

CALENDAR

JANUARY

19-20: Title XII Regional Seminar at Virginia State University

23-25: Universities and International Health: Building Partnerships Workshop, co-sponsored by the National Council for International Health (NCIH) and the University of North Carolina, Chapel Hill, NC. Contact: Barbara Kohl, conference coordinator, NCIH, 2100 Pennsylvania Ave., NW, Suite 740, Washington, DC 20037; telephone (202) 466-4740

26-27: Computers for Health Workshop, sponsored by the National Council for International Health (NCIH), Contact: NCIH, 2100 Pennsylvania Ave., NW, Washington, DC 20037; Telephone (202) 466-4740

30-Feb. 3: AID Africa Mission Directors Conference, Kigali, Rwanda. Contact: Charles Christian AID/AFR/PMR, Room 2744; Telephone (202) 632-1783

30-June 17: Sixth International Course on Applied Taxonomy of Insects and Mites of Agricultural Importance, London, U.K. Contact: Director, Commonwealth Institute of Entomology, 56 Queen's Gate, London SW7 5JR, U.K.

FEBRUARY

1-2: Board for International Food and Agricultural Development (BIFAD) Meeting, Contact: John Rothberg, AID/BIFAD, Room 5318, Washington, DC; Telephone (202) 632-0228

6-10: Weed Science Society of America Annual Meeting, Miami,

FL. Contact: C. J. Cruse, executive secretary, 425 Illinois Building, 113 N. Neil St., Champaign, IL 61820

19-24: Fourth International Conference of the World Federation of Public Health Associations. The theme is "Quest for Community Health: Experiences in Primary Care," Jerusalem, Israel. Contact: WFPHA Secretariat, c/o American Public Health Association, 1015 15th St., NW, Washington, DC 20005; Telephone (202) 789-5690

20-24: Second Congress of Integrated Pest Management, Guatemala City, Guatemala. Contact: Edgar Rios Munoz, conference coordinator, 30 Calle 11-42, Zona 12, Guatemala City

23-24: Joint Committee on Agricultural Research and Development (JCARD) Meeting, sponsored by AID, Washington, DC. Contact: John Stovall, AID/BIFAD, Room 5316, Washington DC 20523; Telephone (202) 632-8532

27-March 9: Pre-departure orientation workshop for university faculty, administrators, and others involved in designing, managing or carrying out AID technical assistance projects in developing countries, sponsored by AID and BIFAD, Honolulu, HI. Contact: Harold McArthur, College of Tropical Agriculture and Human Resources, University of Hawaii, 3050 Maile Way, Honolulu, HI 96822; Telephone (808) 948-6441

MARCH

5-30: U.S. Geological Survey course in geologic and hydrologic hazards, sponsored by U.S. Geological Survey and

AID's Office of U.S. Foreign Disaster Assistance, Denver, CO. Contact: AID/OFDA, Room 1262, Washington, DC 20523

7-8: Board for International Food and Agricultural Development (BIFAD) Meeting, Contact: John Rothberg, AID/BIFAD, Room 5318, Washington, DC; Telephone (202) 632-0228

12-21: Thirty-third meeting of the Technical Advisory Committee (TAC) of the Consultative Group on International Agricultural Research (CGIAR), Rome, Italy. Contact: CGIAR Secretariat, 1818 H St. NW, Washington, DC 20433

14-15: Society for International Development (SID), Washington chapter conference, Washington, DC. The theme is "Trade and Development: Economic Realities and Political Risks." Contact: SID, 1889 F St. NW, Washington, DC 20006; Telephone (202) 682-0238

21-23: Transcultural Nursing Perspectives in Primary Health Care Workshop, Salt Lake City, UT, sponsored by the National Council for International Health (NCIH). Contact: Barbara Kohl, conference coordinator, NCIH 2100 Pennsylvania Ave., NW, Suite 740, Washington, DC 20037; Telephone (202) 466-4740

APRIL

3-5: Conference on municipal, industrial and agricultural water supply problems of the southwestern United States, sponsored by the Southern Methodist University, Dallas, TX. Contact: M.A. Collins, School of Engineering and Applied Science, Southern Methodist University, Dallas, TX 75275

Any additions or corrections should be addressed to "Calendar," Front Lines, Room 4890 NS, Washington, DC 20523

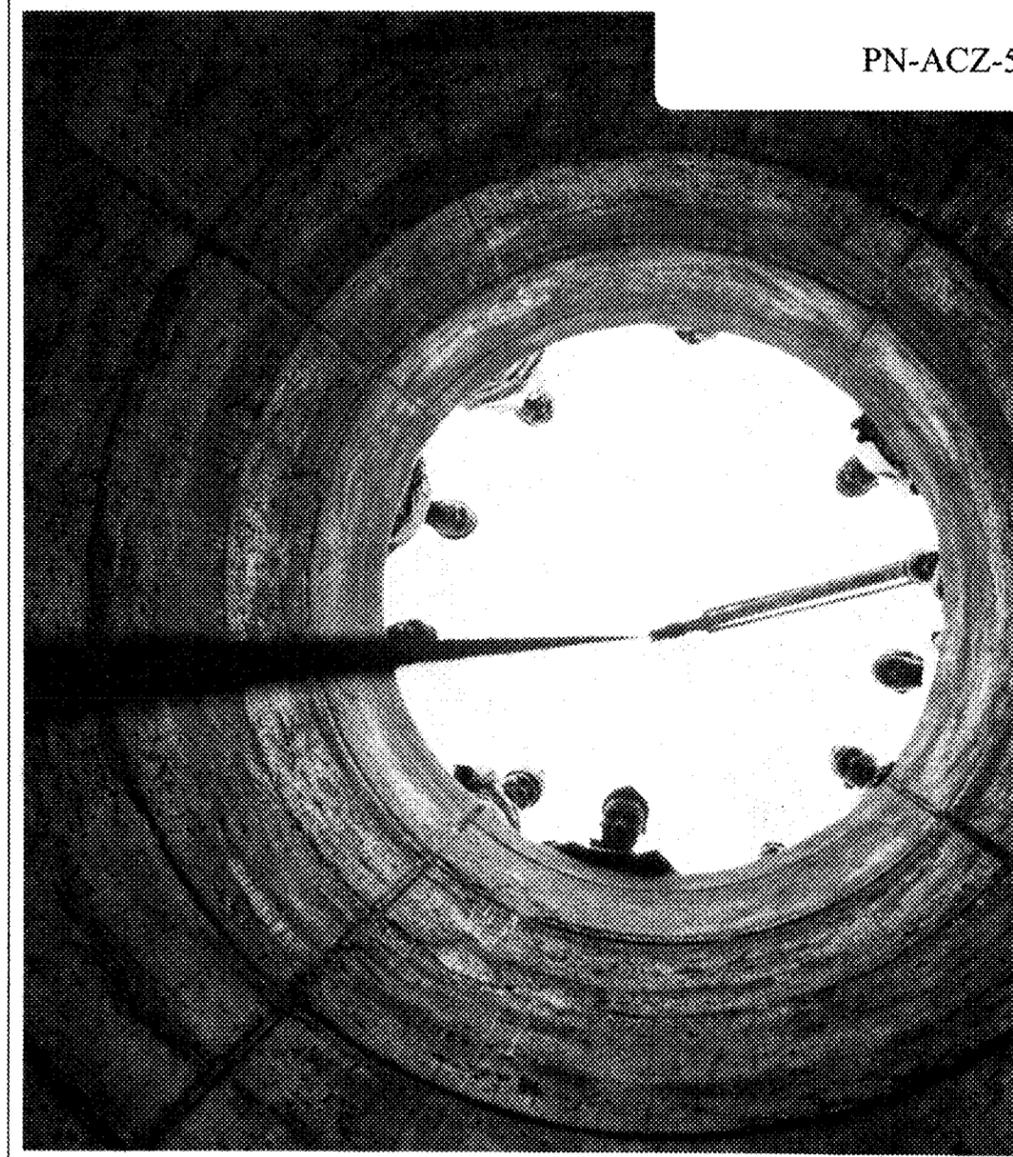
FRONT LINES

THE AGENCY FOR INTERNATIONAL DEVELOPMENT

JANUARY 1984

... the front lines' of a long twilight struggle for freedom ... John F. Kennedy

PN-ACZ-502



AID IN UPPER VOLTA

Assistance Helps Revitalize Grenada

SUSTAIN Looks at Egypt

Carlucci Panel Endorses 4 Cornerstones

SUSTAIN Targets Egypt's Food Firms

Senior officials of four major U.S. food companies will visit Egypt soon under AID's Project SUSTAIN to determine how U.S. food manufacturers can help Egyptian firms solve food processing problems.

Completing final arrangements for the mission was one of the actions taken at a meeting of the project's steering group, which is composed mainly of officials of companies participating in the project. The project's acronym stands for "Sharing United States Technology to Aid in the Improvement of Nutrition."

Meeting the group at the White House, James Coyne, President Reagan's special assistant for private sector initiatives, hailed the industry-to-industry technical assistance program and noted that it is very supportive of the Presidential objective to encourage involvement of the private sector and industry in public service.

Martin Forman, director of the Bureau for Science and Technology's Office of Nutrition, originated the

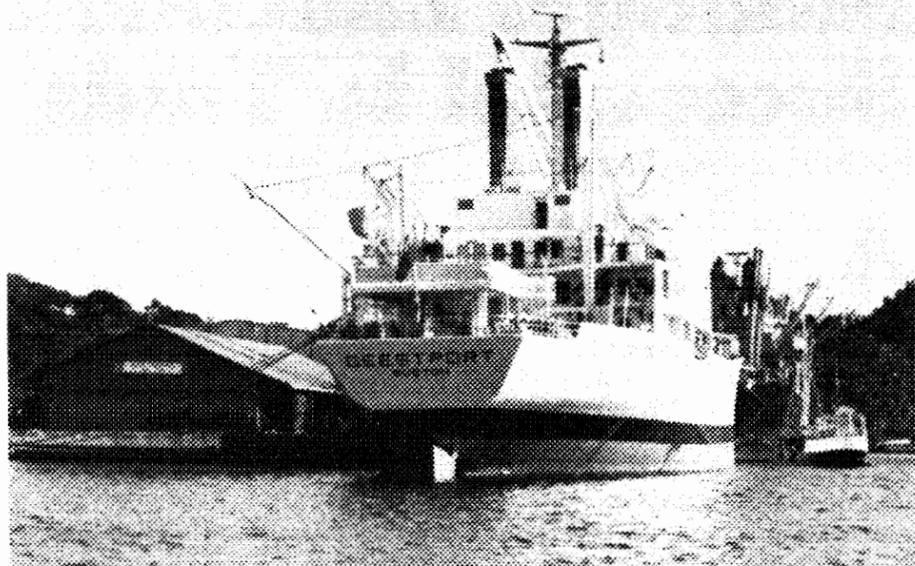
project. Lauding the project, Deputy Administrator Jay F. Morris said that he is "particularly pleased at the initiative of the American food processing industry in offering to share your expertise to help upgrade the quantity and quality of food processing in developing countries."

Nyle C. Brady, senior assistant administrator for science and technology, who also participated in the meeting, congratulated the company representatives for their strong endorsement of the Administration's efforts to increase the U.S. private sector contribution to helping their counterparts in LDCs.

Speaking for the food industry, Daniel McPherson of General Mills expressed his company's pleasure in working with AID and said it is grateful for the opportunity to help upgrade the quality of food supply in developing countries, and thereby help to improve nutrition among the needy.

Participating in the March "reconnaissance" mission to Egypt will be

(continued on page 3)



The Geest banana boat docks in St. Georges's harbor and returns an economic lifeline to Grenadians.

AID Works Toward Reviving Grenada

by Dolores Weiss and Paul Olkhovsky

With the end of terror under a military dictatorship and the restoration of order by friendly forces, Calypso music blaring from cars and windows sets the beat of Grenada's euphoric mood these days.

"The chains have been removed from our hands, the stitches from our lips," explains Wilkie Edwards, a bus driver from the fishing town of Grenville.

When the Geest banana boat docked in picturesque St. Georges's harbor 10 days after the U.S. rescue mission, Grenadians saw an important lifeline return to their island. Although the sale price was low because of exchange rate difficulties, farmers were excited and encouraged by the opportunity to once again sell their bananas.

"I feel so settled—so free," enthused Linda Charles, a cashier in a reopened gas station up the street from the docks.

Meanwhile, to make sure that the soaring spirits of the island's citizens remain buoyant, AID is working

toward the revitalization of Grenada's economy.

Approximately \$2.2 million has been allotted for the Office of U.S. Foreign Disaster Assistance (OFDA) programs in Grenada, according to Theodor Bratrud of the Office of Caribbean Affairs, Bureau for Latin America and the Caribbean (LAC/CAR). He explained that starting a few days after military operations began, OFDA resources have been in use to help meet the immediate human needs of the Grenadians. AID also is working on plans for longer-term economic reconstruction and rehabilitation.

By early November, AID had sent 16 people on temporary duty assignment, including engineers, an agricultural specialist, a health specialist, an economist and an experienced project development officer, to help Grenada with rehabilitation efforts.

"I was amazed at the welcome we received," said Bratrud, who was among the first to arrive. "Because we had no time to plan in advance, not everything we needed was packed on

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Among those attending the meeting of Project SUSTAIN's steering group: from left, Senior Assistant Administrator for Science and Technology Nyle Brady; vice president of General Mills, Daniel McPherson; Deputy Administrator Jay F. Morris; special assistant to the President for private sector initiatives, Jim Coyne; and director of the Office of Nutrition, Martin Forman.

Commission Endorses AID's Cornerstones

by Paul Olkhovsky

Close to one-quarter of the Carlucci Commission's final recommendations endorse AID's four cornerstones of development as an effective way of achieving sustained economic growth in developing countries. The Commission on Security and Economic Assistance (Carlucci Commission) recommends supporting policy reforms, encouraging human resource development and institution building, increasing the emphasis on science and technology, and promoting private sector development in LDCs.

The commission was created in February 1983 to review U.S. foreign

assistance programs and make recommendations to the President and Congress on how their objectives can be better achieved. Its members were drawn from Congress and the private sector. Commission Chairman Frank Carlucci presented the final report to Secretary of State George Shultz Nov. 21.

Among the various recommendations, the commission calls for support of policy reform. "U.S. cooperation should, to the extent possible, be tailored to support the evolution of policies that will ultimately result in open, self-sustaining economies and democratic societies. In some cases, reforms needed to stabilize economic and financial conditions . . . may

require austerity measures that have potential for heightened social and political conflict. We should seek to ensure that our assistance programs help to ameliorate these problems."

The report suggests that the United States coordinate development efforts in recipient countries with other donor nations and multilateral institutions.

Observing that AID established and maintains a lead in promoting flexible development policy, the commission report notes, "AID leadership has sensitized the world donor community to the need for policy reform. . . ."

Besides sound economic policies, the development of human resources and institution building is crucial to

the future of developing countries and their use of economic assistance, the commission further states.

Commission member Sen. Paul Sarbanes (D-MD) said, "I believe the commission has correctly identified several areas for emphasis. Policy reforms in recipient countries are necessary for effective use of scarce assistance dollars; and tied closely to these reforms should be efforts to improve basic institutions important to human development."

According to another commission member, Rep. Henry Hyde (R-IL), "A strong emphasis on institution building can add the dimension of permanence and stability and thus

(continued on page 6)

Manager Education Successful in Tunis

by Thomas W. Casstevens

A shortage of managers is a bottleneck for development, and a rapidly growing economy needs a local supply of well-trained managers. This was the rationale behind the AID Project on Management Education and Executive Development in Tunisia. That project was evaluated in September by a team from the Bureau for Program and Policy Coordination's Office of Evaluation. The evaluation team concluded that the project was indeed appropriate for contemporary Tunisia.

The project's core was the founding in 1969 of the first graduate school of business administration in North Africa, *L'Institut Supérieur de Gestion* (ISG). ISG is a unit in the country's

“The institutional spin-offs are quite impressive.”

only university, the University of Tunis, where tuition is free and modest scholarships are commonly available for needy students. A university education is a conduit for social mobility, and most ISG students come from poor families.

AID funded contract faculty for technical assistance (1969-74) and participant training of prospective faculty (1969-80) at a total cost of about \$1.7 million. Earlier projects had supported the acquisition of American doctoral degrees by Tunisians, so since ISG's beginning, the majority of the faculty has been Tunisian. The three successive deans also have been Tunisians with American doctoral degrees. The government of Tunisia funded a large portion of ISG's set-up expenses and virtually all of its recurrent costs.

