Importance of Risk in Agriculture (p)
21. General Equilibrium Analysis with Activity Analysis Technologies of Production (p)
22. The Use of Microcomputers in Agricultural Policy Analysis
23. (review with Kutcher) (p)
24. (review with Schiefer) (p)

p = previously published

n = use not yet cleared

### Summary Counts

- 13 Chapters previously published (in 4 books, 6 journals)
- 6 Chapters do not yet have use cleared
- 10 Countries represented in the case studies (including the Central American region as a whole as one)

AGRICULTURAL POLICY ANALYSIS PROJECT  
Campus Meeting  
April 18-19, 1985

AGENDA

Thursday, Rm. 410

8:30 Introductory Remarks - Dean Schreiner

Participants

Ernesto Lucas, USAID Project Manager  
James Riordan, Overall Project Director, Abt Associates  
Tom Early, Able, Daft and Early  
Dan Badger, OSU, Resource Economics  
Elton Li, OSU, Microcomputer Policy Training  
Shida Henneberry, OSU, International Trade  
Francis Epplin, OSU Farm Management and Mathematical Programming  
James Osborn, OSU, Department Head and Farm Resource Economics  
Daryll Ray, OSU, Agricultural Policy, Econometrics and Micro-  
computer Training  
Dean Schreiner, OSU, Co-Director of Subcontract, Rural Resource  
Economics  
James Trapp, OSU, Marketing and Production Economics  
Luther Tweeten, OSU, Co-Director of Subcontract, Agricultural  
Policy  
Roger Norton, OSU-UNM, Macropolicy and Resource Economics  
William Wright, Assistant Dean for International Programs,  
Division of Agriculture

9:00 Status Report of Total Project

- James Riordan

10:00 Subcontract Meeting - Office of International Programs

- William Abbott, Director of International Programs  
- William Wright  
- James Riordan  
- Luther Tweeten  
- Dean Schreiner

10:00 Demonstration of Microcomputer Models

- Ernesto Lucas  
- Tom Early  
- Elton Li  
- Daryll Ray  
- James Trapp

1:00 LUNCH

1:15 Summary of Supply Elasticities for Policy Models  
 - Shida Henneberry  
 - Luther Tweeten

1:45 Report on Liberia Workshop  
 - Luther Tweeten  
 - James Trapp

3:00 COFFEE BREAK

3:15 Methods of Agricultural Policy Analysis Training  
 ° General Procedures  
 - Dean Schreiner  
 - Luther Tweeten  
 ° Microcomputer Training and Policy Application  
 - Daryll Ray  
 - Elton Li  
 - James Trapp

6:30 Dinner

Friday

8:30 Report on Dominican Republic Workshop  
 - Roger Norton

9:30 Summary Status of Policy Guidelines  
 - Tom Early

10:30 What's Ahead for APAP?  
 - James Riordan  
 - Dean Schreiner  
 - Luther Tweeten  
 - Tom Early

1:00 LUNCH

1:30 Demonstration of Microcomputer Models

ACTION  
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TELEGRAM

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E.O. 12356: N/A  
SUBJECT: LIBERIA NATIONAL AGRICULTURAL POLICY SEMINAR

REF: STATE 126176

1. SUMMARY: NATIONAL AGRICULTURAL POLICY SEMINAR JOINTLY SPONSORED BY THE LIBERIA MINISTRY OF AGRICULTURE (MOA) AND USAID WAS HELD IN YEKOPA, LIBERIA, MARCH 25 - 29, 1985. ATTENDANCE WAS BY INVITATION OF THE MINISTER OF AGRICULTURE AND WAS RESTRICTED TO INFLUENTIAL REPRESENTATIVES OF CONCERNED GOV AGENCIES AND THE PRIVATE SECTOR.

MAJOR TOPICS WERE: AGRICULTURAL COMPARATIVE ADVANTAGE, WELFARE EFFECTS OF CURRENT RICE POLICY, FOOD SECURITY, FOOD SELF-SUFFICIENCY AND RICE POLICY, AGRICULTURAL PARASTATALS, LAND TENURE, INPUT SUPPLY AND DISTRIBUTION, AGRICULTURAL RESEARCH EXTENSION AND TRAINING, AND INVESTMENT STRATEGY. THE PAPERS PRESENTED STIMULATED LIVELY DISCUSSIONS THAT WERE ALSO SURPRISINGLY CANDID AND AT TIMES PROVOCATIVE. RECOMMENDATIONS FOR A COHERENT NATIONAL AGRICULTURAL POLICY WERE FORMULATED AND WILL BE INCLUDED IN PROCEEDINGS WHICH ARE BEING EDITED FOR PUBLICATION.

2. BACKGROUND: THE SEMINAR WAS THE CULMINATION OF A SERIES OF ACTIVITIES INITIATED BY THE LIBERIAN AGRICULTURAL SECTOR ANALYSIS AND PLANNING PROJECT, UNDER THE ABLE AND SENSITIVE LEADERSHIP OF THE PASA ADVISOR, TO TEST THE GROWING CAPABILITY OF THE ANALYSIS UNIT OF THE MOA TO CONTRIBUTE TO THE ELABORATION OF NATIONAL AGRICULTURAL POLICY. CRITICAL ASSISTANCE WAS PROVIDED, UNDER THE S2T/AGR AGRICULTURAL POLICY PROJECT, BY TWO OKLAHOMA STATE UNIVERSITY (OSU) PROFESSORS WHO WORKED CLOSELY WITH THE LIBERIA PROJECT ADVISOR AND STAFF AND USAID IN THE PLANNING AND PREPARATION FOR THE SEMINAR. SPECIAL MENTION SHOULD BE MADE OF THE SHORT-TERM TRAINING THE PROFESSORS ORGANIZED AT OSU FOR THREE MEMBERS OF THE MOA PROJECT STAFF. THIS TRAINING ENABLED THE TRAINEES, WHILE AT OSU, TO IMPROVE EXISTING AND BUILD NEW ANALYTICAL MODELS OF THE LIBERIAN AGRICULTURAL SECTOR, USING PREVIOUSLY GATHERED DATA. FURTHER APPLICATION AND REFINEMENT IN LIBERIA WAS MADE POSSIBLE BY THE EXCHANGE OF FLOPPY DISCS TO TRANSFER DATA AND SOLVE PROBLEMS. THIS PROCEDURE PROVED TO BE EXTREMELY EFFECTIVE IN THAT IT ALLOWED FOR CLOSE MONITORING OF THE RESEARCH AND MORE PRODUCTIVE CONSULTANCIES BY THE OSU PROFESSORS. FOUR MAJOR PAPERS WHICH FORMED THE CENTERPIECE OF THE SEMINAR WERE DEVELOPED THROUGH THIS PROCESS AND WERE PRESENTED JOINTLY BY THE MOA STAFF AND THE OSU PROFESSORS.