A Tunisian university curriculum is designed in successive two-year blocks; diplomas are awarded after completion of the first, second, and third cycles.

ISG began with only a third cycle program that was modelled on the standard master's degree in business administration curriculum in the United States. AID assigned priority to that program as a source of managers. The Tunisian government, however, emphasized expanding and upgrading the teaching of management and economics, by drawing on ISG faculty and graduates.

In the opinion of the evaluation team, the institutional spin-offs are quite impressive. ISG now has programs for all three cycles. A Faculty of Economics and Management was founded in the city of Sfax. Its dean is a former ISG dean. ISG faculty also were siphoned off to become

deans and teachers at the old Institute of Advanced Commercial Studies and the new Faculty of Law, Economics, and Politics. ISG third cycle graduates are a distinctive cadre of junior faculty in these units of the University of Tunis.

Students accurately see a diploma in management as a means of obtaining a good job. Despite increases in their numbers, management graduates are readily employed by public and private enterprises. The evaluation team found that in the judgment of employers—public and private—the decision to expand and upgrade the system of management education has paid off.

ISG is the center of excellence in the system as a whole. Its doctoral level senior faculty has been “raided” for the benefit of other institutions. The evaluation team noted that this sign of strength is also a weakness because there is no mechanism to replenish doctoral faculty. The Tunisian government recognizes the problem and its scientific mission to the United States is exploring the possibility of doctoral studies for their junior faculty at universities in the United States.

Although the American model of management education has been followed from the beginning, Tunisian officials were slow to accept the equivalent of the American doctoral degree and French *Doctorat d'Etat*. This problem was resolved finally in a policy dialogue between the American ambassador and the Tunisian prime minister. The difficulty still persists, however, elsewhere in Francophone Africa.

AID planned an annual output of 25-30 graduates from ISG's third cycle program. This target figure was

“Graduates are readily employed by public and private enterprises.”

never achieved. ISG currently aims for 10-12. The evaluation team noted that a viable institution often develops a life of its own that is at variance with the intentions of its original planners. But it also noted that institution building takes a long time and suggested that technical assistance may have been withdrawn too soon for the best possible results. The project, nevertheless, was very successful, with diverse consequences. The evaluation team concluded that a major reason for ISG's success is that it was appropriate to its setting: Tunisia was and is a middle-income country with realistic prospects of rapid economic growth.

Casstevens is special adviser to the Administrator.

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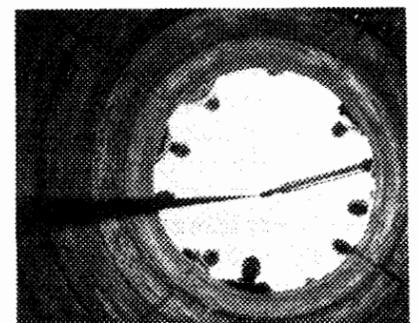
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Cover Photo: Farmers peer down one of the 470 water wells completed as part of the Upper Volta mission's Rural Water Supply Project. Upper Volta is Mission of the Month. Article begins on page 11.



Speakers at the recent meeting of the President's Task Force on International Private Enterprise included Sen. Robert Dole (R-KS) (center). He is flanked by task force vice chairman, Parker Montgomery, (left) and George Pope of the U.S. Department of Agriculture's Foreign Agricultural Service.

Task Force Hears Reports, Proposals

Experts from the private and public sectors met Dec. 5-6 in Washington with members of the President's Task Force on International Private Enterprise. It was the task force's fifth meeting since the spring of 1983 when it began its assigned task of exploring ways that the U.S. government and business can stimulate private enterprise in developing countries.

President Reagan appointed 21 distinguished U.S. business leaders to the task force to advise him on the

“Adoption of policies which support market economies is a prerequisite to private enterprise growth.”

role that private enterprise can play in international economic development. The group also was commissioned to serve as a forum in which AID and the U.S. business and financial communities can exchange information, review strategies and explore areas of mutual interest.

At its recent meeting, task force members agreed that the adoption of policies in developing countries which support market economies is a prerequisite to private enterprise growth.

Speaking at the meeting, Counselor to the Agency Frank Kimball outlined AID policy dialogue strategy. He stressed that donors cannot impose policy changes on LDC governments. Presenting facts and allowing host governments to reach mutually acceptable policy decisions themselves is more effective in bringing about policy reforms, Kimball suggested.

Gustav Ranis, the Frank Aitshul professor of international economics at Yale University and former AID assistant administrator, discussed private enterprise development, current Third World debt, and different ways that governments in Latin America and East Asia intervene in their economies.

Another speaker told the task force

that the People's Republic of China will need more than \$100 billion for its future infrastructure and technology needs. Walter Surrey of the Washington, DC, law firm of Surrey and Morse, and a member of both the National Council on U.S.-China Trade and the National Commission on U.S.-China Relations, predicted that more than half of this amount will have to be borrowed from the capital markets of the world. Morse also described the status of private enterprise in the People's Republic of China and how the United States could support more Export-Import Bank and World Bank loans to help revitalize it.

The task force's three subcommittees held meetings during part of the conference to formulate plans for an interim report to be prepared for the task force's next meeting in March.

Chairman of the Trade Subcommittee Thomas Faught outlined his group's preliminary recommendations. The establishment of an economic security affairs adviser to the President and a strategy for using existing funds for mixed credits within one policy framework, were proposed.

Jack Stein of the Subcommittee on Private Enterprise Development outlined a host of proposals: using the private sector to transfer technology and train people; greater AID attention to policy environment before carrying out projects; directing more economic assistance to small- and medium-size LDC businesses; a four-point system of strengthening export industries; and expanded AID use of intermediate credit institutions for long-term lending.

Chairman of the Subcommittee on Food Bob Fischer suggested that the P.L. 480 program be increased, with additional emphasis placed on market development activities and that local currency proceeds generated under P.L. 480 be used to support private enterprise activities. It also was suggested that P.L. 480 be introduced to the People's Republic of China with an emphasis toward promoting joint ventures and the private sector. The subcommittee also proposed expanding the Commodity Credit Corp. with repayments used to establish a revolving fund.

—Paul Olkhovsky

Loan Fund to Aid LDC Development

The Agency's private sector initiative got a boost from Congress Nov. 12 with the authorization of a \$60 million private sector revolving loan fund which is designed to promote economic development by strengthening private enterprise in the Third World.

By increasing the availability of credit, the fund will encourage the U.S. private sector and lending institutions to assist small- and medium-size businesses in developing countries and to improve the economic climate for private enterprise.

In a joint statement, Administrator McPherson and Assistant Administrator for the Bureau for Private Enterprise (PRE) Elise du Pont commended the bipartisan Congressional support for the project. Du Pont is in charge of the fund.

“Since this Administration took office in 1981, we have advocated economic growth as an important part of our policy,” McPherson said. “We believe that a healthy private sector is necessary for sustained economic growth. The revolving fund implements this policy in a substantive way because it allows AID to make matching loans with foreign credit institutions, make direct loans to businesses and co-finance loans with domestic and foreign banks,” the Administrator explained.

Overwhelming Congressional approval was granted for \$20 million to be authorized each of the next three years. Loans made through the revolving fund differ from other AID loans in which payments are returned to the U.S. Treasury. The recovered principal, fee payments and interest on the original revolving fund capital investment will be paid back to the fund, making it self-sustaining. Du Pont believes that in the next few years the program can grow to \$100 million. Money over the fund's \$100 million cap will be returned to the U.S. Treasury.

“In addition to this growth,” continues McPherson, “another important asset is the fund's ability to approve financing quickly.” This will be possible because after the

fund's third year, such loans will not be tied to the Congressional appropriations process. Du Pont says the government fund will make it easier to attract outside money for development because it heightens security for investors. Therefore, loans from the fund will be the push necessary to consummate financial transactions. Since AID's funds are limited, she sees the resulting potential increase in private money for development as adding to the impact of AID's money.

PRE's loans will help targeted small- and medium-size businesses by providing them with medium- to long-term credit with fixed interest rates. The businesses then can use the money to buy equipment, hire personnel or otherwise improve their situations. Ultimately, the fund will benefit host countries by boosting production, creating jobs and raising incomes.

The revolving fund may provide direct loans to LDC businesses, co-financing for projects between AID and local or U.S. banks, and financing through local lending institutions for development projects that otherwise might not get off the ground.

Requests for loans from the revolving fund can come to PRE from AID missions or from an entrepreneur in a developing country or his U.S. partner. They also could result from PRE reconnaissance trips in target countries.

In the first few years, the fund is not expected to increase the dollar amount of PRE investments. Rather, it will give the bureau more flexibility to aid good private sector projects. PRE will monitor the fund and report annually to Congress on its performance.

“We know the domestic private sector will watch the fund's bottom line carefully and, we believe, its performance will serve as encouragement for more private investment in developing countries,” McPherson said.

Questions about the fund should be directed to Robert Parra, PRE's Office of Investment director, SA-14, Room 633, (703) 235-1822.

SUSTAIN

From page 1, column 2 senior officials from Ralston-Purina, McCormick, Kraft and Roman Meal. Plans also were made at the steering group's meeting for a team to visit Kenya to plan for a series of food processing seminars requested by that country.

The steering group also mapped plans for upcoming assistance missions to a number of countries including Jamaica, Costa Rica, Indonesia, Pakistan and Panama. On the day the group met, a consultant left for a Project SUSTAIN assistance mission to El Salvador.

The group heard a report on two recent successful missions in Jamaica—a seminar on packaging attended by 55 persons from Jamaican food processing companies and a set of recommendations made by a Del Monte volunteer on canning and thermal processing. They also heard a report on a recently completed reconnaissance trip to Sri Lanka, which is expected to launch the project there.

Nabisco has joined the project. Several other companies, including General Foods and Campbell's, have expressed strong interest in participating.

—Edward R. Caplan

Grenada

From page 1, column 4

our C-130. Therefore, we hired the first man we saw with a tool box to help set up temporary AID headquarters in the Blue Horizon Hotel. This young man indicated he had not been able to use his skills while the Cubans were in St. Georges and seemed happy to be working with Americans. In the 16 years I've been with AID, this is the most exciting operation in which I have ever been associated."

AID plans to coordinate with private voluntary organizations (PVOs) to provide volunteer medical personnel and other technical services. Local social and religious groups have been given grants of up to \$1,000 each for food and other emergency supplies. Funds also were approved to ship and provide badly needed medicines and medical equipment.

The repair of water and waste disposal systems, as well as storage tanks, is under way. Long-delayed repair of crucial roadway sections also has begun and electrical service has been restored.

While schools are being repaired, AID recommends short-term solutions, such as using secondary school teachers from other islands to fill the void created by the departure of Cuban educators. Long-term proposals include developing vocational and technical training schools, starting a Peace Corps program and building additional secondary school facilities.

Deputy Administrator Jay F. Morris praised AID staff for their work immediately after rescue operations. "The AID people in Grenada have performed brilliantly under fire," he said. "Most people I've had the privilege to work with in disaster situations are instinctive 'fire fighters.' I think it flows from their commitment to helping people in need."

Grenada, with a population of about 90,000 and a land area of only 133 square miles, is one of the lesser developed countries in the English-speaking Eastern Caribbean. According to a report issued by the State Department, "Unless U.S. and other western investment is forthcoming, Grenada's existing economic difficulties will multiply." AID's efforts will help set the stage to make the best use of that investment.

After having an average annual

economic growth rate of 7% during 1975-78, growth dropped to 3.3% last year. The fact that there was any growth at all was due to a dramatic boom in the construction sector—particularly at the Point Salines airport.

However, in agriculture—the island's most important sector—output declined 6.7% last year. Under the Marxist regime of Maurice Bishop, private investment declined steadily. Government rhetoric, policies and nationalization of private enterprises created an uncertain and high risk business climate. Manufacturing output stagnated. Capital flight became a problem.

James Holtaway, director of LAC/CAR, says that one of the keys to promoting economic stability in Grenada is the AID Economic Support Fund grant of \$5 million that was recently announced as part of the \$15 million appropriated by Congress for economic development in Grenada. This grant will be deposited in the Grenadian government's account in the Eastern Caribbean Community Bank. This capital infusion will help increase liquidity of the private banking system, allowing Grenada to meet the immediate credit needs of the private sector to increase production and employment.

Keeping with AID's policy of encouraging governments to follow sound economic policies, Holtaway said that Grenada's government is being urged to reform tax and investment laws, sell government-owned businesses, return land to private ownership and allow the marketplace to determine prices and wages.

With a stable banking system, the Grenadian private sector should be able to resume strong economic activity soon. To assist in this process, the White House charged an inter-agency team with examining private sector conditions in Grenada. The team spent three days on the island during November and presented a report recommending ways to restore the private sector.

Deputy Administrator Morris, who was the team leader, explained that among the recommendations the White House approved, the Overseas Private Investment Corp. (OPIC) will organize and lead a mission of businessmen to Grenada early this year.

The report points out that agriculture is the mainstay of the Grenadian economy. It employs one-third of



St. Georges's harbor comes to life, as trade and economic activity are revived.

Santa Flies to Grenada

Santa Claus remembered the children of Grenada. Santa Claus, that is, with a lot of help from Hasbro Industries, the U.S. Air Force, Rep. Claudine Schneider's (R-RI) office and a Virginia costume store.

Hasbro Industries agreed to give every one of Grenada's children age 12 and under—30,600 kids—a toy for Christmas. Rep. Schneider arranged for and accompanied three C-130 Air Force cargo transport jets to deliver the toys Dec. 20.

Master's Costumes of Bailey's Crossroads donated a tropical-weight Santa Claus suit, according to Deputy Director of the Office of Caribbean Affairs Robert Hechtman, who helped deliver the gifts. Grenadian volunteers and remaining U.S. military personnel joined Hechtman in becoming Santa's helpers and used trucks and helicopters to distribute the toys to several points on the island.

the labor force, contributes one-fourth of the gross domestic product (GDP), and provides almost half of Grenada's export earnings. Although crops are diversified, bananas, cocoa and nutmeg are the main products.

In recent years, agricultural management has been poor, due to government control of the major producers' associations. For example, in some areas cocoa yields are one-fourth their potential. The interagency team suggests increasing investment and joint venture opportunities, promoting a nutmeg oil plant and transferring the state-owned fruit processing company, Grenada Agro Industries, to the private sector.

Tourism is the second major source of foreign exchange but contributes only about 2% of GDP. Presently, hotel capacity is limited and many of Grenada's basic public utilities are undependable and, therefore, not up to standards that tourists expect. However, both AID and the team believe there is strong potential for growth in the tourist industry.

Timely completion of the Point Salines airport also might have a positive impact on Grenada's economy.

Since the smaller airport at Pearls operates only during the day, most people who wish to visit Grenada must stay overnight in Barbados. A technical and economic feasibility study is under way to examine the cost and time required for completion of construction, type of support facilities, and maintenance and recurring cost requirements of the Point Salines airstrip. The results are due in early February.

"The shangri-la of the 1970s had been on the fast track of economic growth, but what we found was a deteriorated system with some remnants of growth that were extremely impressive," Holtaway said. Because past government pressure on the private sector triggered substantial emigration, only a few highly capable managers remain on the island. In addition, all companies are short of cash. To make matters worse, credit is virtually nonexistent.

However, AID officials find there is a large unskilled, but trainable, work force. Another bright spot is an 85% literacy rate. Unions are regrouping to become independent of government control. The interagency team sees the potential of a growing garment industry, food processing, agribusiness and soft drink manufacturing. "The people of Grenada are very energetic, willing and very anxious to get on with their lives. They aren't asking for a handout, just an opportunity to help themselves," said Morris.

To assist Grenada's manufacturing sector, as well as the rest of its economy, AID and the interagency team have recommended that Grenada be included in the Caribbean Basin Initiative (CBI). AID and the departments of State and Treasury are working with the government of Grenada to take the necessary steps to become eligible for CBI participation.

Meanwhile, AID continues to formulate new plans to help the Grenadians build their future. After years of neglect that ravaged the economy, Grenada has been rediscovered. "AID's goal is to create a stable economy that can provide for adequate employment, income-generation and trading opportunities. We are helping the process of nation-building," emphasized Morris.

Weiss is assistant editor of Front Lines. Olkhovsky is a staff writer in the Office of Public Affairs.



A technical and economic feasibility study is under way to examine the cost and time required for completing construction of the airport at Point Salines.

PERSONALITY FOCUS

Frank Donatelli

by Maxine Stough

Franks Donatelli thinks he's been lucky—he has had a solid education and a stable family life. But the Africa Bureau's new assistant administrator doesn't take those benefits for granted. In fact, he believes that because of these advantages, he has an obligation to contribute to improving the world in which he lives. And he continues to strive to improve himself so that he can make the most of what he has been given, and leave a mark. That desire to make a contribution brought him to AID.

"I wanted to be part of government and of this Administration. I've known (Administrator) Peter McPherson for a long time and I've always had a lot of respect for his abilities," Donatelli says as he talks about why he came to AID.

Donatelli's interest in international affairs began to take shape at the University of Pittsburgh where his undergraduate studies (1967-71) concentrated substantially on international affairs and comparative political systems. "There was a professor there—Dr. Richard Cottam—who whetted my appetite for foreign affairs. His approach was cautious and scholarly. He did not propagandize, but instead he forced me to look at both sides of an issue. He always posed questions that made me continue to think after I left the classroom."

So the gospel according to Cottam took root in the fertile mind of Frank Donatelli, who was the oldest of four sons and the first in his family to go to college. His was a childhood based on the work ethic and traditions that his grandparents brought with them from Abruzzi, Italy, in the 1890s.

"People who say that we can make all decisions or know all things about life solely by what we read or rationally perceive are totally wrong," he says. "We can rationally perceive only a small amount of things in our lifetime. If you don't take the word of people who came before you and their wisdom, you'll go crazy trying to reinvent the wheel."

One of Donatelli's goals as head of the Africa Bureau is to make the existing structure work better, "rather than uprooting everything. There's often a tendency to take a look at things and make sweeping changes. We are taking a look at everything but any incremental value that we might get from revamping the structure would be more than offset by the disruption that would result. We have to build on what we have," he says.

That, of course, relates to "doing more with less," which Donatelli believes can be accomplished painlessly. "We're not necessarily over-staffed in the field. My hope is that we can get down to our personnel ceiling mainly through reductions here in Washington," he says, obviously having spent some time thinking about it. "No position will be eliminated

until the tour of the current occupant is up. We can do this in an orderly way.

"We also need to look at the scope of our activities. In some countries we have too many activities going at once." His solution is to encourage missions to plan fewer and possibly larger projects targeted at specific sectors. "We just have too many projects out there. We have the Africa Bureau's projects and central bureau projects that we administer. I recognize that it's tempting for a mission to take on projects from central bureaus because the money doesn't come out of the mission budget. Nevertheless, there's as much, maybe more, administration involved in one of those as there is in a bureau project."

Whether it was Cottam's influence or Donatelli's success as a debater in high school that inspired him to enter law school in 1971, one thing is clear: Donatelli's legal education influenced the way he believes decisions should be made. "Law school made me think logically. It taught me to analyze a problem and consider all factors before drawing conclusions. That is the mark of a good decision-maker."

Another important characteristic of a good decision-maker, Donatelli believes, is accessibility. There's an openness about Frank Donatelli. You get his full attention and an honest reaction to what you have to say.

"If you barricade yourself in an office and try to memorize facts and go by the book all the time without interacting with your staff, you're short-changing yourself. And you're certainly short-changing them. In addition, you won't arrive at the best decisions," Donatelli emphasizes.

"On the other hand," he says, looking at all sides of the question, "you can go too far the other way. If you have a constant parade through your office, you'll never have time to do the things a manager has to do. The right amount of accessibility helps a manager arrive at the right decisions. Just as importantly, it helps involve the staff in the entire process."

"I want to meet with every Africa mission director who comes to AID/W. Because we have 38 countries in the region, I probably won't get to visit every country in the next couple of years. It's useful to hear staff concerns face-to-face. It also gives me a chance to discuss some of my priorities with them."

"For example, in the past few months we have created a 'watch list' of projects that are having implementation difficulties. I will have that list available when I'm talking to a mission director. If one of those projects is in his or her country, I think it's useful for this office to raise our concerns over that project directly with the director."

"I've been enormously impressed by the depth of knowledge of the people we have here in the Africa Bureau. My role here is that of policy-manager and policy-maker—to shape the Africa Bureau's programs to meet the Administration's goals. But I'd be

foolish not to take advantage of my staff's expertise and institutional memory in doing this. I want to involve them in as many things as possible."

Donatelli believes that in addition to encouraging governments to put in place economic policies which promote sustained growth, AID should concentrate on developing "technological packages" that will enable African countries to become self-sufficient in food production.

"Food production in Africa is an absolute necessity," he says, pointing to the fact that Africa is the only continent that actually is worse off now in per capita food production than it was 20 years ago. "We have to be sure that we have a coherent strategy to address this problem, not only in the short-run where the problems are mostly distribution, but also in the long-run where the problem is production."

In countries where institutions are so weak that they cannot absorb technology, Donatelli believes that AID should concentrate on building the institutions by training and developing the human resource base. "That really is a long-term process. We're talking about generations. But we have to adjust our aid mix to concentrate more on training—particularly technical training—and education."

"As we encourage governments to

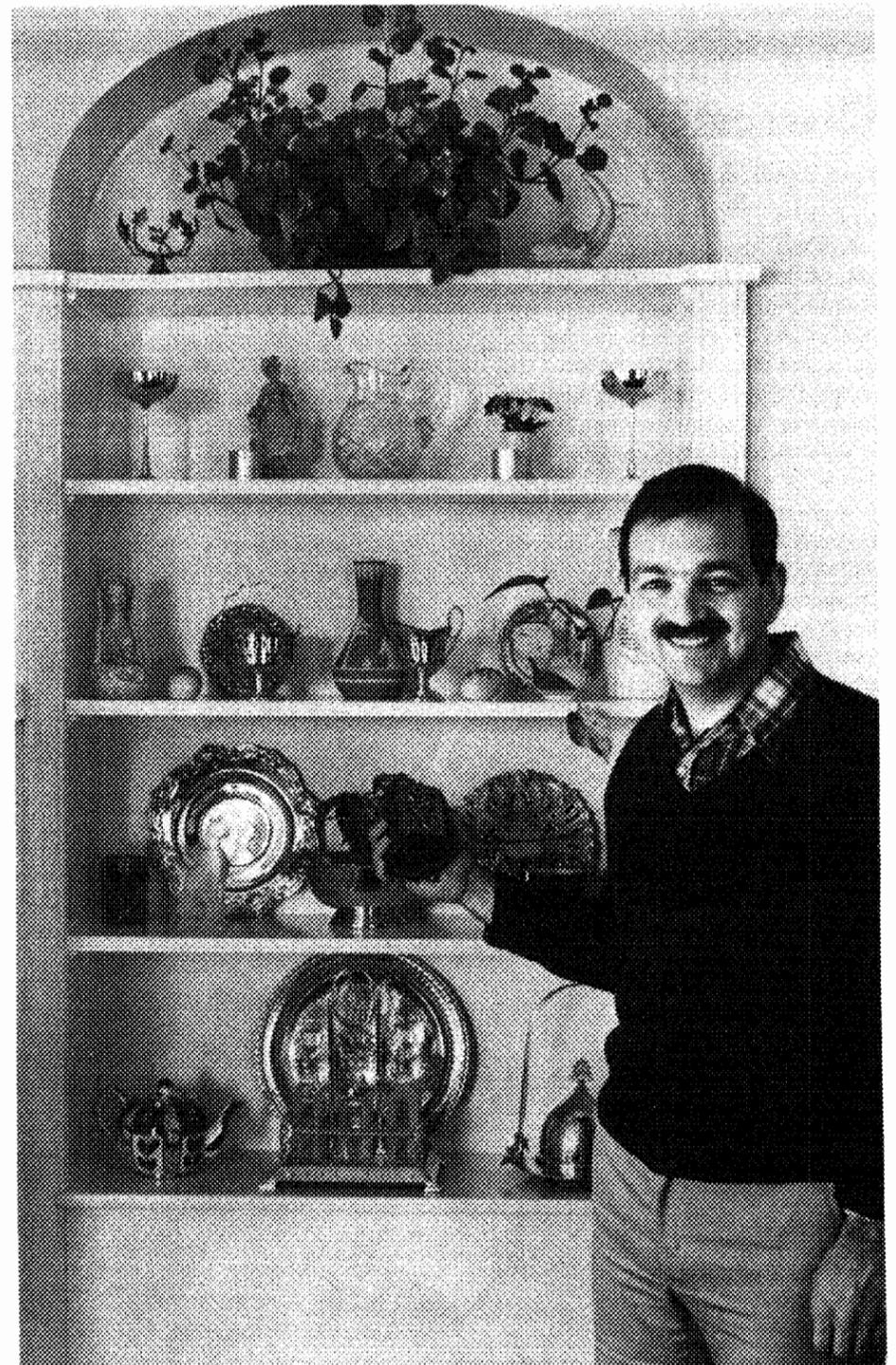
free their markets and diminish their roles in their economies, we have to offer a replacement. The appropriate replacement is the private sector, which we must help these countries develop.

"There's no question that economic policies which emphasize the public sector at the expense of the private sector have retarded economic growth in Africa. Until those policies are reversed, additional aid alone will not be sufficient to turn that continent around. It's got to be our assistance, but it also has to be a willingness of those governments to undertake growth-oriented economic policies."

Eventually, Donatelli says, trade will offer one of the best opportunities for sustained economic growth in Africa. "We ought to move more in that direction. But, there are problems—not the least of which are political sovereignties. Also many countries' policies, such as overvalued exchange rates, are not geared to promoting trade. Many have foreign exchange problems. Few have transportation systems that are developed enough to support international trade."

Nevertheless, he says, these problems shouldn't obscure the fact that expanding their markets to other countries really offers African countries one good way to greatly

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The Africa Bureau's assistant administrator shows off an early American match holder from his "budding collection" of antiques.

Donatelli

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expand their economies. According to Donatelli, it's an idea whose time has come. But, as he is quick to point out, it will be many years before intra-Africa trading becomes widespread.

Donatelli's formation as a manager began in 1973. By then, he had completed two years of law school at the University of Pittsburgh. While at Pitt, both as an undergraduate and law student, Donatelli lived at home and put himself through school with a scholarship and money he earned working summers in the steel industry and at the post office.

It was in 1973 that Frank Donatelli, a 24-year-old law student whose main extracurricular activity since high school had been public affairs, got the chance to gain a national perspective on the issues and get paid for it. He came to Washington to be executive director of the Young Americans for Freedom (YAF), a position he held for four years.

"The management responsibilities were attractive. Being executive director of YAF is analagous to being president of a small corporation. We had an annual budget of about \$1.5 million, which we raised ourselves; a staff of 15 in Washington;

and, at that time, four field offices around the country," Donatelli recalls. He also was able to continue part-time his legal education, which he completed in 1976 at American University.

Then, in 1977 when Donatelli was studying for the bar examination and on the threshold of launching his legal career, it occurred to him that if he ever was to experience another side of public affairs—running a political campaign—that then was the time. About that time James Baker, who since became President Reagan's White House chief of staff, was looking for a manager of his Texas attorney general campaign. The two were brought together by a mutual friend and Donatelli moved to Houston in 1978.

If Professor Cottam influenced Donatelli's intellectual development, Donatelli credits Baker with teaching him a lot about the world as it is. "I learned a lot working for Jim Baker. He's an incredibly organized man and very methodical. He taught me a lot about management, implementation and how to work with people."

After working in President Reagan's 1980 campaign and serving as chief personnel officer at the Department of Commerce, Donatelli launched his legal career. In 1981, he joined the Washington, DC, law firm of Patton, Boggs & Blow, where

he remained until coming to AID.

PBB, as Donatelli calls the firm, "is the consummate Washington law firm. It has specialists on every government agency or department, in addition to a very substantial presence on Capitol Hill. My responsibilities were fairly wide." For example, he counselled companies on complying with the Export Administration Act and worked with clients whose interests related to legislation ranging from energy and strategic petroleum reserves to housing, communications and antitrust.

In 1978, he married the former Becki Black. They live in Mount Vernon with their young daughter Elizabeth, two cats and a dog. "All we need now is a station wagon," he jokes. In his leisure time between reading three newspapers a day and several news magazines a week, Donatelli watches football on television, jogs and listens to rock and roll music from the 1950s and 1960s. At any given time, he'll be in the process of reading a book. In December, it was *George Meany and His Times*.

Looking to the far future, Donatelli says that if he returns to law, he sees himself making the biggest contribution in appellate law where there are basic legal issues to be resolved. "Appellate law gives you a chance to extrapolate a bit and bring some

original reasoning to case law."

In addition to being able to prepare a solid legal brief and argue well, Donatelli points out that a good appellate lawyer has to be able to improvise. "There's a give and take in appellate law that doesn't necessarily exist in trial law. You have to make your legal argument based on your research. Then the judge asks questions that obviously will be important to him in deciding the case. If you stumble around or didn't anticipate the question, all the good work that you did on the brief will be for naught."

"Stumbling around" is clearly one thing that Donatelli doesn't know how to do. Nevertheless, he downplays the fact that he thinks well on his feet—remarkable for someone who, in his mid-twenties, debated lawyer William Kunstler in the face-off portion of ABC's *Good Morning America*. Instead, he chalks off his success to having done his homework.

"I have specific views on things. I like being involved in policy. This country is one of the few in the world where the individual can have that kind of impact and leave a mark." And, for Frank Donatelli, that is everything.

Stough is editor of Front Lines.

Commission

From page 1, column 4

minimizes the legitimate fears of critics that foreign aid is money poured down the proverbial 'rat hole.' If institutions are strengthened, then growth and development are more likely and the prospect that the recipient can eventually graduate from foreign aid to sustained economic growth becomes more credible."

The commission favors programs that promote development of agribusiness and agricultural institutions and the application of appropriate technology and experience at the scientific, technological, managerial and practitioner level.

To develop human resources as part

of institution building, the commission says, "Training and education programs are a low cost, high-payoff means of developing human resources essential to stimulating the economies of recipient countries and making them more secure. Over the years, scholarship and fellowship programs that bring foreign students to the United States to study have proved to be a very effective, inexpensive means of providing foreign assistance to the less developed countries." The commission also endorsed expanded education programs to provide specialized advanced training.

According to the final report, the strengthening of free trade unions also makes a valuable contribution to human resource development. Strong trade unions are viewed by the

commission as institutions which provide stability for the work force in LDCs.

On institution building, commission member and acting Chairman of the House Foreign Affairs Committee Rep. Dante Fascell (D-FL) said, "We can best satisfy the needs of the developing world when our aid programs also benefit strong social, political, and economic institutions which encourage long-term national stability and create an atmosphere for social and economic progress."

A third cornerstone the commission endorses is increased program emphasis on scientific and technological cooperation. The virtual elimination of smallpox, the dramatic reduction of infant mortality through oral rehydration therapy, and the success of the Green Revolution are cited in the report as examples of the success of science and technology programs. In assessing AID's science- and technology-based programs, the commission found them to be low in cost and having substantial impact. Furthermore, it noted, "AID has consistently been in the forefront of innovation and change in science and technology."

The final report states, "In recognition of its cost-effective potential and our comparative advantage in the area, the commission recommends that increased programming emphasis be given to science- and technology-related development assistance."

"Where serious over-population problems exist, science and technology can advance an economy by turning it in a more productive direction," Hyde said. "Japan is an example of how heavy population density has not obstructed economic growth because

of the intelligent uses of science and technology. This principle has great application in the Third World."

The commission views the fourth cornerstone of development—the promotion of the private sector in LDCs—as essential to the development process. "The commission endorses the use of our bilateral and multilateral cooperation programs to promote policies that encourage indigenous private sector initiative, without which bilateral and multilateral assistance support cannot be fully effective."

"The success stories of free economies in Asia (Japan, South Korea, Hong Kong, Taiwan and Singapore) teach the great value of harnessing the dynamism of the market system and of promoting the private sector. It is hard to argue with success. . . . Our focus should be on matching private enterprise profit-makers with their foreign counterparts," said Hyde.