3. PARTICIPANTS: ATTENDANCE AT THE SEMINAR WAS BY INVITATION OF THE MINISTER OF AGRICULTURE AND WAS LIMITED

TO THIRTY INDIVIDUALS. BESIDES KEY PERSONNEL OF THE MOA AND THE ANALYSIS AND PLANNING PROJECT, THE AID AND AGRICULTURAL ECONOMIST OF USAID, AND THE AUTHORS OF INVITED PAPERS, PARTICIPANTS WERE INDIVIDUALS WITH INFLUENCE IN THE POLICY DECISION-MAKING PROCESS. INCLUDED AMONG THESE WERE: THE CHAIRMAN AND A MEMBER OF THE AGRICULTURE COMMITTEE OF THE INTERIM NATIONAL ASSEMBLY, THE ASSISTANT MINISTER FOR ECONOMIC AFFAIRS IN THE EXECUTIVE OFFICE OF THE HEAD OF STATE, THE DIRECTOR GENERAL OF THE BUREAU OF STATE ENTERPRISES AND THE SENIOR ECONOMIST IN THE MINISTRY OF FINANCE, THE CHIEF ECONOMIST OF THE MINISTRY OF PLANNING, THE PRESIDENT OF THE AGRICULTURAL COOPERATIVE DEVELOPMENT BANK (ACDC), THE GENERAL MANAGER OF THE LIBERIAN PRODUCE MARKETING CORPORATION (LPMC) AND HIS COLLEAGUES FROM THE OTHER AGRICULTURAL PARASTATALS, AND THE MANAGERS OF THE THREE LARGE, DONOR-FUNDED AGRICULTURAL DEVELOPMENT PROJECTS (ADPS).

4. SEMINAR ORGANIZATION: THE SEMINAR WAS HELD AT YEKOPA, 250 MILES AWAY FROM MONROVIA, IN A SETTING THAT FACILITATED INFORMAL INTERACTION AMONG THE PARTICIPANTS WHILE INSULATING THEM FROM DISTRACTION. UNDER THE SKILLFUL CHAIRMANSHIP OF THE MINISTER OF AGRICULTURE, PRESENTATION OF EACH PAPER WAS FOLLOWED BY A PERIOD OF DISCUSSION WHICH COULD BE RESUMED IN SMALL GROUPS BETWEEN PLENARY SESSIONS AND OFTEN CONTINUED IN THE EVENING. ON THE LAST DAY OF THE SEMINAR, THE PARTICIPANTS WERE DIVIDED INTO GROUPS, EACH CHARGED WITH DEVELOPING POLICY RECOMMENDATIONS IN ONE OF THE FOLLOWING AREAS: RICE POLICY, INPUTS AND CREDIT, LAND TENURE, PARASTATALS AND COOPERATIVES, RESEARCH TRAINING AND EXTENSION. ALL GROUPS WERE ALSO REQUESTED TO FORMULATE PRIORITIES FOR INVESTMENT IN THE AGRICULTURAL SECTOR.

5. PAPERS PRESENTED:

A. COMPARATIVE ADVANTAGE AND RESOURCE ALLOCATION ON LIBERIAN FARMS: PRESENTED BY PROJECT STAFF AND THE OSU PROFESSORS. THIS PAPER ANALYZED RESOURCE ALLOCATION UNDER INCOME-MAXIMIZING BEHAVIOR ON A REPRESENTATIVE SMALLHOLDER LIBERIAN FARM. THE RESULTS OF THIS ANALYSIS ILLUSTRATED VERY CLEARLY THAT GIVEN CURRENT RELATIVE PRICES, YIELDS, LABOR, CAPITAL AND LAND AVAILABILITY, A LIBERIAN FARMER WHO IS INTERESTED IN MAXIMIZING INCOME FROM AVAILABLE RESOURCES WOULD NOT PRODUCE RICE FOR THE MARKET. FARMGATE PRICE FOR RICE WOULD NEED TO BE APPROXIMATELY DOUBLE CURRENT CIF WORLD PRICE AND TRIPLE CURRENT ACTUAL PRICE TO PROVIDE A SUFFICIENT INCENTIVE. INSTEAD, SUCH A FARMER WOULD TEND TO ALLOCATE RESOURCES TO PRODUCING EXPORT CROPS, PARTICULARLY COFFEE, COCOA AND/OR RUBBER. THE ANALYSIS VERY CLEARLY ILLUSTRATED LIBERIA'S COMPARATIVE ADVANTAGE IN TREE CROPS DUE LARGELY, NOT ONLY TO ITS ECOLOGY, BUT ALSO TO POOR LABOR PRODUCTIVITY IN RICE PRODUCTION, LOW LEVEL OF PRODUCTION TECHNOLOGY AND LIMITED MARKET OPPORTUNITIES FOR OTHER FOOD CROPS. THESE FINDINGS WERE VERY DIFFICULT FOR THE PARTICIPANTS TO ACCEPT AS THEY CHALLENGED CONVENTIONAL WISDOM THAT LIBERIA'S FARMERS WOULD READILY EXPAND RICE PRODUCTION WITH PROPER INCENTIVES.