"The United States must try to satisfy the most basic human needs on the one hand, while encouraging the development of long-term stable solutions to the problems of development," Fascell said. "This can best be accomplished through an integrated aid policy which encompasses the so-called pillars of development. . . . Through program design we can encourage linkages between the indigenous private sector and local governments for mutual support of aid objectives as well as those between the U.S. private sector and the developing world to create a wider base of support and resource availability for aid programs."

Olkhovsky is a staff writer in the Office of Public Affairs.



Administrator McPherson (top) reviews the final report of the Carlucci Commission with commission member Edwin J. Feulner Jr., president of the Heritage Foundation, and Feulner's research assistant Bridgett Gaines.

Agency Assesses Environmental Agenda

by Raisa Scriabine

// AID has taken a leadership role in bringing environmentally sound development to the Third World," Administrator McPherson told the National Wildlife Federation's 30th Annual Conservation Conference Dec. 7. After outlining AID's strategy to assist 70 developing nations solve a wide array of environmental problems, he noted that maintaining biological diversity remains a major Agency concern.

The pressure that population growth puts on the environment of developing countries is threatening biological diversity, McPherson explained.

Increased habitat destruction and use of toxic chemicals, together with excessive hunting and fishing, are causing a rapid decline in plant and animal genetic resources. To address this issue, AID co-sponsored a Strategy Conference on Biological Diversity in November 1981.

"A number of recommendations emerged from the conference and we are following up. We have provided guidance to AID missions on activities related to biological diversity," the Administrator said. He cited as an example the work of the Missouri Botanical Gardens, on contract with AID, in collecting, identifying and cataloging plant and animal species in the high jungles of Peru. "I expect to see similar activities established in connection with traditional development projects," the Administrator added, "especially those opening up new areas where species can be lost before they are known."

Recently, Congress enacted legislation directing AID, in conjunction with the departments of State and Interior, the Environmental Protection Agency, the Council on Environmental Quality and other government agencies, to develop a strategy for biological diversity in developing countries. "I have instructed Nyle Brady, my senior assistant administrator and head of our Bureau for Science and Technology (S&T), to personally oversee the preparation of a strategy on biological diversity," McPherson said.

The Administrator's speech to the National Wildlife Federation is one of a number of recent moves by AID to more comprehensively address the role of environment in the development process.

In April, "Environmental and Natural Resource Aspects of Development Assistance," an AID policy determination, was issued. It was followed in November by the AID Environmental Strategy which stresses that AID policy implementation in environment and natural resource management requires recognition of the cross sectoral nature of these concerns and a shared commitment by all sectors to address them in order to assure long-term economic productivity and sustainable development.

Also in November, a memorandum from the Administrator encouraged AID missions, which have not yet done so, to complete in-country Phase II environmental profiles. The



Increased habitat destruction and use of toxic chemicals is threatening biological diversity.

documents profile the status of a country's natural resources, their legislative and institutional infrastructure, existing critical problems and recommendations on what can be done to solve them.

The profiles are used not only by AID, but also by host countries to refine development plans. In countries that have completed Phase II profiles, missions were encouraged to supplement the data at the provincial or state level to coincide with the geographic focus of mission programs. "An effort also should be made to incorporate the findings into Country Development Strategy Statements (CDSS) and to support programs within budget allocations," McPherson wrote. "The host country should be encouraged to discuss the findings with the donor community, thus leveraging AID funds to generate broader support."

Responding to the Administrator's memorandum, 60 AID professionals from the field and AID/W gathered in Annapolis, MD, Dec. 13-16 for the first of what is to become an annual meeting. The aim of the session was to advance the efforts of regional bureaus to prepare country environmental profiles and to integrate environmental and natural resource concerns into other sectors. Participants discussed donor cooperation, Agency environmental procedures and staff requirements, career paths and training. Jack Vanderryn of S&T's Office of Energy chaired the session.

"We are really moving forward. The meeting gave us a unique chance to build up steam and reinforcement," one participant noted. "We had an opportunity to exchange information and to generate new ideas."

But the Annapolis session did more than that. It produced a number of recommendations and new initiatives.

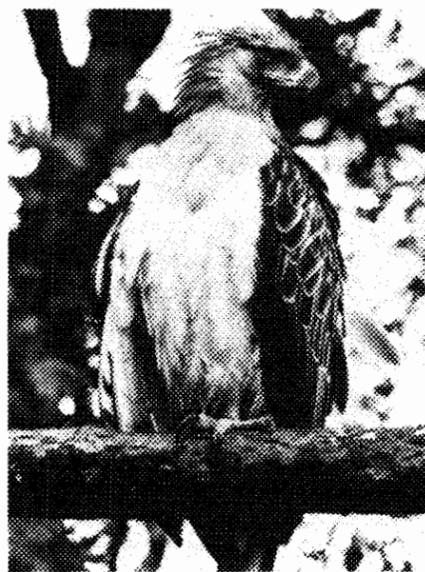
On the first day, Frank Zadroga of AID's Regional Office for Central American Programs, Guatemala, opened the discussion on environmental strategy implementation.

"Information gathering on each country's natural resources and its critical environmental problems should be a process that involves both the host country and the mission," par-

ticipants concluded. "It should include sectoral interactions and should be tailored to the demands and interests of the country."

Participants suggested that this can be accomplished through country environmental profiles (CEP), natural resource sector assessments (NRSA), national conservation strategies (NCS or other methods). Funding for these studies should be identified by regional bureaus and missions and all phases of production should be carefully considered at the start of the effort. In developing or updating CDSSs, missions should use these studies to identify programs in the four priority areas: policy framework, private sector, technology transfer and research, and institutional development.

Jim Hester of the Bureau for Latin America and the Caribbean's Office of Development Resources was the discussion leader on the relationship of CEPs, NRSA's, and NCS's to the CDSSs, Annual Budget Submissions (ABS), and country development plans. As a result, participants recommended that in fiscal 1986 ABS guidance, "the Bureau for Program and Policy Coordination (PPC) underline important common themes including: sustainable agriculture which integrates concerns for renewable natural resources and energy;



Only 40-50 pairs of monkey-eating eagles exist today. Conservation of their forest habitat in Mindanao, the Philippines, is essential for their survival.

watershed and integrated river basin planning; integration of forestry in agricultural activities and coastal resources management."

In a session led by William Feldman of S&T's Office of Forestry and Natural Resources, Rick Tropp, special assistant to the Administrator, presented possible future Agency environmental initiatives emphasizing the need for training in the natural resource management field.

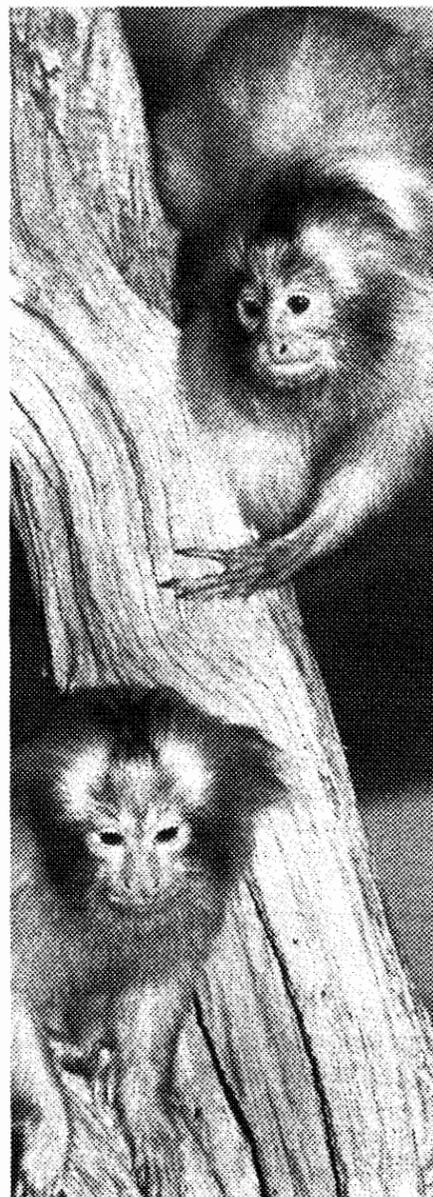
Session participants recommended that a strategy on biological diversity be prepared and that it take into account guidance and information from the field so that it is compatible with development. They also pointed to a need for more countries to participate in a coastal resources management network.

AID's environmental experts recommended that the Agency earmark resources to promote case studies, training and dissemination of information on new techniques of incorporating environmental evaluation in economic cost-benefit analysis.

Albert Printz of PPC's Office of Policy Development and Program Review led a discussion on AID's cooperation with other donors. It was pointed out that effective donor coordination is needed to strengthen the role of environmental and natural resource management in capital-intensive development assistance. As

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These captive-bred golden lion tamarins were among more than a dozen sent to Brazil to re-establish these endangered animals in their native environment.



Environment

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a start, AID should encourage U.S. representation to multilateral and bilateral donor agencies to promote this concept and should intensify efforts to ensure that environmental aspects are addressed within international lending institutions.

It was further recommended that formal mechanisms for facilitating communication and cooperation among donors be expanded at the international and country levels. Such mechanisms also should be initiated on a regional basis. It was suggested that the Office of Private and Voluntary Cooperation in AID's Bureau for Food for Peace and Voluntary Assistance (FVA/PVC) make a concerted effort to explain and promote the concept of sustainable development among the private



Fast-growing trees are planted as part of a reforestation project to help halt degradation of the environment.

voluntary community. FVA/PVC could work with private U.S. environmental groups to build the institutional capacity of similar groups in host countries. Also, missions

should work with country officials to establish uniform host country environmental assessment requirements for use with all donor-funded activities.

On the second day, John Eriksson,

deputy assistant administrator for S&T, led a discussion on integrating environmental and natural resources with other sector activities. An array of recommendations resulted.

Participants agreed that better coordination is needed in AID/W and the field to integrate natural resources and other environmental concerns with other sectoral activities in project planning, design and implementation. In AID/W, the Energy and Natural Resources Sector Council should place more emphasis on coordination with the agricultural sector. This could be accomplished by joint meetings to identify areas of cooperation such as training, technical meetings and joint projects. Missions should use interdisciplinary teams to design projects which involve changes in land and water use. The teams should include expertise in natural resources, health, agriculture, engineering, demography, anthropology, as well as other related disciplines. The aim is not only to facilitate cross sectoral analysis but to develop mechanisms for similar dialogues among host country professionals.

Participants also recommended that AID reconcile inconsistencies between its environmental strategy and that of food and nutrition as well as its regional bureau strategies. The latter should address the role of environmental and natural resources management in providing sustainable development. It was suggested that a training module on natural resource management for sustainable agriculture be prepared by the sector councils in cooperation with AID's training office for use in Agency training programs.

"It was a stimulating session," Chairman Vanderryn said. "It brought our people from the field and Washington together and it provided us with a solid agenda to carry out in the year ahead."

Scriabine is chief of the Publications Division, Office of Public Affairs.

—Bert Printz

PAPER SETS ENVIRONMENTAL POLICY

Only when environmental planning is incorporated in national development strategies and programs will the quality of life in the developing world improve and continue to improve, according to AID's recent policy determination on the environment and natural resources. Therefore, AID will assist less developed countries (LDCs) build the institutional and scientific capacity required to identify, assess and solve their critical environmental and natural resource problems.

Fundamental to LDCs' incorporating environmental planning in their overall development strategies is that they realize that environment and natural resource concerns cut across all sectors of an economy. Likewise, the Agency's commitment to environmental and natural resource concerns is not restricted to one particular office or bureau, but rather is shared. Therefore, environment is, and will

continue to be, a component of all AID programs.

In addition to helping countries strengthen their institutional and scientific capabilities, AID will help them improve their national policies. AID-prepared environmental profiles and natural resource base assessments are important tools in achieving these goals.

The profiles help LDCs define their natural resource constraints and organize approaches to the problems. Other donors have found that the profiles are helpful in understanding a country's needs.

The profiles have been developed in a variety of ways. In a few cases, nongovernmental organizations (NGOs) have performed the task. According to the policy determination, AID will continue to provide assistance to NGOs in developing countries which have organized in response to the continued degradation of the environment and natural resource base. Some

support will continue to U.S.-based organizations which can assist AID and LDCs in this area.

The policy determination also restates AID's intention to ensure the environmental soundness and long-term sustainability of assistance programs. One way that AID does this is by analyzing environmental impacts of its major actions to determine whether effects of such actions would be restricted to a small or large locale.

However, as the policy determination makes clear, there is an increasingly greater emphasis on examining environmental issues at the earliest stage of planning and project preparation. This signals a change from the "add on" approach followed between 1976 and 1980.

Policy determinations differ from policy papers in that they are shorter and narrower in scope.

On Nov. 22, President Reagan signed into law a bill authorizing programs for the State Department for fiscal 1984 and 1985. What is usually a routine piece of legislation, however, this year took on added significance for AID. Because Congress did not enact a separate foreign assistance authorization bill for fiscal 1984, members of Congress looked to State's authorization as a vehicle to enact several provisions affecting foreign assistance.

The provisions relating to AID's program include those on narcotics-producing countries, human rights, Syria, piracy in the Gulf of Thailand, and endangered species.

A personnel-related aspect of the bill provides that the presence of non-essential employees or dependents at an overseas post will not preclude danger pay. Another provision authorizes establishment of trust funds to finance retirement benefits for foreign national employees.

The bill requires extensive new reporting requirements for narcotics-producing countries. For example,

AID Provisions in State Authorization

each year the President is to estimate for the upcoming fiscal year the maximum achievable reduction in narcotics production in major drug-producing countries. At the same time, he is to report the amount of reductions from the previous year. The authorization also directs the President to suspend direct U.S. assistance to any country which fails to take adequate steps to prevent narcotics from entering the United States illegally.

Funding authority was doubled for human rights activities under Section 116(e) of the Foreign Assistance Act. Of the \$3 million authorized, \$500,000 is earmarked for fiscal 1984 and \$1 million for fiscal 1985 for grants to non-governmental organizations in South Africa. These grants are to promote "political, economic, social, judicial and humanitarian efforts to

foster a just society and to help victims of apartheid." Both development assistance and Economic Support Fund monies are authorized to be used for 116(e) programs.

The bill terminates the Syria aid program and mandates that the existing pipeline be deobligated. Accordingly, no funds may be used to pay or reimburse the government of Syria or to deliver any goods or services.

The authorization also earmarks \$5 million of Migration and Refugee Assistance funds for fiscal 1984 and 1985 to help combat piracy in the Gulf of Thailand.

Under the terms of the bill, development assistance funds may be used to assist countries in protecting and maintaining wildlife habitats and in developing sound wildlife management and plant conservation programs. The AID Administrator, along with

heads of other agencies, is required to develop a U.S. strategy to protect and conserve biological diversity in developing countries.

The bill also dealt with several controversial issues marginally related to AID:

- It authorizes \$31.3 million for grants to the National Endowment for Democracy, a new agency that will provide money to organizations to promote democracy overseas.
- It freezes at 1983 levels assessed contributions to the United Nations and its major agencies for fiscal 1984. This results from a compromise offered in conference by Sen. Richard Lugar (R-IN) in response to an amendment that Sen. Nancy Kassebaum (R-KS) offered.

The Kassebaum amendment sparked considerable debate, with House conferees arguing against any major cutbacks in U.N. funding. Accepted by the Senate, it would have reduced total U.S. assessed contributions in 1984 to the 1980 level. Contributions for 1985-87 would have been further reduced.

Technology Breaks the Andes Barrier

by Dolores Weiss

For centuries, the towering Andes have cut off communication between eastern and western Peru. Even today, the traveler can count on a five-day journey over rugged terrain to reach a city. Although distances between jungle villages are not great, the lack of all-weather roads isolates many villagers from medical care, training opportunities, and agricultural assistance during much of the year.

But this is changing. Satellite technology has crossed the Andes and reached into jungle villages, bringing critically needed services to the people who live there.

With AID's assistance, the new Peruvian Communications Network will provide rural Peru with a direct line to modern medical help, information about weather changes that affect crops, improved farming methods, and many other valuable services, according to Administrator McPherson.