B. MARKETING COSTS AND WELFARE EFFECTS OF LIBERIAN RICE POLICY: PRESENTED BY PROJECT STAFF AND THE OSU PROFESSORS. THE AUTHORS EXAMINED THE DOMESTIC PRICE SUPPORT PROGRAM, RICE IMPORT POLICY AND RETAIL PRICE ADMINISTRATION OF IMPORTED RICE IN TERMS OF THEIR IMPACT ON INCOME REDISTRIBUTION AND NET NATIONAL INCOME. CURRENT POLICY PROVIDED FOR A STANDARD FARMGATE PRICE THROUGHOUT THE COUNTRY THAT IS APPROXIMATELY 40 PERCENT ABOVE CURRENT CIF WORLD PRICE. IMPORT POLICY ALLOWS PRIVATE TRADERS TO IMPORT RICE AND SELL IT AT OFFICIALLY DETERMINED MARGINS UP TO FIXED RETAIL PRICE THAT IS APPROXIMATELY 20 PERCENT ABOVE THE CIF PRICE. EXCESS PROFITS ACCRUING TO IMPORTERS, WHICH ARE DERIVED FROM

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THE ARTIFICIALLY HIGH CONSUMER PRICE, ARE THEORETICALLY TAXED AWAY AND PLACED IN A RICE STABILIZATION FUND. THE PAPER DEMONSTRATED THAT THE NATIONAL COSTS OF THIS POLICY WERE SUBSTANTIALLY GREATER THAN THE BENEFITS. COSTS ARE INCURRED THROUGH A HIGHER THAN MARKET CONSUMER PRICE AND DECREASED CONSUMPTION. INCOME BENEFITS ACCRUE TO PRODUCERS THROUGH HIGHER PRICES AND LARGER MARKETINGS ALTHOUGH INCREASED FARMER INCOME WAS ONLY ABOUT 20 PERCENT OF INCOME LOSS TO CONSUMERS. THIS SCENARIO DID NOT FULLY TAKE INTO ACCOUNT THE PROBLEMS IN PASSING ON THE SUBSIDIZED FARMGATE PRICE TO PRODUCERS, THE DIFFICULTIES INVOLVED IN TAXING AWAY WINDFALL PROFITS FROM IMPORTERS AND THE INEFFICIENCIES IN STORING AND PROCESSING DOMESTICALLY PRODUCED RICE. THEREFORE THIS ANALYSIS IS PROBABLY CONSERVATIVE. POLICY OPTIONS TO INCREASE EFFICIENCY INCLUDED ELIMINATING OR DRASTICALLY MODIFYING THE EXISTING PRODUCER PRICE SUBSIDY, REFORMING THE CURRENT MARKETING PRACTICES FOR PURCHASING DOMESTIC RICE WHICH INCLUDES TRANSPORTATION ALLOWANCES AND COMMISSIONS, INTRODUCING A BID TENDER SYSTEM FOR RICE IMPORTS AND TO MORE CLOSELY MONITOR IMPORTER INVOICES FOR CONFORMITY WITH ACTUAL LANDED COSTS. THIS PAPER ELICITED SUBSTANTIAL DISCUSSION ON MEANS TO MORE FULLY PRIVATIZE THE MARKET FOR DOMESTIC RICE. THE MINISTER OF AGRICULTURE CALLED FOR A MORE THOROUGH STUDY OF SUBSIDY COSTS TO PRODUCERS AND THE BENEFICIARIES OF THE SUBSIDY.

C. FOOD SECURITY, SELF-SUFFICIENCY AND INTERNATIONAL TRADE: PRESENTED BY PROJECT STAFF AND THE OSU PROFESSORS. THIS PAPER EXAMINED THE RELATIVE COSTS OF PURSUING A FOOD SECURITY POLICY VERSUS ONE OF STRIVING TO PRODUCE SUFFICIENT FOOD, PARTICULARLY RICE, TO MEET DOMESTIC CONSUMPTION REQUIREMENTS. THE NET TRADE BALANCE OF RICE IMPORTS AND COFFEE AND COCOA EXPORTS (CROPS THAT ARE PRODUCED ALMOST EXCLUSIVELY BY SMALLHOLDERS) WAS EXAMINED TO EVALUATE TRADE IMPLICATIONS OF THE FOOD SECURITY ISSUE, PARTICULARLY LEVELS OF STOCKS OR FINANCIAL RESERVES NEEDED TO ASSURE THE NATIONAL FOOD SUPPLY. METHODS VIEWED AS POSSIBLE TOOLS TO INCREASE SELF-SUFFICIENCY WERE PRODUCER PRICE SUBSIDIES, IMPROVING PRODUCTION TECHNOLOGY AND RAISING CONSUMER PRICE. RESULTS OF THE ANALYSIS INDICATE THAT FOR AT LEAST THE SHORT TO MEDIUM TERM, DOUBLING THE PRODUCER PRICE, ALL ELSE BEING EQUAL, WOULD NOT FILL THE GAP PRESENTLY BEING SUPPLIED BY COMMERCIAL IMPORTS. THIS PROGRAM WOULD COST AT LEAST 20 MILLION DOLLARS AND WOULD BE AT THE EXPENSE OF DECREASED COFFEE, COCOA AND CASSAVA PRODUCTION. LIKEWISE, RAISING THE CONSUMER PRICE BY ABOUT 25 PERCENT WOULD EFFECTIVELY RATION CONSUMPTION ENOUGH TO ELIMINATE ABOUT HALF OF THE IMPORTS OR A QUANTITY EQUAL TO CURRENT COMMERCIAL IMPORTS. HOWEVER, A COMBINED APPROACH OF INCREASING PRODUCTION BY AN EXCESS OF FIVE PERCENT PER YEAR ABOVE POPULATION GROWTH RATES THROUGH INTRODUCTION OF NON-LABOR USING TECHNOLOGY AND RAISING RETAIL PRICES BY TEN PERCENT WOULD REQUIRE A ONE-THIRD INCREASE IN PRODUCER PRICES TO ELIMINATE THE QUANTITY OF COMMERCIAL IMPORTS. NONE OF THESE ALTERNATIVES WILL ELIMINATE THE QUANTITY OF CONCESSIONAL IMPORTS NEEDED. THESE CASES AMPLY ILLUSTRATED THE COSTS AND MAGNITUDE OF THE PROBLEM IN PURSUING A RICE SELF-SUFFICIENCY PROGRAM. VARIOUS POLICY OPTIONS WERE PRESENTED THAT INCLUDED ELEMENTS OF BUFFER STOCK AND/OR CASH RESERVES REQUIRED TO ASSURE ADEQUATE RESERVES UNDER HISTORICAL WORLD MARKET PRICE FLUCTUATION OF RICE AND EXPORT CROPS. IT WAS DEMONSTRATED THAT ASSURED RICE SUPPLIES THROUGH TRADE AND THE FINANCIAL STABILITY OF LPMC ARE QUITE POSSIBLE WITH THE APPLICATION OF APPROPRIATE PRICE STRUCTURES INCLUDING LOWERING PRODUCER SUBSIDIES (IF SAVINGS WERE USED FOR IMPORTS), INCREASING TAXES ON COMMERCIAL RICE IMPORTS AND ALLOWING LPMC TO RETAIN REVENUES TO FINANCE THE PROGRAM. THIS PAPER GENERATED A GREAT DEAL OF DISCUSSION AS IT

FORCED

THE PARTICIPANTS TO REEVALUATE THE STRONGLY HELD GOAL OF RICE SELF-SUFFICIENCY. THIS PAPER REINFORCED THE RESULTS OF THE EARLIER PAPER RELATING TO COMPARATIVE ADVANTAGE. THE DISCUSSIONS LED THE PARTICIPANTS TO ACKNOWLEDGE THAT CURRENT POLICY WAS NOT EFFECTIVE AND WAS VERY COSTLY. AS THE SEMINAR PROGRESSED, THIS SUBJECT WAS OFTEN HEARD DISCUSSED DURING INFORMAL MEETINGS.

D. AGRICULTURAL CREDIT - INPUT SUPPLY AND DISTRIBUTION. PAPERS PRESENTED BY THE PRESIDENT OF THE ACDB AND CARI STAFF: THE ROLE AND OPERATIONS OF THE ACDB WERE ANALYZED IN DETAIL AS WELL AS THE CONSTRAINTS THE BANK FACES IN TERMS OF ITS CAPITALIZATION AND ITS ABILITY TO SERVE A LARGER CLIENTELE.

IN THE MATTER OF INPUT SUPPLY AND DISTRIBUTION IT WAS NOTED THAT FERTILIZERS WERE USED PRIMARILY ON TREE CROPS, ESPECIALLY RUBBER, AND TO A MINOR EXTENT IN VEGETABLE CROP PRODUCTION ALONG WITH RELATIVELY SMALL QUANTITIES OF IMPORTED SEEDS AND PLANT PROTECTION CHEMICALS. INPUT PRICES ARE HIGH, MAKING THEIR WIDESPREAD USE GENERALLY UNECONOMICAL; THE DISTRIBUTION SYSTEM IS QUITE POOR WITH THE RESULT THAT INPUTS ARE NOT READILY AVAILABLE IN THE RURAL AREAS AND, TOO FREQUENTLY, THE QUALITY IS UNSATISFACTORY. STRONG SUPPORT WAS EXPRESSED FOR THE ESTABLISHMENT OF A PROGRAM OF QUALITY TESTING, PARTICULARLY FOR SEEDS AND CHEMICALS. A PROPOSAL FOR DIRECT GOVERNMENT INTERVENTION IN THE IMPORT AND DISTRIBUTION OF INPUTS EITHER THROUGH THE ACDB OR ANOTHER PARASTATAL ELICITED A GREAT DEAL OF ATTENTION AND STIMULATED MUCH DISCUSSION OF THE MANAGERIAL PROBLEMS AND THE INEFFICIENCIES THAT WOULD LIKELY CHARACTERIZE SUCH AN APPROACH.

E. LAND TENURE IN LIBERIA: PRESENTED BY MOA STAFF. LAND ALLOCATION FOR AGRICULTURAL PRODUCTION IN LIBERIA IS STILL MADE PREDOMINANTLY IN ACCORDANCE WITH ANCIENT TRIBAL TRADITIONS. ALTHOUGH GOVERNMENT MAY AND DOES GRANT CONTROL OF LARGE TRACTS OF LAND TO FOREIGN ENTERPRISES OR STATE-OWNED CORPORATIONS, AND INCREASING NUMBERS OF LIBERIANS ARE ACQUIRING TITLES TO LAND, ESPECIALLY ALONG THE MAIN ROADS. PROCEDURES FOR LAND ACQUISITION AND TITLING ARE LENGTHY, ARDUOUS AND CUMBERSOME, REQUIRING NO LESS THAN FOURTEEN DIFFERENT STEPS, INCLUDING, THE PERSONAL APPROVAL OF THE HEAD OF STATE. WHILE TO DATE, ACCESS OF TRADITIONAL AGRICULTURAL PRODUCERS TO RELATIVELY GOOD LAND HAD NOT BEEN A PROBLEM, THE LACK OF FEE SIMPLE TITLE PREVENTS THE USE OF THAT LAND AS LOAN COLLATERAL AND DISCOURAGES PRODUCERS FROM INVESTING IN TREE CROP AGRICULTURE. LAND TENURE UNCERTAINTY WAS PRESENTED AS A SERIOUS CONSTRAINT TO AGRICULTURAL DEVELOPMENT. THE GOVERNMENT PRACTICE OF GRANTING LARGE LAND CONCESSIONS WAS THOROUGHLY CRITICIZED AND THE NEED TO STREAMLINE AND SIMPLIFY LAND TITLING PROCEDURES WAS EMPHASIZED.

F. AGRICULTURAL RESEARCH, EXTENSION AND TRAINING PAPERS: PRESENTED BY THE RESEARCH COORDINATOR AT CARI AND A CUTTINGTON UNIVERSITY PROFESSOR. THE THESIS PRESENTED WAS THAT A STRONG RESEARCH PROGRAM WITH PRIMARY FOCUS ON ADAPTIVE AND APPLIED RESEARCH MUST BE UNAVOIDABLY, THE CENTERPIECE OF LONG-TERM AGRICULTURAL DEVELOPMENT IN LIBERIA. PRIORITIES IDENTIFIED WERE RICE, CASSAVA AND THE TREE CROPS, THUS REFLECTING THE NATIONAL PREOCCUPATION WITH RICE AS WELL AS THE IMPORTANCE OF THE OTHER CROPS IN THE DIET OR THE ECONOMY OF LIBERIA. THE LACK OF ADEQUATE LINKAGE MECHANISMS BETWEEN RESEARCH, EXTENSION AND TRAINING WAS EMPHASIZED AS A MAJOR CONSTRAINT TO MODERNIZATION OF AGRICULTURE IN LIBERIA.