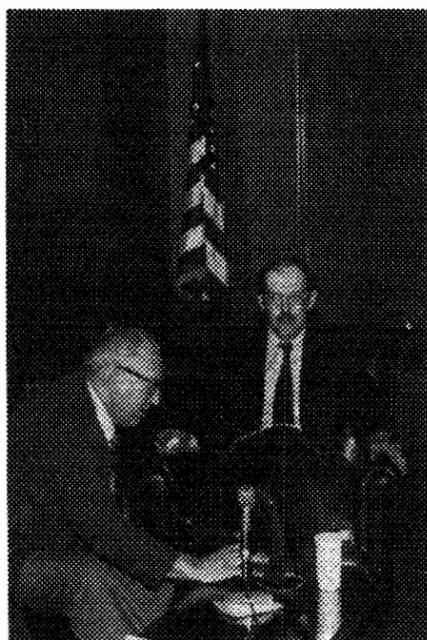
To inaugurate the satellite communication system, McPherson used it for an international conference call Nov. 5 with Jorge Wagner, special representative to Peruvian President Fernando Belaunde Terry, and Peruvian Vice President Javier Alva Orlandini. McPherson and Wagner spoke from their offices in Washington and Lima. Alva was in the remote jungle community of Juanjui in north-eastern Peru.

"As part of AID's Worldwide Rural Satellite Program," McPherson said during the conference call, "the Peru project will show how communications can make a difference in meeting the basic human needs of rural people."

The Peruvian vice president said that he believes the new communication system will give the area direct access to government services and promote private sector development.

The project is the first of a series of field experiments that AID has financed which demonstrates the potential of satellite communications in rural areas of developing countries, according to AID Project Manager Richard Martin. Martin is an education specialist in the Bureau for Latin America and the Caribbean's Office of Development Resources.

The system links seven remote



To inaugurate the satellite communication system, James Smith (left) of LAC's Office of Development Resources and Administrator McPherson make an international conference call hooking up Lima, Peru, the Peruvian jungle community of Juanjui, and Washington, DC.

jungle communities to each other and to urban centers where training and administrative services are concentrated. Each rural community has a conference room equipped with speaker-phones as well as standard telephones.

The new communication system will be particularly useful to regional offices of the ministries of Health, Education and Agriculture which have staff and programs in the Huallaga Central and Bayo areas, said Martin. He added that local teachers, agriculture extension agents and health care professionals will use the satellite project for consultations with specialists to meet training and administrative communication needs. Regular meetings can now be held without the necessity of long overland travel.

In an effort to extend services beyond Peru's cities to the rural farming communities, the ENTEL-AID project uses the international INTELSAT satellite. The system combines small, thin-route earth stations and village radio-telephones, according to Sandra Lauffer of the Academy for Educational Development, Inc., a project contractor.

Lauffer's firm is providing managerial, engineering and technical support to ENTEL.

AID has contributed \$1.8 million to the project for technical assistance in use of the system, detailed evaluations of the cost-effectiveness of the different telecommunication services, and communication satellite earth stations for the participating communities.

The Peruvian National Telephone Company (ENTEL) has contributed new buildings, radio-telephones to extend service to additional communities and engineering staff to install, maintain and operate the system. It provided \$400,000 to help finance the project.

Although the project can be used by private businesses and the general public, priority will be given to government development program staff in remote health posts, rural schools and agricultural extension offices.

Another feature that Martin points out is the system's variety of communication modes. In addition to the traditional two-person, station-to-station service, the system can join more than two stations for conferences, as demonstrated at the Nov. 5 inauguration. It already has brought teachers of the same disciplines together to talk, ask questions, and listen to experts in their field. It also is being used to introduce new farming methods and new crop varieties, as well as general agricultural training.

An important aspect of the experiment is that various public sectors are sharing a single communication system and its costs, Lauffer added.

She said that by combining public users with a commercial telephone service, eventually an even more effective, widespread communication system might become affordable.

The project also tests new kinds of communication equipment and, more importantly, new institutional arrangements for providing communication services to remote rural areas, said Martin. ENTEL plans to use the system to relay educational radio programs to community stations for local broadcast.

It is anticipated that ENTEL will create a permanent office of development communication. In addition to maintaining the system, the function of the office will be to design any future services that rural communities and public users may need. Martin says that the system can grow with the region's needs. After the project ends, it will be ENTEL that will keep the system operating and expand coverage to new communities.

To date, AID has provided three communication satellite earth stations in the remote jungle communities of Juanjui, Tocachi and Sapasoa. They are linked to Tarapoto and Lima on the coast.

Neighboring Andean countries have been invited to observe the project and participate in the evaluation now being conducted by Florida State University. The experiment will provide valuable information of use to other developing countries contemplating such a system.

Weiss is assistant editor of Front Lines.

AIDNET Video Service Gets Positive Response

The Office of Public Affairs (OPA) has developed an innovative method of communicating with the field through a video news service called AIDNET. Conceived by Associate Deputy Administrator for External Relations Kate Semerad, the monthly videotapes are produced by the OPA video production staff and provide the missions with up-to-date information on AID/W activities.

The format of the first two AIDNETs included a discussion of one of the four cornerstones of development, updates on personnel actions, the latest on pertinent legislation and reports from related commissions and task forces.

While still a pilot project, the videotapes have met with a positive response from the field. Suggestions from missions include: increasing field-to-field communication through AIDNET, segments on the personnel assignment system for promotions and the project review process, the budget process, field projects and the latest developments on retirement. Most missions reported viewing AIDNET during staff meetings, which provided a catalyst for discussion about the

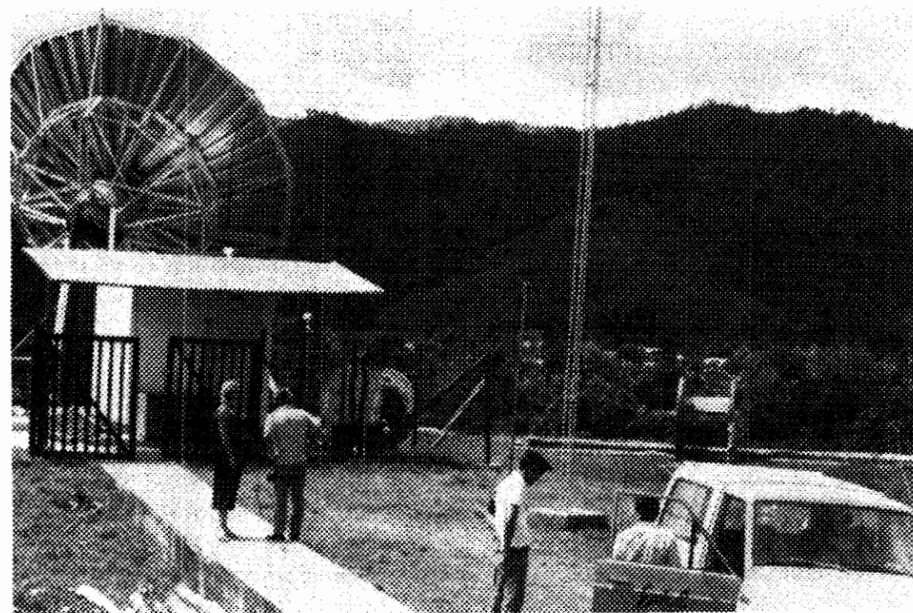
ongoing activities of the Agency.

Plans for future tapes call for a special feature with clips from the World Food Day ceremony held in Washington Oct. 12 and the Dec. 1 Administrator's Awards Ceremony. The special feature tape also will include the five-minute film "The Leucaena Tree," which describes the fast-growing nitrogen-fixing tree used extensively in developing countries for reforestation. Subjects for subsequent tapes are being discussed now. Suggestions may be directed to Angela Wright in OPA.

Missions that did not receive the first two tapes should contact OPA. Missions also are urged to return the questionnaires that were included with the tape to ensure that suggestions and requests for subjects are incorporated into planning for future videos. After viewing, tapes should be returned to OPA, so that they can be reused. Missions should plan on a pouch time of three to six weeks.

AID/W offices with video equipment also may borrow the tapes for viewing or make arrangements for a viewing on OPA equipment.

—Cynthia Johnson



ENTEL officials visit the system's earth station at Sapasoa, Peru.

RETIRING

Rolland J. Deschambault, Mali, controller, after 22 years
Glenwood P. Roane, COMP/FS, equal opportunity officer, after 17 years

Number of years are AID service only.

LEAVING

Daryl Steven Borgquist, PPC/PDPR
Toye Brown Byrd, AA/FVA
T. L. Cornelison, M/SER/MO
Mary L. Coss, AA/FVA
William Sterling Cox, BIFAD/S/CP
Daniel B. Denning, LEG/OD
Deborah D. Inman, M/SER/CM
Rose L. Jourdain, OPA/P
Marcia B. Lee PPC/PDPR
Geraldine N. Nelson, M/SER/IRM
Billie L. Nichols, M/PM/PDE
Bernice A. Ryan, Nepal
Rosa M. Stokes, M/SER/COM
Vivian K. Tabor, ADA/EXRL
Earl W. Yates, AFR/SA

MOVING UP

Anne H. Allen, S&T/POP/IT, secretary stenographer
Delores Armstead, S&T/MD, clerk typist
Joyce A. Brooks, M/SER/IRM, management analyst
Bunyan Bryant, GC/AFR, legal adviser
Renata D. Cameron, PRE/SDB, general business specialist
Michael J. Crosswell, ASIA/DP, economist

WHERE? IN THE WORLD ARE AID EMPLOYEES

R. Blair Downing, ADA/EXRL, special assistant
Allen Eisenberg, M/SER/CM, contract specialist
Kimbery L. Getto, ADA/EXRL, confidential assistant
Helen Z. Grayson, M/PM/PO, personnel assistant
David Lee Johnson, M/SER/IRM, management analyst
Lennie A. Jordan, S&T/IT/RS, administrative operations assistant
Eunice M. Julian, IG, secretary
Robert B. Kirkland Jr., M/SER/MO, mail clerk
Kenneth W. Klemp, M/FM/SSD budget/accounting officer
Alice S. Morrison, IG/RIG/A/W, clerk typist
Lorraine A. Morton, PPC/EMS, administrative assistant
Merle Y. Mukai, PPC/EMS, administrative operations assistant
Ann Frederick Purcell, TDP/O, program analyst
Franklin B. Reed, M/SER/MO, message analyst/dissimulation specialist
Linwood A. Rhodes, M/SER/IRM, supervisor program analyst

Georgia Sambunaris, LAC/CAP, program analyst
Dee Ann Smith, LEG/OD, associate director, legislative affairs
Daniel S. Terrell, S&T/IT/PP, division training officer
Shelia Jones Tolliver, S&T/ED, secretary typist
Barbara A. Upton, PPC/DC, financial analyst
Wayne H. Van Vechten, M/SER/IRM, computer specialist
Carita B. Walker, M/SER/MO, travel assistant
Evelyn M. Watts, M/PM/PO, personnel staffing specialist
Donna J. Williams, AA/ASIA, secretary stenographer
Julia D. Williams, FVA/FFP/I, clerk typist
Margeurite M. Williams, S&T/POP, clerk typist.

MOVING OUT

Mary Beth Allen, social science analyst, PPC/E, to special assistant, RRE/TF/IPE
Clark H. Billings, project development, Asia, to project development

officer, M/PM/TD

Betty J. Burson, administrative operations assistant typist, M/AAA/SER, to administrative operations assistant, RRE/TF/IPE

Letitia Kelly Butler, assistant program officer, Lebanon, to program office, NE/ME

Walter Coles Jr., trade development officer, PRE/SDB, assistant project development officer, Egypt

Julie A. Isdell, administrative operations assistant, ES/CCS, to secretary typist, OFDA/OS

Henry D. Merrill, program officer, NE/ME, to assistant program officer, AFR/DP

Jeanne F. North, program analyst, to social science analyst, S&T/MD/DA

Stephen T. Norton, assistant project development officer, ASIA/PD, to project development officer, Gambia

Edward L. Sakers, deputy mission director, COMP/FS, to program economist, AFR/DP

Erwin C. Seeley, assistant education development officer, Indonesia, to educational development officer, ASIA/TR

James M. Shea, project development officer, COMP/FS/M, to assistant project development officer, Egypt

D. Desiree Tucker, special assistant, ADA/EXRL, to administrative operations specialist, PPC/WID

Donald F. Walls, controller, Morocco, to accounting financial analyst, M/FM/PAD/PA

Curt C. F. Wolters, program economist, Liberia, to assistant program economist, ASIA/DP

Event Honors Pease's Help in Research

The Agency's Oral Rehydration Task Force coordinator was honored Dec. 1 by the International Center for Diarrheal Disease Research/Bangladesh (ICDDR/B). Dr. Clifford Pease, deputy director of the Office of Health in AID's Bureau for Science and Technology, was recognized in a ceremony in Dhaka, for his 25-year involvement with the cholera research program, which eventually evolved into the ICDDR/B. ICDDR/B is the only independent international health research center in the world.

Over 100 people attended the event, including the chargé d'affaires of the U.S. Embassy and AID Mission Director James Norris. Dr. Pease was honored with speeches by Dr. William Greenough, ICDDR/B director; M. Bashir, ICDDR/B associate director; and Dr. J. Kostrzewski, chairman of the ICDDR/B board of trustees.

Numerous references were made to Dr. Pease's long involvement in the program and his key support over the years. Also noted was his strong support for creation of an international research center in the health field modeled on the very successful agricultural research centers.

While working for the International Cooperation Administration, an AID

predecessor agency, Dr. Pease was instrumental in developing the SEATO Cholera Research Program and its main entity, the Pakistan SEATO Cholera Research Laboratory in Dhaka, East Pakistan. Since then, East Pakistan became Bangladesh.

Relief Grant to Red Cross

AID recently gave the International Committee of the Red Cross (ICRC) a \$1 million grant for relief activities in Lebanon. "Our aim is to help alleviate the suffering and help rehabilitate Lebanon," said Administrator McPherson.

The ICRC grant will provide food, medical care, shelter, and other humanitarian assistance to the victims of civil strife.

Among ICRC's many activities in Lebanon is the operation of risky relief convoys to thousands of stranded people in the strategic Christian town of Dayr al-Qamar in the Shuf mountains. The ICRC gives humanitarian assistance to all Lebanese, regardless of religious or political affiliation.

AID has allocated more than \$260 million for Lebanon since June 1982.

Dedicated in 1960, the laboratory was jointly funded by AID and the National Institutes of Health (NIH), as well as by Pakistan, the United Kingdom and Australia. Three years later, Dr. Pease transferred to NIH and became chairman of the NIH Cholera Advisory Committee which was responsible for overseeing the administration of the Cholera Research Laboratory (CRL).

In 1976, Dr. Pease returned to AID's Office of Health and played a key role in the three-year process which converted CRL to ICDDR/B in June 1979.

Butler to Aid Administrator

Malcolm Butler was appointed special assistant to the Administrator Dec. 8 after completing his assignment as mission director in Lebanon. He will work on various program and management issues.

Before his Beirut assignment, Butler was deputy mission director in Bolivia and later, mission director in Peru. He was deputy assistant administrator (1977-79) for AID's Intragovernmental and International Affairs Bureau.

Butler was on the staff of the

SID Meeting to Focus on Trade Role

"Trade and Development: Economic Realities and Political Risks" will be the theme of the March 14-15 Society for International Development (SID) conference in Washington. Sponsored by SID's Washington chapter, the meeting will focus on the potential role and contribution of international trade in the promotion of development.

The second day's afternoon session will concentrate on careers in development. For more information contact SID at 1889 F St., NW, Washington, DC 20006, or telephone (202) 682-0238.

National Security Council (1975-77) and worked on economic issues in the Office of Management and Budget (1971-74).

Beginning in 1966, Butler was a State Department foreign service officer for five years. His posts included Mexico City and Khorramshahr, Iran.

In 1963, Butler received his undergraduate degree in history and economics from Rice University and did graduate work in political economics at Oxford University, England (1963-64).

MISSION OF THE MONTH

AID in Upper Volta

by Maxine Stough

Every noon, the streets of Upper Volta's two major cities—Bobo Dioulasso and the capital, Ouagadougou—are choked with bicycles and motorcycles. Every evening the scene is repeated. And always, a few cars weave through the din and dust.

Out in the country, gaily dressed women glide through savanna grass, clutches of firewood balanced on their heads, as they make their way home. Still others are laden with baskets of cotton or millet from the fields. A motorscooter comes into view, its driver surrounded by his bleating cargo of easily a dozen lambs. In the distance, a herder guides his cattle off the main road. A cloud of orange dust follows them—a reminder that this is November and the beginning of the six-month dry season.

Locked between the Sahara Desert and African states lining the Gulf of Guinea, Upper Volta is a country with one foot tentatively in the 20th century. The other is rooted firmly in its traditions.