G. LIBERIAN AGRICULTURAL PARASTATALS: STRENGTHS AND

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VEANESSES. PRESENTED BY THE DIRECTOR GENERAL OF THE BUREAU FOR STATE-OWNED ENTERPRISES. UNDER PARASTATALS, THE AUTHOR INCLUDED NOT ONLY THE MARKETING AND PRODUCTION CORPORATIONS, BUT ALSO SUCH AUTONOMOUS GOVERNMENT AGENCIES AS THE AGRICULTURAL COOPERATIVE DEVELOPMENT BANK, THE CENTRAL AGRICULTURAL RESEARCH INSTITUTE, AND THE THREE MAJOR DONOR-FUNDED AGRICULTURAL DEVELOPMENT PROJECTS. HE ARGUED THAT THE PARASTATALS WERE CREATED TO MEET REAL NEEDS THAT THE PRIVATE SECTOR WAS UNABLE OR UNWILLING TO ADDRESS, BUT THEIR PERFORMANCE HAS BEEN GENERALLY LESS THAN SATISFACTORY. HE PRESENTED IN RATHER BLUNT TERMS A PORTRAYAL OF THE PARASTATALS AS ENTERPRISES PLAGUED WITH A NUMBER OF SEVERE PROBLEMS, MOST NOTABLY POOR MANAGEMENT, POLITICAL INTERFERENCE AND OVER STAFFING. HIS RECOMMENDATIONS FOR IMPROVING PERFORMANCE INCLUDED, ALONG WITH SUCH TRADITIONAL ITEMS AS UPGRADING OF DIRECTORS AND REGULAR AUDITING, THE NOVEL IDEA OF HOLDING MANAGERS TO STRICT PERFORMANCE STANDARDS THROUGH THEIR EMPLOYMENT CONTRACTS. THESE RECOMMENDATIONS WERE ROUNDLY ENDORSED BY THE PARTICIPANTS, PARTICULARLY THE PARASTATAL DIRECTORS PRESENT.

6. FOLLOW-UP: SHORTLY AFTER NOON ON THE THIRD DAY OF THE SEMINAR THE RADIO ANNOUNCED THAT THE MINISTER OF AGRICULTURE WAS SUMMARILY DISMISSED FROM OFFICE BY THE HEAD OF STATE. HOWEVER, BEFORE LEAVING YEKOPA, THE MINISTER APPEALED TO THE PARTICIPANTS TO CONTINUE THE PROGRAM OF THE SEMINAR AS PLANNED. BOTH REPRESENTATIVES OF THE INA, THE ASSISTANT MINISTER FOR ECONOMIC AFFAIRS IN THE EXECUTIVE OFFICE OF THE HEAD OF STATE, AND THE DEPUTY AND ASSISTANT MINISTERS OF AGRICULTURE ALSO MADE SIMILAR PLEAS TO WHICH THE PARTICIPANTS RESPONDED POSITIVELY.

THE UNEXPECTED REMOVAL OF THE MINISTER AND THE CONTINUING VACANCY IN THE OFFICE HAVE CAUSED INCREASING UNCERTAINTY REGARDING THE FOLLOW-UP ACTIONS THAT HAD BEEN PLANNED. NEVERTHELESS, THE PROCEEDINGS OF THE SEMINAR ARE BEING EDITED FOR PUBLICATION BY THE END OF MAY, 1983, INCLUDING THE POLICY RECOMMENDATIONS FORMULATED BY THE PARTICIPANTS. REQUESTS FOR ADVANCE COPIES OF THE DOCUMENTS HAVE BEEN RECEIVED FROM THE INA AND THE MINISTRY OF PLANNING AND ECONOMIC AFFAIRS, AN INDICATION, PERHAPS, THAT THE GOVERNMENT WILL GIVE DUE CONSIDERATION TO THE ISSUES AND RECOMMENDATIONS THAT WERE DISCUSSED IN THE SEMINAR. USAID INTENDS TO INITIATE DISCUSSIONS WITH NEW MINISTER OF AGRICULTURE WHEN APPOINTED AND OTHER APPROPRIATE GOV OFFICIALS TO PURSUE POLICY REFORMS PARTICULARLY THOSE RELATED TO RICE IMPORTATION AND TAX POLICY AND SUBSIDY ISSUES FOR DOMESTIC RICE. ADDITIONALLY, ANY NEW PL 480 PROGRAM WILL INCORPORATE SELF HELP MEASURES THAT WILL REINFORCE THESE POLICY ISSUES.

7. COMMENTS: ALTHOUGH FOLLOW-UP ACTIONS ARE UNCERTAIN AT THIS TIME, WE FEEL THAT THE SEMINAR HAS BEEN A SUCCESSFUL UNDERTAKING. IT PROVIDED AN UNPRECEDENTED OPPORTUNITY TO CONCERNED AND INFLUENTIAL GOVERNMENT OFFICIALS TO DISCUSS FREELY THE POTENTIALS AND PROBLEMS OF LIBERIA'S AGRICULTURAL SECTOR AND LIKELY EFFECTS OF RELATED GOVERNMENT POLICIES. THEIR ACTIVE PARTICIPATION TO THE END OF THE SEMINAR SUGGESTS THAT THEY VALUED THAT OPPORTUNITY.

WE ALSO FEEL THAT THE SEMINAR HAS ENHANCED THE CREDIBILITY AND STANDING OF THE MOA AND ITS PLANNING UNIT. THEIR PROFESSIONAL STAFF WERE PUT TO A GRUELING TEST AND THEY PERFORMED COMPETENTLY.

USAID APPRECIATES HIGHLY THE SERVICES RENDERED BY THE OSU PROFESSORS, AND THEIR WILLINGNESS TO CONTINUE THEIR ASSISTANCE THROUGH CONSULTANCIES AND FURTHER TRAINING OF THE LIBERIAN PROJECT STAFF. SWING

**ANNEX II**

**STAFFING BY ACTIVITY, 1985**

TABLE A-1

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 SCHREINER - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
Workshops (7)													
7 Management	3.0	4.5	4.5	4.5	5.5	4.0	4.0	1.5	4.0	7.0		1.0	43.5
70 Preparation													
701 Liberia	2.0	1.0	1.0	1.0	1.0	1.0	1.0		1.0				9.0
702 Jamaica	2.0	1.0						4.0	1.0	1.0		9.0	18.0
703 Dominican Republic	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	1.0	1.0		0.5	13.5
704 Cameroon			1.0	1.0		1.0							3.0
711 Liberia (Mission)							1.0						1.0
713 Dom. Rep. (Mission)													
Subtotal	8.0	7.5	7.5	7.5	7.5	8.0	8.0	7.5	7.0	9.0		10.5	88.0
Technical Assist. (8)													
8 Management	2.0	2.5	2.5	2.5	2.5	1.0	1.0	0.5	1.0	1.0		0.5	17.0
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP								3.0	2.0	1.0			6.0
804 Liberia	1.0	1.0	1.0	1.0	1.0	1.0	1.0		1.0				8.0
814 Liberia (Mission)						1.0	1.0						2.0
Subtotal	3.0	3.5	3.5	3.5	3.5	3.0	3.0	3.5	4.0	2.0		0.5	33.0
TOTAL	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0		11.0	121.0