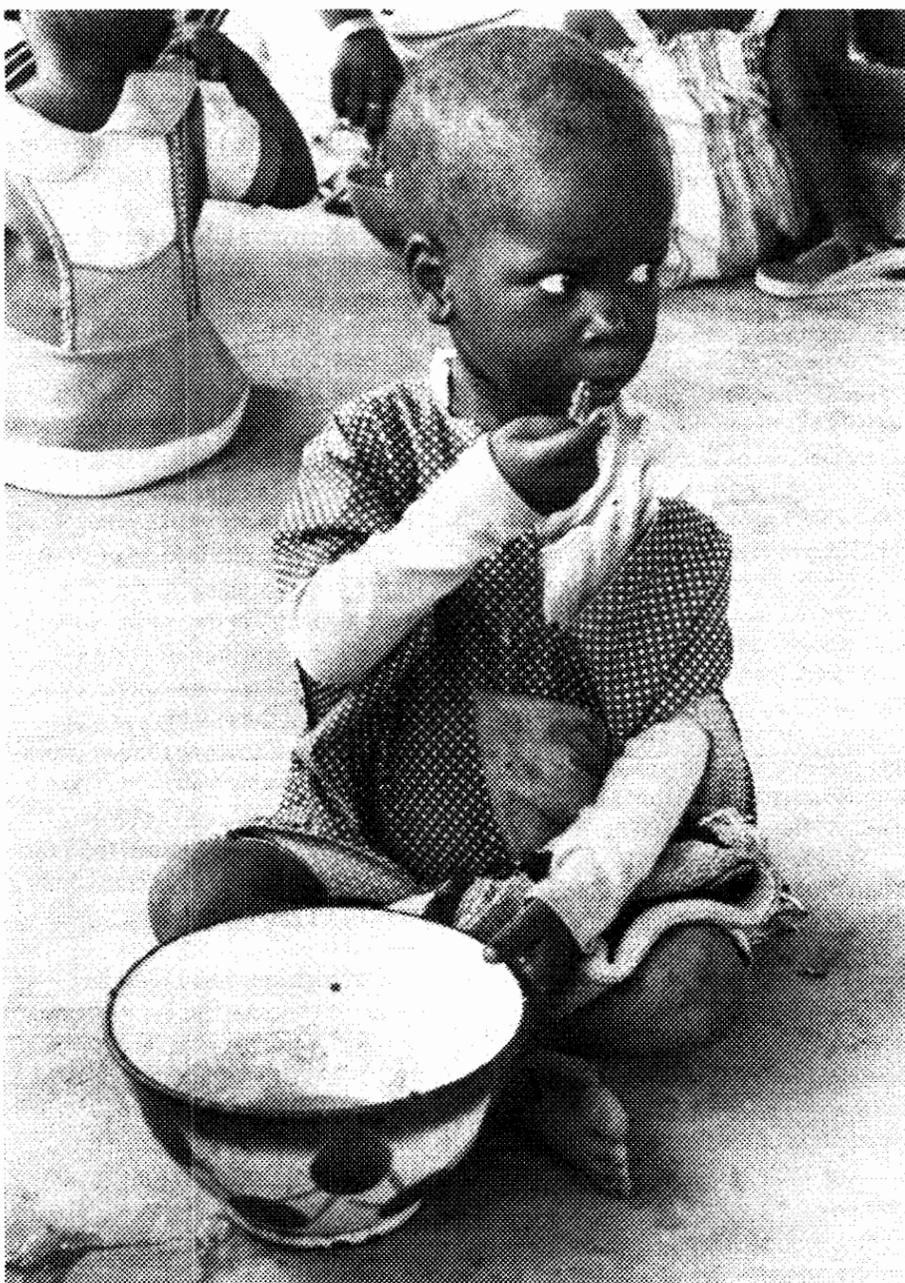
At the heart of those traditions is the soil, for Upper Volta's is an agricultural economy with 82% of its people earning their living from

farming. It is the same soil that the Mossi found when they thundered north on their horses from Ghana in the 11th century. The Mossi, who were both farmers and warriors, decided to stay. Today they account for over 50% of the country's five major ethnic groups. Their territory was claimed by the French at the end of the 19th century and named Upper Volta in 1919.

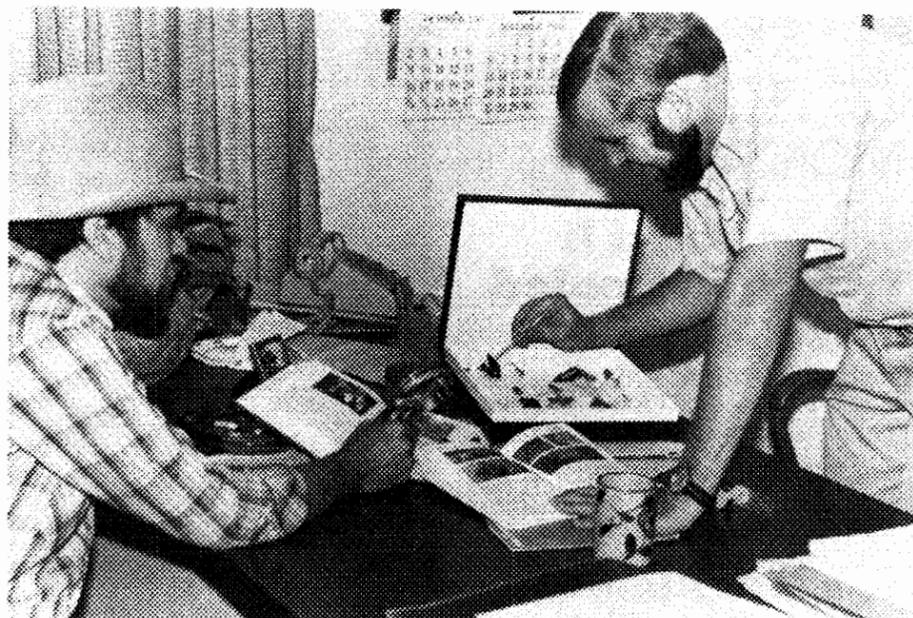
Over the centuries, it has become harder for Voltans to coax millet and sorghum from the soil. The soil has grown tired. Trees are disappearing. The topsoil is being blown or washed away. Added to the equation are fickle rainfall levels. One year out of three, this country the size of Colorado cannot feed itself.

Predictably, the first priority of the AID mission in Ouagadougou is increased agricultural production to help Upper Volta ultimately achieve nutritional self-sufficiency. Accordingly, one of the mission's most important projects uses the market to encourage farmers to produce more grain.

The five-year Grain Marketing Development Project combines \$2.6 million in development assistance with \$4.6 million generated from the sale of



A mission program, valued at \$5.5-6 million a year in P.L. 480 commodities and carried out by Catholic Relief Services, attempts to curb chronic malnutrition. The focus of the program is education and supplementary feeding.



Integrated Pest Management (IPM) Project officer Bob Hellyer (right) and Dale Rachmeler, an agricultural contractor, examine specimens of insects prevalent in the Sahel. The IPM project aims to help Upper Volta and six other Sahelian nations increase food production by controlling pests.

P.L. 480 Title II commodities under Section 206. The proceeds help fuel a rolling fund which the National Cereals Office (OFNACER) uses to influence the grain market.

"The goal is to assure the farmer receives remunerative prices, thus encouraging the farmer to produce for the market," says Dwight A. Smith, agricultural economist in the mission's Agriculture Office.

OFNACER uses the fund to buy locally produced grains. It makes the purchase just after harvest when the grain market is fullest and prices are at their lowest. The resulting constricted grain supply serves to bid up the price paid to the producer by the private sector, which handles 85-90% of all grain marketed.

Other Food for Peace proceeds are financing up to 30 warehouses around the country to promote regional food security—especially important in the harsh desert-like north where the growing season is short and people live closest to the margin of hunger.

The project also will help train OFNACER staff in accounting and financial management. Because the Voltan government's institutions are particularly weak in this area, such an element is added to the design of most mission projects.

Also, in the grain marketing project, a University of Michigan research team is studying the Voltan market structure and performance. This will help the AID mission, OFNACER and government policy-makers to better understand the country's market so that the government will be in a better position to more effectively influence the market through well-thought-out and informed policy decisions.

Improved seeds and cultivation techniques also are important tools if crop production is to grow. Research conducted under the regional Semi-Arid Food Grain Research and Development Project (SAFGRAD), headquartered in Upper Volta, aims to develop both for its 24 participating countries. The research is being carried out by two international agricultural research organizations and Purdue University.

Through a Participating Agency Services Agreement with the AID mission, Herbert Hughes monitors AID's \$19 million contribution to the



Communications and duplication supervisor Lisa Stanford (right) and Jeanne Marie Zongo, administrative assistant in the Human Resources Office, review a work order.

project from his office at the Organization of African Unity in Ouagadougou.

Hughes points out that because most research and initial field tests are carried out in Upper Volta, Voltan agriculture has a slight edge on the project's benefits. Likewise, Voltans who work with the research organizations are getting hands-on experience in research and field trials.

The Purdue University team is studying what seed varieties and farming techniques farmers will and will not accept. "We have to meet the farmer at his level of complexity, and he's very complex," says Dale Rachmeler, a mission agricultural contractor.

Seven of the 20 Peace Corps volunteers associated with AID projects in Upper Volta work in SAFGRAD field trials and research, as well as in Purdue's socio-economic studies. Coordinating their participation is the responsibility of Patricia Lerner of the Program Office. It is a natural adjunct to her main responsibility of project design.

A product of the International Development Intern (IDI) program, Lerner is proof that the AID post in

(continued on page 12)

MISSION OF THE MONTH

Upper Volta: A Tradition Rooted in the Soil

From page 11, column 4

Upper Volta is a good first assignment. In fact, most IDIs who train in Upper Volta stay for another tour.

"The IDI program has been one of the main sources of our talent in this mission," says Director Emerson Melaven. "In fact, we hope to have three more within the year. This is an effective place to train IDIs because we give them some real responsibility as well as sound training. We have enough senior officers around to give reasonably good guidance."

Many of the mission staff and contractors are former Peace Corps volunteers, most with experience in Africa. One of those is Bob Hellyer, who is the project officer for the Integrated Pest Management Research Project (IPM). Carried out through the Permanent Inter-State Committee for Drought Control in the Sahel (CILSS), the project aims to help Upper Volta and six other CILSS member states increase food produc-



Patricia Lerner (right) of the Program Office meets with Carroll Bouchard, Peace Corps country director. In addition to her other responsibilities, Lerner coordinates participation of Peace Corps volunteers in AID's projects in Upper Volta.

tion by controlling pests.

According to Hellyer, 15-25% of Upper Volta's cowpeas and major grain crops (millet and sorghum) are lost annually to insects, disease and weeds. The U.S. contribution to IPM over seven years is valued at \$29 million. It finances, among other things, establishing within the Sahel a research capability to study the biology and ecology of pests and to build in each country the capability to carry out integrated pest management programs.

A logical follow-up to projects such as IPM, SAFGRAD, and Grain Marketing Development is the mission's \$22.7 million Agricultural Development Support Project now awaiting final approval. "One of the major constraints to agriculture identified by both the World Bank and AID studies are the limitations of the Voltan government's central services," Melaven says.

"These limitations are major obstacles to Upper Volta making the most of the tools that AID is trying to give it in areas such as research, seed multiplication and integrated pest management. This project will help us build up the Ministry of Rural Development's planning and management capacities so that the government can make rational judgments in establishing its own priorities.

"We also would like to (use the project) to upgrade the technical skills in some of the directorates of the Ministry of Rural Development—certainly the soil and water service, which is key in the country's environmental efforts," the director said.

The five-year \$6 million Forestry Education and Development Project already has begun the task of strengthening the technical skills in the Ministry of Environment and Tourism. The project officer, Kevin Mullally of the Office of Human Resources, works with a U.S. Department of Agriculture team headed by forest ecologist Bob Winterbottom.

According to Winterbottom, if the right combination of steps is taken, Upper Volta can arrest deforestation and preserve its natural resource base. Conservation of the natural resource base and increased agricultural production are closely related, Winterbottom says. "You cannot have increased agricultural production without good soils. And you cannot have good soils without trees, shrubs and grasses." So, he says, the country must do a better job of managing its national forests which cover 12% of the land. "This project was designed in recognition of the fact that a forest is a renewable resource if managed properly."

To help Upper Volta manage its forests, a facility expanded by the project at Dinderesso outside Bobo Dioulasso is training Voltans in forest management and forestry extension.

Recently, the school graduated 40 extension agents. They were trained in the full range of forestry, including nursery techniques, tree plantation management and soil conservation.

Once graduated, foresters join the Voltan civil service. As part of their jobs, they will show villagers the importance of designating village wood lots and how to manage them. They also will transfer their knowledge of how to build more efficient cookstoves.

As efforts are made to better manage the natural resource base and increase food production, a program carried out through the Catholic Relief Services is attempting to curb chronic malnutrition. The focus of the program is education and supplementary feeding. Nearly half of Upper Volta's children 6 years old or younger are malnourished.

Valued at \$5.5-6 million a year in P.L. 480 commodities, the program averages about half of total U.S. bilateral assistance to Upper Volta, according to Charles Kelly, a contractor who acts as the mission's Food for Peace officer.

Education takes place at the village level nationwide in nutrition centers similar to well-baby clinics. Monthly, mothers bring their children, ages 6 months to 5 years, to these centers which are run either by the government or private organizations.

After the children are weighed and fed, their mothers are instructed on how to better feed and care for them. When they leave, they are given two kilograms of cornmeal, an equal amount of non-fat dried milk and a liter of vegetable oil—all from P.L. 480. Children suffering from severe malnutrition are monitored weekly.

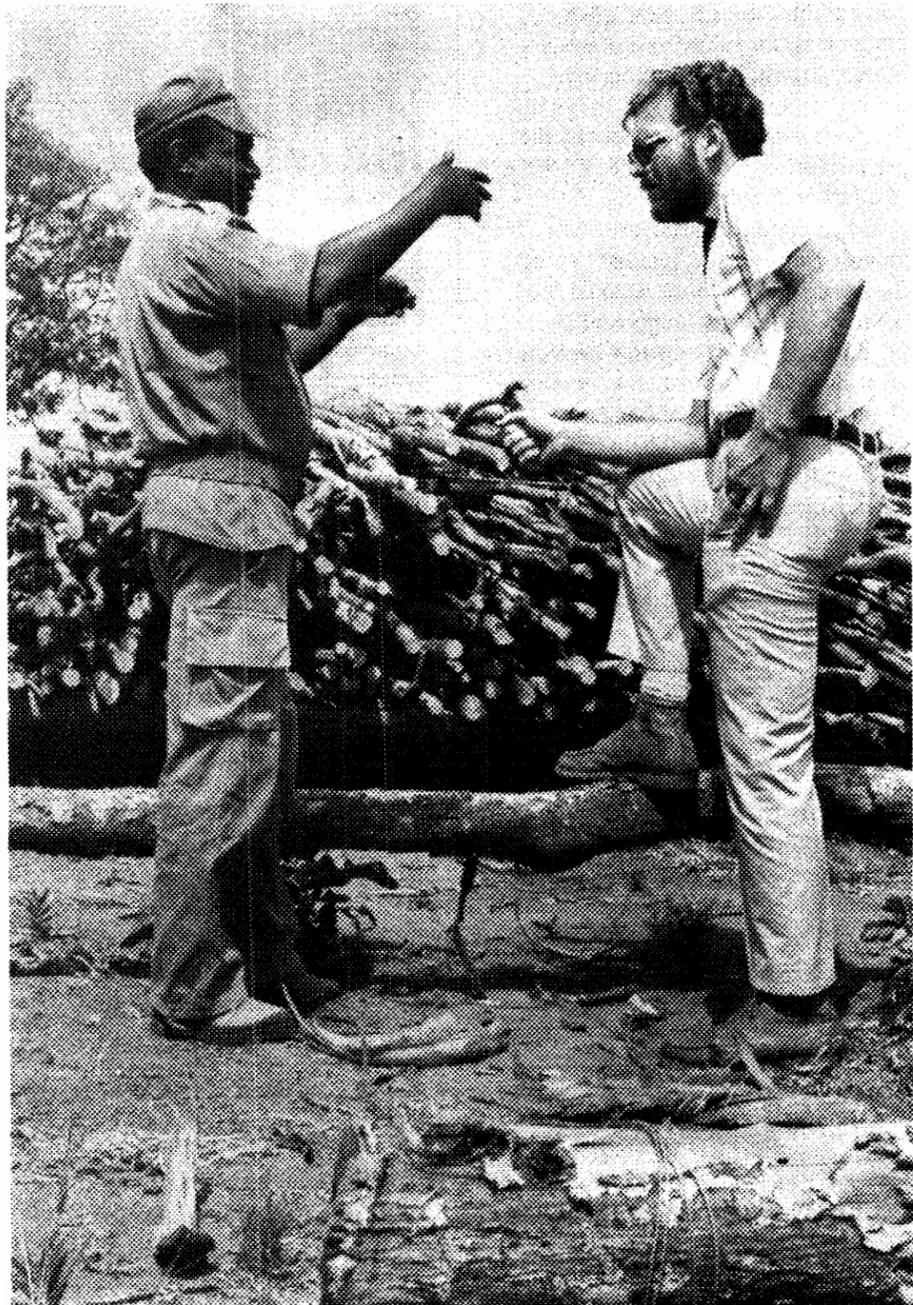
Approximately 130,000 children are benefiting from the program. At each visit, mothers pay approximately 12 cents, which goes into a fund channeled to other nutrition-related projects. For example, in one village, the fund paid for raw materials so that villagers could construct a mud-brick building to add to the nutrition center.