TABLE A-2

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 TWEETEN - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
Workshops (7)													
7 Management			1.0	1.5									2.5
70 Preparation		1.8							2.5	2.5	1.5		8.3
701 Liberia	2.5	2.5	2.5	7.5	5.2				2.0	2.0	1.0		25.2
702 Jamaica	2.0										2.0		4.0
703 Dominican Republic													
704 Cameroon													
711 Liberia (Mission)						8.0	9.2	3.8					21.0
713 Dom. Rep. (Mission)													
Subtotal	4.5	4.3	3.5	9.0	5.2	8.0	9.2	3.8	4.5	4.5	4.5		61.0
Technical Assist. (8)													
8 Management			1.0	1.5									2.5
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia	1.0	1.2	1.0	2.5	2.5				1.0	1.0	1.0		11.2
814 Liberia (Mission)						2.5	2.5	1.7					6.7
Subtotal	1.0	1.2	2.0	4.0	2.5	2.5	2.5	1.7	1.0	1.0	1.0		20.4
TOTAL	5.5	5.5	5.5	13.0	7.7	10.5	11.7	5.5	5.5	5.5	5.5		81.4

TABLE A-3

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 NORTON - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
Workshops (7)													
7 Management													
70 Preparation	4.5	3.5		3.5	3.5				3.5	3.5		5.9	27.9
701 Liberia													
702 Jamaica													
703 Dominican Republic	1.0	2.0	5.5	2.0	2.0	5.5	8.6	9.9	2.0	2.0	9.9	4.0	54.4
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal	5.5	5.5	5.5	5.5	5.5	5.5	8.6	9.9	5.5	5.5	9.9	9.9	82.3
Technical Assist. (8)													
8 Management													
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia													
814 Liberia (Mission)													
Subtotal													
TOTAL	5.5	5.5	5.5	5.5	5.5	5.5	8.6	9.9	5.5	5.5	9.9	9.9	8.23

TABLE A-4

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 BADGER - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
<b>Workshops (7)</b>													
7 Management		1.0											1.0
70 Preparation		0.7											0.7
701 Liberia													
702 Jamaica													
703 Dominican Republic													
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal		1.7											1.7
<b>Technical Assist. (8)</b>													
8 Management													
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia		0.5											0.5
814 Liberia (Mission)													
Subtotal		0.5											0.5
<b>TOTAL</b>		2.2											2.2

TABLE A-5

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 OSBORN - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
<b>Workshops (7)</b>													
7 Management	1.0	1.0		1.0	1.0	1.0	1.0	1.0	1.0	1.0			9.0
70 Preparation													
701 Liberia	0.7	0.7		0.7	0.7	0.7	0.7	0.7	0.7	0.7			6.3
702 Jamaica													
703 Dominican Republic													
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal	1.7	1.7		1.7	1.7	1.7	1.7	1.7	1.7	1.7			15.3
<b>Technical Assist. (8)</b>													
8 Management	0.5	0.5		0.5	0.5	0.5	0.5	0.5	0.5	0.5			4.5
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia													
814 Liberia (Mission)													
Subtotal	0.5	0.5		0.5	0.5	0.5	0.5	0.5	0.5	0.5			4.5
<b>TOTAL</b>	<b>2.2</b>	<b>2.2</b>		<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>			<b>19.8</b>

TABLE A-6

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 RAY - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
Workshops (7)													
7 Management													
70 Preparation		0.7		1.0	1.7	1.7	1.7	1.7	1.7	1.7			11.9
701 Liberia	1.5	0.5		1.2	0.5	0.5	0.5	0.5	0.5	0.5			6.2
702 Jamaica	4.0	1.0											5.0
703 Dominican Republic													
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal	5.5	2.2		2.2	2.2	2.2	2.2	2.2	2.2	2.2			23.1
Technical Assist. (8)													
8 Management													
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia													
814 Liberia (Mission)													
Subtotal													
TOTAL	5.5	2.2		2.2	2.2	2.2	2.2	2.2	2.2	2.2			23.1

TABLE A-7

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 EPPLIN - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
Workshops (7)													
7 Management													
70 Preparation		2.0		0.2	0.2	0.2	0.2	0.5	1.7	1.7			4.9
701 Liberia	1.2	1.0		1.0	1.0	1.0	1.0	0.7	0.5	0.5			7.9
702 Jamaica								1.0			2.2	5.5	8.7
703 Dominican Republic													
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal	1.2	1.2		1.2	1.2	1.2	1.2	2.2	2.2	2.2	2.2	5.5	21.5
Technical Assist. (8)													
8 Management													
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia	1.0	1.0		1.0	1.0	1.0	1.0						6.0
814 Liberia (Mission)													
Subtotal	1.0	1.0		1.0	1.0	1.0	1.0						6.0
TOTAL	2.2	2.2		2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	5.5	27.5

TABLE A-8

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 IENNEBERRY - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
Workshops (7)													
7 Management													
70 Preparation									11.0	11.0	11.0		33.0
701 Liberia													
702 Jamaica													
703 Dominican Republic													
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal									11.0	11.0	11.0		33.0
Technical Assist. (8)													
8 Management													
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia													
814 Liberia (Mission)													
Subtotal													
TOTAL									11.0	11.0	11.0		33.0

TABLE A-9

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 KINZIE - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
Workshops (7)													
7 Management													
70 Preparation													
701 Liberia	5.5												5.5
702 Jamaica													
703 Dominican Republic													
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal	5.5												5.5
Technical Assist. (8)													
8 Management													
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia													
814 Liberia (Mission)													
Subtotal													
TOTAL	5.5												5.5