Another important segment of the project is a primary school lunch program, which feeds 230,000 children, ages 3-15 years.

With a per capita income of \$240, Upper Volta is ranked as the 15th poorest country in the world. Not surprisingly, some of the world's worst health conditions can be found there. Part of the mission's health strategy—to provide sanitation education and drinkable water—will go a long way to improving the health situation. Experience gained from the Rural Water Supply Project in southwestern Upper Volta will help AID reach this goal.

John Figueira, who heads the mission's Office of Human Resources, calls the project "a rare Sahel success." By 1984, the \$12.3 million undertaking will have completed 620 wells and significantly strengthened the regional branch of the Ministry of Health in just five years.

So far, 470 wells and 300 demonstration latrines have been completed. Two Rural Water and Equipment Directorate employees will be trained in the United States. One will obtain



At Dinderesso the Forestry Education and Development Project is training Voltans in forest management and extension. At a project woodyard, Jim Fickes (right) who is part of a U.S. Department of Agriculture team implementing the project, discusses wood distribution with an employee of the Voltan Ministry of Environment and Tourism.



Mission Director Emerson Melaven (right), Deputy Director Larry Heilman (center) and Controller Jim Stanford meet in a "one-on-one" session that Melaven holds once weekly with his senior staff.

an advanced degree in hydrogeology; the other, an associate degree in water-well technology.

A mechanic who maintains the project's drilling equipment and other machinery is training a Voltan to assume his duties at the project's end. A mission staffer who monitors the project closely is Bruno Bambara, one of 16 foreign nationals who help staff the mission.

In the villages, the project has trained 350 volunteer health workers and set up a supervisory network. Volunteers are equipped with a first aid kit which includes malaria suppressants and paragoric, which they stock from an area government dispensary. They are supervised by 21 project-trained health extension workers who will become government employees at the end of the project.

At the top of the hierarchy, under supervision of a physician, are four public health specialists, trained by the project to the level of nurse.

Although there are times when the over-grown village that is the capital seems isolated, there is enthusiasm and a sense of purpose at the AID mission. "The biggest reason to want

to come here is for the development challenge and the opportunity to make a contribution in a country where the problems are so great," Deputy Director Larry Heilman says.

The 20 U.S. direct hires tend to agree that Voltans easily may be the friendliest people in all Africa. Smiles abound, hands are readily extended for greeting, and the streets seem to vibrate with the bustle of sidewalk vendors, restaurants and bars. However, an 11 p.m.-5:30 a.m. curfew imposed by the government that assumed power in August has curtailed social activities somewhat, as has its ban on night clubs.

But, the U.S. community is closer than most, and people tend to make their own fun. Recently, they produced *Don't Drink the Water*, a Woody Allen play. The production involved every element of the official community: AID, State, U.S. Information Agency, the Marines, Peace Corps, as well as participation from missionary groups, private voluntary organizations and the International School.

The International School in Ouagadougou, with a pupil-teacher ratio of about 10-to-one and a curricu-

lum which uses computers, is believed to rank with the best. Because the level of instruction stops at grade eight, mission families tend to be ones with very young children or with children who have graduated from high school.

It can take up to three years for an alien to obtain a work permit in Upper Volta. But spouses who want to work can generally find a job at the U.S. mission. Hellyer's wife, Ada, is the Peace Corps nurse. Nit Figueira manages the American Embassy Recreation Association and guest house. Carol Bloom, whose husband Roger works in the Agriculture Office, is the community liaison officer. There are some tandem couples such as AID Program Officer Michael Rugh and his wife, Karen, who is the Embassy nurse.

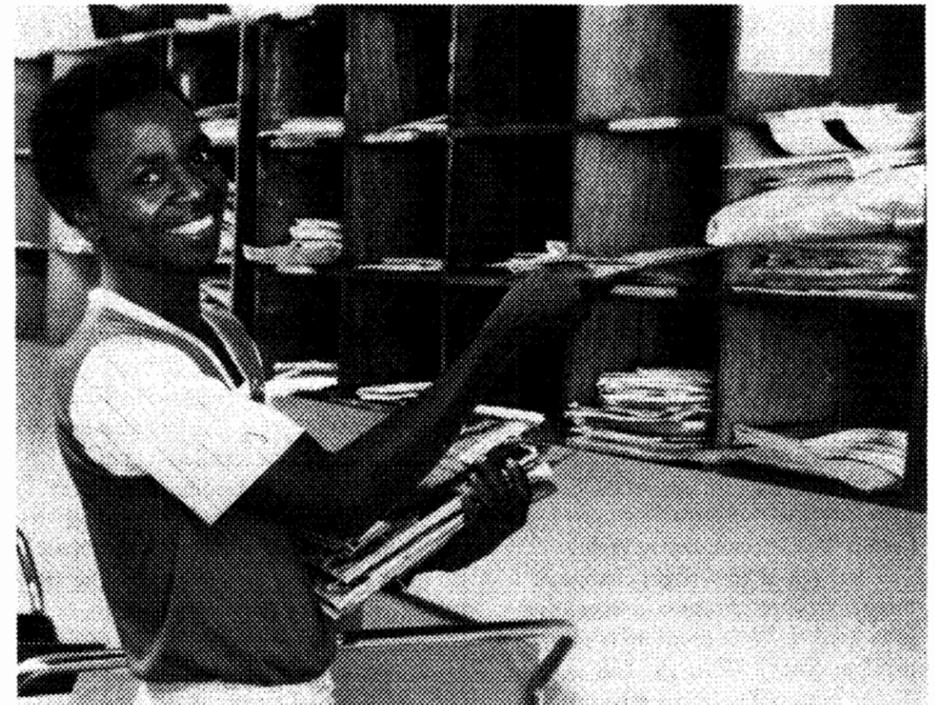
Civic-minded women can join the International Women's Club, now in its third year. Most join. Savannah Walker, the ambassador's wife, founded the club shortly after the Walkers' arrival at post in 1981.

Besides its monthly meetings aimed at a cultural exchange, the club donates to charity the proceeds from its two main annual events—a fashion show and a bazaar. Scholarships for Voltan students and supplies for a workshop serving the handicapped are some of the things the club has contributed.

There is ample opportunity in Upper Volta for all kinds of sports, including team sports. The Sahel's Angels, the American community's softball team, has developed a reputation among other U.S. missions in the Sahel for being a scrappy lot.

Assaults on foreigners are extremely rare in Upper Volta. In general, the Voltan can be relied upon for his honesty. In fact, the nation's best resource is its hard-working, friendly people, whose good humor persists despite formidable obstacles. This offers consolation on the inevitable days when development seems to progress at an imperceptible pace.

Stough is the editor of Front Lines.



One of the 16 foreign nationals who help staff the mission is Frederic Yonli, a clerk typist in the communications and duplication office.

NEW BOOKS AT DIU

Energy, Forestry and Natural Resources Activities in the Africa Region, Shelia Reines, AID, Bureau for Africa, 1982, 152 pages. PN-AAL-224.

This report describes AID's projects in Africa which assist developing countries in alleviating critical shortages of wood and fossil fuels and the environmental degradation which results from deforestation. Also discussed are AID-funded studies on the environmental status of various countries, the social impact of new technologies, petroleum use and community participation in fuel wood surveys.

Evaluation of Agricultural Sector Planning Activities in Latin America and the Caribbean, James T. Riordan; AID, Bureau for Latin America and the Caribbean, Office of Development Resources, 1982. PN-AAL-173.

This comprehensive study was made of AID agricultural sector planning in Latin America and the Caribbean over the last decade to evaluate the successes and failures in past projects and, in turn, outline a set of recommendations for the design of future activities. AID's history in the region also is reviewed. The study suggests a strategy for the Agency centered on generating an effective demand for agricultural sector planning. Attachments include 30 exhibits and five appendices.

Introduction a l'histoire des wodaabes du Niger, Angelo B. Maliki, Niger Ministry of Rural Development, AID, Bureau for Africa; 1982, 56 pages. PN-AAL-114.

This study examines how the Wodaabe tribe arrived at its current Nigerien home after leaving its native Sudan in the late 19th century. Contrary to the belief that

the tribe's migrations were irrational and chaotic, this study suggests that each migratory movement was based on a need to confront precise political, social and physical threats to the tribe's survival. Changes in social structure, interrelationships with surrounding and invading people, tribal organization and the role of Islamic laws are discussed in relation to the past and present of the tribe.

International Survey of Methods Used for Evaluation of the Cooking and Eating Qualities of Milled Rice, B.O. Juliano, International Rice Research Institute, 1982, 82 pages. PN-AAL-277.

This report presents the findings of a 1981 survey on the methods used by rice scientists for the evaluation of the cooking and eating qualities of milled rice. The scientists tested rice for texture and nutritional content. They also compared cooking techniques. Included is a 115-item list of references from 1941-82.

Nutritional Blindness: Xerophthalmia and Keratomalacia, Alfred Sommer, AID, Bureau for Science and Technology, Office of Nutrition, 1982, 282 pages. PN-AAL-238.

This book provides a complete description of the pathologic, clinical and epidemiologic aspects of human xerophthalmia. The first comprehensive documentation of its kind, the book looks at one of the oldest human afflictions: nutritional blindness. More than half a million children and adults are stricken each year by the disease, and the book discusses its causes and preventions. Sixty-seven illustrations accompany the text.

How to obtain: AID employees may receive a paper or microfiche copy of these reports free of charge. Orders should be directed to AID/DIHF/FL, 7222 47th St., Chevy Chase, MD 20815; Telephone: (301) 657-9319.



AID has made progress in carrying out its equal employment opportunity (EEO) and affirmative action program plan, but still has a long way to go, according to findings presented at the Dec. 8 meeting of the Equal Employment Opportunity Oversight Board. These findings were discussed in the context of the International Development Intern (IDI) program, long-term training, recruitment and the Executive Personnel Assignment Panel (EPAP). Approximately 50 persons attended the meeting, including assistant administrators, office heads, executive and administrative officers, recruitment staff, and representatives of ad hoc groups.

According to Ivan Ashley, director of AID's Office of Equal Opportunity Programs (EOP), fiscal 1983 employment goals established by bureaus and offices totaled 97. Of those, he reported, non-minority women were to account for 27 (27.8%); minorities, 68 (70.1%); and handicapped, two (2.1%).

By the fiscal year's end, 37 (38.1%) of the goals had been reached, Ashley reported. Minorities accounted for 21, or 56.8% of the total, non-minority women, 15, or 40.5%; and handicapped, one, or 2.7%.

The Agency made progress in meeting its goal of 10 more minorities and women at the executive level. The number of non-minority women in AID/W executive appointments climbed from 13 to 18—a 38.5% increase. The number of female executives overseas remained at eight.

There was a very slight change in minority representation in executive jobs. In AID/W it crept up from the previous year's 17 to 18. The addition of one minority member advanced the overseas minority representation to 10.

In the EPAP report to the board, Richard Meyer, chief of the executive personnel management staff, said that of the 10 people moved into executive positions during the 1983 cycle, one was female. There were no minorities. In the 1984 cycle, however, one of the seven promoted was a minority and there were no women.

To improve the selection rate, Meyer and Virginia Corsi, chief of

“The next step will be a review of women and minorities at FS-1 and FS-2 levels.”

the recruitment staff, said that they are reviewing positions and backstops from which mid-level foreign service officers are being promoted. The next step, they said, will be a review of women and minorities at FS-1 and FS-2 levels. Such a review is expected to show whether minority and female

officers are holding positions which lead to executive positions.

If it is determined that significant numbers of FS-1 and FS-2 officers are not in positions or backstops that lead upward, Corsi and Meyer propose suggesting to bureaus, offices and assignment boards that such employees be moved toward jobs which will position them for eventual assignment as an office director or mission director.

Meyer said that he believes with a pool of more than 250 minority and female officers at the FS-1 and FS-2 levels (threshold), the Agency should be able to move more of them toward executive-level assignments. The goal

“The task force recommended formal training for support staff.”

is to ensure that women and minorities have adequate opportunity for assignments at the mid-level which will assure that they are seriously considered for promotion into the executive ranks.

By the end of 1984, a career counselor will be hired to manage an upward mobility program for Civil Service employees, Ashley also noted.

The Agency exceeded its recruitment goals for non-minority women in the 1983 and 1984 IDI training classes, Ashley told the board. Of the 43 candidates selected for the 1983 classes, 14 (32.6%) were non-minority women and five (11.6%) were minorities. Non-minority women account for 12 (38.7%) of the 31 candidates selected for the 1984 IDI class. Minorities represent five (16.1%) of the same class.

Special outreach efforts to improve the representation of minorities and women in the IDI program are continuing, Ashley reported. In addition, he said, sources for prospective handicapped applicants have been identified for future recruitment. Meanwhile, AID's Office of Personnel Management and EOP plan to reassess the goals for minorities and women in light of availability rates and adjust the goals accordingly.

A recruitment program designed to find highly qualified minorities and women to staff shortage skills occupations and grade levels is under way, Ashley reported to the board. Strategies:

- Recruitment at educational institutions with large minority and women enrollment.
- Expansion of AID's mailing list to colleges and universities to 2,500 from 1,000.
- Advertisements of AID's employment opportunities in newspapers with national circulation, minority and women's publications, periodicals of predominately minority and women's educational institutions, and publications focusing on federal government career opportunities.

- Arranging for AID participation at national and local meetings and job fairs sponsored by minority and women's organizations.

Minorities made up 22.2% and non-minority women accounted for 11.1% of the nine candidates selected for long-term training in fiscal 1984, Ashley told the board.

He also reported that a task force has completed evaluating AID/W secretarial and clerical capabilities. The panel's task was to determine whether or not AID's needs are adequately served by the current level of support staff. The task force recommended formal training for support staff. Ashley said that a training program is scheduled to begin early in 1984. It is designed to help support staff improve performance of their present assignments, thereby increasing their productivity and effectiveness.

The EOP director listed steps taken to institutionalize and strengthen EEO operational procedures:

- Procedures were developed to monitor, evaluate and report compliance with the EEO and affirmative action plan.
- The seminar on the manager's role in personnel management will be presented seven times in fiscal 1984 instead of once yearly. One full day will be devoted to EEO and affirmative action.

Deputy Administrator Jay F. Morris directed the board to take up certain topics at its next meeting which will focus specifically on the problem of equal employment for women and minorities. Among them:

- Revision of fiscal 1983 EEO and affirmative action plans and a bureau-by-bureau, office-by-office review of fiscal 1984 EEO and affirmative action plans.

- Review of the 25% goal for minorities and women in the IDI and long-term training programs.

Plans are under way to celebrate Black History Month. Held each year in February, this year's theme is "Black Americans: The Struggle for Excellence."

Among tentative plans are two programs on the struggle for excellence in music and the arts, an exhibit at the State Department's D Street entrance, an opening ceremony featuring a prominent black American, and a panel discussion.

The joint AID-State planning committee is working with the cafeteria staff to develop menus featuring black cuisine as well as a display.

Posters and other printed notices will be posted by mid-January throughout the building. Notices will be distributed with details of the month-long program as it develops.