TABLE A-10

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 LI - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
<b>Workshops (7)</b>													
7 Management													
70 Preparation	3.0	2.5	2.5	2.5	5.0	5.0	5.0	5.0	5.0	11.0	11.0	11.0	68.5
701 Liberia	8.0	8.5	8.5	8.5	6.0	6.0	6.0	6.0	6.0				63.5
702 Jamaica													
703 Dominican Republic													
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	132.0
<b>Technical Assist. (8)</b>													
8 Management													
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia													
814 Liberia (Mission)													
Subtotal													
<b>TOTAL</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>132.0</b>								

TABLE A-11

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 FRAPP - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
<b>Workshops (7)</b>													
7 Management													
70 Preparation		0.2							0.2	2.2	2.2	2.2	7.0
701 Liberia	1.2	1.0	1.3	5.5	4.2				2.0				15.2
702 Jamaica													
703 Dominican Republic													
704 Cameroon		1.0	1.0	5.0	1.0								8.0
711 Liberia (Mission)						6.4	7.0	1.6					15.0
713 Dom. Rep. (Mission)													
Subtotal	1.2	2.2	2.3	10.5	5.2	6.4	7.0	1.6	2.2	2.2	2.2	2.2	45.2
<b>Technical Assist. (8)</b>													
8 Management													
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia	1.0		1.0	2.5	2.5								7.0
814 Liberia (Mission)						2.0	2.5	0.6					5.1
Subtotal	1.0		1.0	2.5	2.5	2.0	2.5	0.6					12.1
<b>TOTAL</b>	<b>2.2</b>	<b>2.2</b>	<b>3.3</b>	<b>13.0</b>	<b>7.7</b>	<b>8.4</b>	<b>9.5</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>57.3</b>

TABLE A-12

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 WRIGHT - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
<b>Workshops (7)</b>													
7 Management						1.5		0.5					2.0
70 Preparation													
701 Liberia													
702 Jamaica													
703 Dominican Republic													
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal						1.5		0.5					2.0
<b>Technical Assist. (8)</b>													
8 Management						0.5		0.5					1.0
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia													
814 Liberia (Mission)													
Subtotal						0.5	0.5						1.0
<b>TOTAL</b>						2.0		1.0					3.0

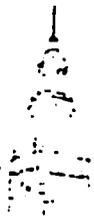
TABLE A-13

OKLAHOMA STATE UNIVERSITY  
 AGRICULTURAL POLICY ANALYSIS PROJECT  
 CONSULTANTS - STAFFING BY ACTIVITY (PERSON DAYS)  
 OCTOBER 1984 - SEPTEMBER 1985

ACTIVITY	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	EST. JUNE	EST. JULY	EST. AUG.	EST. SEPT.	TOTAL
<b>Workshops (7)</b>													
7 Management													
70 Preparation													
701 Liberia													
702 Jamaica													
703 Dominican Republic								6.0	18.0	6.0	7.0		37.0
704 Cameroon													
711 Liberia (Mission)													
713 Dom. Rep. (Mission)													
Subtotal								6.0	18.0	6.0	7.0		37.0
<b>Technical Assist. (8)</b>													
8 Management													
80 Preparation													
801 Dominican Republic													
802 Peru													
803 ROCAP													
804 Liberia													
814 Liberia (Mission)													
Subtotal													
<b>TOTAL</b>								6.0	18.0	6.0	7.0		37.0

ANNEX III

REVISED BUDGET, 1984



OKLAHOMA STATE UNIVERSITY • STILLWATER

Office of International Programs  
(405) 624-6535  
Cables: INTPROSU

74078

EXPRESS MAIL

March 29, 1984

Dr. Wendell J. Knox  
Vice President  
Abt Associates Inc.  
55 Wheeler Street  
Cambridge, Massachusetts 02138

Dear Dr. Knox:

Approval of the enclosed revised budget for our sub-contract with Abt for the Agricultural Policy Analysis Project is requested. Reductions have been made in salaries and fringe benefits in order to accommodate needs for equipment and supplies. There is no reduction in person days of work and total output.

Approval is also requested for the purchase of an IBM personal computer plus appropriate software. The details and costs are enclosed.

Your early approval will be appreciated.

Sincerely,

William S. Abbott  
Director

Enclosures:  
Revised Budget  
Request for computer

WSA:tb

cc: Dr. Bill Wright  
Dr. James Osborn  
Dr. Dean Schreiner



## MEMORANDUM

DATE March 28, 1984  
TO William Abbott, Director  
Office of International Programs  
FROM Dean F. Schreiner *DFS*  
SUBJECT Revised Budget for Agricultural Policy Analysis Project

1. It is essential that we submit a revised budget to Abt and obtain approval as soon as possible. Reasons for a revised budget include:
  - a. No provision was made in the original budget for expendable items such as communications, translations, publication, reproduction, reference materials, computer software, medical examinations, shots, passports, visas, and office materials and supplies.
  - b. Insufficient funds were allowed for equipment purchases of a microcomputer. The original budget allowed only \$2,000.
2. Table 1 is the Requested Revised Budget for the Agricultural Policy Analysis Project. Total project cost remains the same as in the original budget. Total person months (Table 3) and personnel staffing (Table 2) remain the same as in the original budget. Differences in the budget include the following:
  - a. Salaries have been reduced from \$701,844 to \$656,405. A slightly lower monthly rate has been used in computing salaries (see footnotes a and b for Table 1). It is our feeling that this slightly lower rate is feasible.
  - b. Fringe benefits have been reduced in accordance with reduced salaries.
  - c. Overhead remains at \$274,207. There is a slightly higher computed overhead but the original figure is used in the budget total.
  - d. Other direct costs (line item 6) have been increased to \$57,780. This allows for expendable items and an increase of \$4,000 for equipment.

ag

Table 1.  
Oklahoma State University  
Agricultural Policy Analysis Project  
Contract Number: DAN-8084-C-00-3087-00

Requested Revised Budget  
(Dollars)

Line Item	Item	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1	<b>Salaries</b>						
	Domestic Prof. <sup>a</sup>	66,300	69,200	66,650	73,600	81,000	356,750
	International Prof. <sup>b</sup>	39,270	44,880	47,300	55,660	54,450	241,560
	Secretarial <sup>c</sup>	4,950	12,975	13,650	14,400	12,120	58,095
	<b>Total Salaries</b>	<u>110,520</u>	<u>127,055</u>	<u>127,600</u>	<u>143,660</u>	<u>147,570</u>	<u>656,405</u>
2	<b>Overhead</b>						
	On-Campus (34%) <sup>d</sup>	35,771	37,946	37,964	41,062	43,961	196,704
	Off-Campus (17%) <sup>e</sup>	13,462	15,697	16,418	19,651	19,746	84,974
	<b>Total Overhead</b>	<u>(49,233)</u>	<u>(53,643)</u>	<u>(54,382)</u>	<u>(60,713)</u>	<u>(63,707)</u>	<u>(281,678)</u>
	Max. Overhead <sup>f</sup>	47,854	52,422	52,894	59,186	61,851	274,207
3	<b>Fringe Benefits</b>						
	Domestic Prof. (23%)	15,249	15,916	15,330	16,928	18,630	82,053
	International Prof. (25-1/4%)	9,916	11,332	11,943	14,054	13,749	60,994
	Secretarial (10%)	495	1,299	1,365	1,440	1,212	5,811
	<b>Total Fringe</b>	<u>25,660</u>	<u>28,547</u>	<u>28,638</u>	<u>32,422</u>	<u>33,591</u>	<u>148,858</u>
4	<b>Consultancies</b>	--	--	--	--	--	--
5	<b>Travel</b>						
	Domestic <sup>g</sup>	3,300	2,900	3,050	3,080	4,080	17,170
	International <sup>h</sup>						
	Travel	9,600	10,080	10,584	14,816	15,560	60,640
	Per Diem	20,400	26,040	26,752	31,062	32,398	136,652
	<b>Total Travel</b>	<u>33,300</u>	<u>39,020</u>	<u>40,386</u>	<u>49,718</u>	<u>52,038</u>	<u>214,462</u>
6	<b>Other Direct Costs<sup>i</sup></b>						
	Expendable Items <sup>j</sup>	8,914	9,315	11,615	10,563	11,373	51,780
	Equipment <sup>k</sup>	6,000	--	--	--	--	6,000
	<b>Total Other Costs</b>	<u>14,914</u>	<u>9,315</u>	<u>11,615</u>	<u>10,563</u>	<u>11,373</u>	<u>57,780</u>
7	<b>Subcontracts</b>	--	--	--	--	--	--
	<b>TOTAL COST</b>	<u>232,248</u>	<u>256,359</u>	<u>261,133</u>	<u>295,549</u>	<u>306,423</u>	<u>1,351,712</u>

Footnotes to Table 1

<sup>a</sup> Year	Person Months (Table 3)	Salary/PM (\$)
1	15.6	4,250
2	17.3	4,000
3	15.5	4,300
4	16.0	4,600
5	18.0	4,500

<sup>b</sup> Year	Person Months (Table 3)	Salary/PM (\$) (Domestic Plus 10%)
1	8.4	4,675
2	10.2	4,400
3	10.0	4,730
4	11.0	5,060
5	11.0	4,950

<sup>c</sup> Year	Person Months	Salary/PM (\$)
1	6	825
2	15	865
3	15	910
4	15	960
5	12	1,010

<sup>d</sup> Salaries and fringe benefits for domestic professionals and secretarial; domestic travel; and other direct costs.

<sup>e</sup> Salaries and fringe benefits for international professionals; and international travel and per diem.

<sup>f</sup> Overhead rates are held at the original budget level.

Footnotes to Table 1 (continued)

<sup>g</sup> Year	No. of Trips	Cost/Trip (\$)
1	6	550
2	5	580
3	5	610
4	6	640
5	6	680

<sup>h</sup> Year	No. of Trips	Transportation Cost/Trip	Per Diem \$/Day	PM <sup>b</sup> (See <sup>b</sup> )	Days (30.4 days/PM)
1	6	1,600	80	8.4	255
2	6	1,680	84	10.2	310
3	6	1,764	88	10.0	304
4	8	1,852	93	11.0	334
5	8	1,945	97	11.0	334

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<sup>i</sup> Expendible Items	Year 1	Year 2	Year 3	Year 4	Year 5
Communications & translation	2,000	2,000	3,000	3,000	3,000
Publication, reproductions & reference materials	2,000	2,500	3,000	3,000	3,000
Computer programming and computer software	2,500	2,500	3,000	2,500	3,000
Medical examinations, shots, passports, visas, etc.	500	500	500	500	500
Office materials and supplies	<u>1,914</u>	<u>1,815</u>	<u>2,115</u>	<u>1,563</u>	<u>1,873</u>
Total	8,914	9,315	11,615	10,563	11,373

<sup>j</sup> Purchase of microcomputer and related equipment.

Table 2  
Oklahoma State University  
Agricultural Policy Analysis Project  
Contract Number: DAN-8084-C-00-3087-00  
Personnel Staffing  
(Person Months)

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Core Staffing</b>						
Dean Schreiner	6.0	6.0	6.0	6.0	12.0	36.0
Luther Tweeten	3.0	3.0	3.0	3.0	3.0	15.0
Roger Norton	3.5	3.0	3.0	3.0	3.5	16.0
Sub-Total	12.5	12.0	12.0	12.0	18.5	67.0
<b>Non-Core Staffing</b>						
Dan Badger	1.0	2.0	2.0	2.0	2.0	9.0
Daryll Ray	1.0	2.0	2.0	2.0	2.0	9.0
James Osborn	1.0	1.0	1.0	1.0	1.0	5.0
James Trapp						
Odell Walker						
Dan Tilley						
Harry Mapp						
Joe Williams						
Linda Lee	8.5	10.5	8.5	10.0	8.5	49.0
John Franzmann						
Keith Searce						
U.J. Grant						
William Wright						
Consultants & others						
Sub-Total	11.5	15.5	13.5	15.0	10.5	66.0
<b>TOTAL</b>	<b>24.0</b>	<b>27.5</b>	<b>25.5</b>	<b>27.0</b>	<b>29.0</b>	<b>133.0</b>

Table 3

Oklahoma State University  
Agricultural Policy Analysis Project  
Contract Number: DAN-8084-C-00-3087-00

Staffing - Domestic and International  
(Person Months)

<u>Year</u>	<u>Domestic</u>	<u>International</u>	<u>Total</u>
1	15.6	8.4	24.0
2	17.3	10.2	27.5
3	15.5	10.0	25.5
4	16.0	11.0	27.0
5	<u>18.0</u>	<u>11.0</u>	<u>29.0</u>
Total	82.4	50.6	133.0