The theme for this year's observance of Martin Luther King Jr.'s birthday is "In Pursuit of a Dream." The Jan. 17 program, developed jointly by AID and State, will include a panel discussion on social and political strides toward the "dream." The program is scheduled for noon in the Dean Acheson Auditorium.

—Voncile Willingham



Administrator McPherson headed the U.S. delegation to the Nov. 28-29 high-level meeting in Paris of the Organization for Economic Cooperation and Development's Development Assistance Committee (DAC). At this year's ministerial meeting, donors surveyed prospects for development assistance, agreed to work toward improved coordination, adopted guiding principles on the role of women in development and debated commercialization of aid.

In addition to McPherson, the U.S. delegation included Richard A. Derham, acting assistant administrator of the Bureau for Program and Policy Coordination; Kenneth Kauffman, U.S. representative to the DAC; and representatives from the departments of State and Treasury.

Participants did not dispute the forecast that official development assistance is likely to grow only slowly over the next two years. Emphasis was placed on needs of poorer developing countries—particularly those in sub-Saharan Africa. Donors agreed that the current situation in many countries requires flexible use of aid instruments. In many cases, new projects have had to be deferred in favor of maintenance and rehabilitation.

Proposals were widely endorsed which would enhance the effectiveness of consultative groups, and thus donor coordination. Most of these proposals were from the United States. DAC members also agreed to encourage their in-country representatives to consider, in conjunction with host government officials and their donor colleagues, the feasibility of designing improved local coordination mechanisms. Follow-up on the new guidelines will be a major AID activity.

Guiding principles on women in development were adopted and the DAC was encouraged to undertake extensive work leading up to the 1985 United Nations conference. While most members support an enhanced status and role for the women-in-development correspondents group, some had reservations.

Discussion of the commercialization of aid concentrated on the mixed credit issue. The United States expressed deep concern that mixed credits can divert aid funds into export promotion which would harm DAC development efforts. Of particular concern is that a mixed credit program may shift assistance from poor nations to middle-income countries. At the same time, some speakers stressed the positive role of private capital flows in promoting development. DAC was encouraged to pursue both subjects in its future work program.

—Jerome Sherry

AGRICULTURE



If nitrogen fertilizer efficiency in Asia could be improved by 1%, it would save \$150 million in urea nitrogen a year and increase annual wetland rice production by 3 million tons—a \$600 million value.

These figures show that research to increase nitrogen fertilizer efficiency promises a big payoff, according to Ian Fillery, associate soil chemist from the International Fertilizer Development Center. Fillery, who is assigned to the International Rice Research Institute in the Philippines, says most evidence now points to nitrogen loss from the soil into the atmosphere as the major cause of the inefficiency.

Studies in the Philippines and the United States show that 30-50% of nitrogen applied as fertilizer to wetland (flooded) soils can be lost to the atmosphere within 10 days of application.

Improved, accurate micrometeorological methods now allow measure of wind speed, relative humidity, temperature and ammonium concentrations in the atmosphere. This enables researchers such as Fillery to study nitrogen losses from soils under typical farmer management.

Fillery says strategies for reducing ammonia loss involve keeping ammoniacal nitrogen from getting into paddy flood water. For instance, placing large urea granules deep in the soil reduces nitrogen loss. Urea also can be coated to slow the release of its nitrogen to the floodwater. Blocking or slowing the conversion of urea to ammonia by using inhibitors of the enzyme urease also may reduce short-term nitrogen loss.

Cruciferous vegetables, such as cabbage, cauliflower and mustard, are economically important worldwide. They are often grown by smallholders around urban centers, in highlands, or in specialized production areas.

The larvae of the diamondback

moth (*Plutella xylostella*) feed on the leaves of cruciferous vegetables and reduce both yield and quality. The moth has become resistant to chemical insecticides and has become a major problem for farmers in some areas.

Vegetable-crop researchers currently are working on alternative control methods for the diamondback moth, including use of sex attractants, juvenile hormones, microbial agents, predators, parasites, and insecticides with novel modes of action.

Research progress will be exchanged at an international workshop on diamondback moth management March 11-15 at the Asian Vegetable Research and Development Center (AVRDC) in Taiwan. Registration information may be obtained from N.S. Talekar, entomologist, AVRDC, P.O. Box 42, Shanhua, Tainan 741, Taiwan.

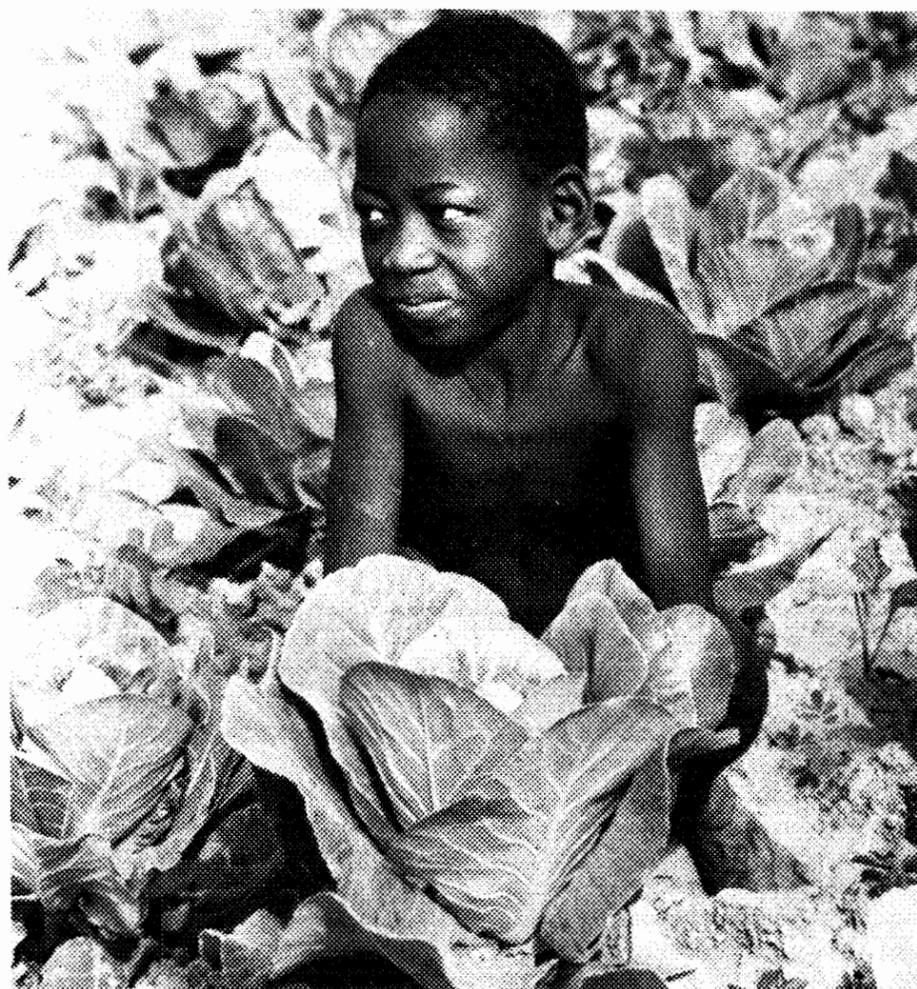
The International Center for Agricultural Research in Dry Areas (ICARDA) has started a newsletter on farming systems. *Farming Systems Research News for the Middle East and Africa* will be published "periodically with the major objective of improving communication among (farming systems) scientists in the region." Funding for the publication is from the Ford Foundation.

Requests for the newsletter may be sent to Communications and Documentation, ICARDA, P.O. Box 5466, Aleppo, Syria.

ICARDA is providing leadership in organizing a meeting March 19-24 in Rome to discuss favism, a chronic hemolytic blood disorder related to high levels of faba bean in the human diet.

The faba bean contains toxic compounds which cause the disorder. ICARDA scientists say the elimination of the toxic compounds from the faba bean will be of great significance.

Mission agricultural development officers may be interested in *Seed Production Technology*, a collection of papers presented at a seed production training course sponsored by ICARDA and the Netherlands.



Cruciferous vegetables, such as cabbage, are economically important worldwide.

According to crop production specialists in the Bureau for Science and Technology's Office of Agriculture (S&T/AGR), the book contains many good papers and should be useful to AID missions.

Officers may order copies from Larry Chambers, head of information and communication, ICARDA, P.O. Box 5466, Aleppo, Syria.

The International Rice Research Institute (IRRI) in the Philippines recently released a 54-page book entitled, *Adoption, Spread and Production Impact of Modern Rice Varieties in Asia*.

The book covers development and introduction of modern rice varieties and contributions of modern varieties to increase rice production. It also reviews studies on adoption of modern rices. Nine appendix tables provide interesting data.

Senior author of the book is R.W. Herdt, former head of IRRI's Department of Economics and now scientific adviser with the secretariat, Consultative Group on International Agricultural Research, World Bank.

Agricultural development officers may request a copy of the book from the Publications and Information Division of S&T's Office of Technical Review and Information, Room 209, SA-18.

FROM MD

S&T's Office of Multisectoral Development has been renamed the Office of Rural and Institutional Development (S&T/RD). The new name more completely reflects the Agency's increasing emphasis on institutional development.

RD will continue to expand its program of technical support and guidance to the field in other aspects of rural development, development management and employment generation.

HEALTH

The Office of Health has distributed a preliminary inventory of AID-assisted projects with pharmaceutical components. Regional bureaus have received them for their own use and for distribution to their missions.

The inventory contains information on 75 projects in 70 developing countries. Most of the projects involve pharmaceutical commodity support or construction of dispensing and storage facilities. Other components are drug supply management, education, training and logistical support.

Twenty-one of the projects contain budgetary lines specifically for pharmaceutical commodities, equipment, construction and technical assistance. AID spends about \$14 million a year on the pharmaceutical components of these projects—a figure that does not include oral contraceptives.

Assistance in the pharmaceutical field is viewed as a vital part of primary health care programs. These include such activities as growth monitoring, nutrition education, supplementary feeding for pregnant and nursing mothers, training of mothers in recognizing and treating dehydration caused by diarrheal disease, family planning information and services, and immunization of infants and children against common childhood diseases.

Pharmaceutical components most frequently included in AID-assisted primary health care programs and projects:

- Procurement of initial supplies of essential drugs.
- Resupply of those drugs.
- Local production of some pharmaceuticals, such as aspirin and oral rehydration salts.
- Pharmaceutical quality control.
- Training of pharmacists, their assistants or other drug dispensers.
- Distribution of drugs where they are needed.



Near East Assistant Administrator W. Antoinette Ford and the bureau's office directors met recently with mission directors and AID representatives in Athens and Cairo to exchange progress reports and set goals for future programs.

The annual mission directors conference convened in Athens to take stock of the bureau's accomplishments and discuss ways of improving efforts under way in the region's 13 countries.

In Cairo, mission staff were joined by senior bureau staff from AID/W at a retreat with Egyptian officials and project consultants. Minister Wagih Shindy, who represented the Egyptian government, opened the meeting. He described the AID program as "good,

worthy and effective," while praising the mission for its "excellent cooperation" with his people.

In the course of his speech, Shindy expressed his own development priorities for each sector of the Egyptian economy. Meanwhile, AID representatives reiterated the Agency's goals and concerns in these areas.

During these policy dialogues, the Egyptians and bureau staff explored ways to achieve the maximum results for AID projects scattered throughout Egypt. Mission Director Mike Stone pointed to the fact that for the first time in the AID program in Egypt, disbursements exceed obligations.

The consensus was that optimism is warranted because project implementation has improved and more effective problem-solving processes are being used.

—Suzanne Majors



To make sure that AID programs and operations are evaluated fairly and objectively, the Office of the Inspector General (IG) has issued an audit handbook to guide audit staff in performing their sensitive duties.

Audits are divided into three parts: the pre-audit survey, in-depth review and communication of audit results.

The pre-audit segment begins with the assignment of staff. They begin by reviewing relevant material available in their regional office. This includes workload inventory files on new and old projects, results of surveys and information supporting requests for audit services.

The auditors then continue the preliminary survey at the work site. This phase is designed to provide an overview of the activity and problems that may have led to that activity's selection for audit. The survey ends when the auditor in charge prepares a memorandum summarizing the findings. The memo concludes with a decision on whether or not an in-depth audit is warranted.

If the problems are found to be minor or already resolved, the review may end. If this is the case, a memorandum describing the minor deficiencies and steps needed to remedy them may be sent to the responsible management staff. Follow-up may be conducted in normal correspondence without a formal audit report.

In cases where pre-audit survey results indicate the need for more work, the decision memorandum will outline the major areas of inquiry. This is supplemented by an audit program or work plan.

The audit itself consists of a review of documents, records and correspondence, as well as field visits and interviews with appropriate AID and host government officials. The results of the audit are presented to management in a "Record of Audit Findings" (RAF).

It is the RAF and management's response to it that form the basis for the "exit conference" normally held when the field work is completed. During this meeting, management's written and oral comments on audit findings are discussed and later recorded in a work paper summary. This summary is used in preparing the draft report—perhaps the most

difficult of the auditors' tasks. It involves compiling and analyzing all the collected information and writing the report.

Once the drafting process is completed, each report is indexed. That means that one copy of the draft is specially annotated and that each statement, fact, figure, citation and quote is identified with a supporting work paper in the audit file.

The annotated copy is then given to an auditor not previously involved with the review. This is so that he or she may verify the accuracy of the text. This process, known as "referencing," is undertaken on behalf of the regional inspector general for audit (RIG/A). It is designed to ensure that support for the auditors' findings as well as the logic of their opinions, conclusions, and recommendations are included in the audit work papers.

Meanwhile, audit management also reviews the draft report for tone, style, completeness and policy implications. Once approved by RIG/A, the draft report is presented to Agency managers for their review and comment. Their responses are reviewed and considered in finalizing the report.

After the report is finalized, the responsible RIG/A assigns it an

identification number. Each regional inspector general is responsible for reports conducted by his or her staff. IG audit reports are distributed to all Agency offices that may be interested in their contents.

IG has been requested to make copies of all audit reports available to several Congressional committees with an interest in AID's programs and operations.

Significant audit results and a comprehensive listing of IG audit reports are compiled bimonthly and published in the IG's "Flash Report," which is sent to about 250 Agency managers in AID/W and overseas.

Finally, highlights of the IG's audit efforts, together with those of the office's investigative and security functions are summarized and reported to Congress semiannually, as required by the Inspector General Act of 1978.

—Fred Kalhammer

Help combat fraud, waste and abuse. Use the AID Inspector General hotline to report theft or misuse of AID resources: (703) 235-3528 or P.O. Box 9664, Arlington Post Office, Rosslyn Station, VA 22209.



The status of food production in the Sahel, including the effects of the current drought, were among topics discussed at a recent meeting of directors from AID's Sahelian missions. Other topics at the Dec. 2-4 meeting in Tombouctou, Mali:

- Fiscal 1984 and 1985 budgets for Sahelian countries.
- The Sahel Regional Strategy Statement, now in draft stage.
- The annual assessment report of the Sahel Regional Organization for Drought Relief (CILSS).
- The preliminary report of the Sahel management assessment team.

Actions taken as a result of recommendations from previous Sahel

mission director meetings also were reviewed.

Chairing the meeting was Dennis Chandler, the new director of the Africa Bureau's Office of the Sahel and West Africa.

Outbreaks of sylvatic yellow fever have been reported in Upper Volta, Ghana and Togo. Predictions are that the disease will spread to Ivory Coast, Benin and Niger.

The World Health Organization (WHO) is coordinating donor responses in Upper Volta and Ghana. AID assistance in those countries has not yet been requested.

Togo, which already has received assistance from WHO and the French government, recently requested additional assistance from UNICEF and AID.

The Africa Bureau's Office of

Technical Resources and Office of Regional Affairs will coordinate the Agency's response to Togo, probably through the Combatting Childhood Communicable Disease Project (CCCD). The CCCD project is a multi-donor effort, carried out through the Cooperation for Development in Africa.

Sylvatic yellow fever is carried by jungle animals, principally apes, and is spread by mosquitoes. Normally, it does not progress to explosive urban yellow fever epidemics, but it has the potential to do so.

"Bud" Munson was named associate assistant administrator for private enterprise development in the Africa Bureau Nov. 29. The focus of the bureau's efforts will be on facilitating growth of the indigenous private sector.

Formerly a special assistant in the Bureau for Private Enterprise, Munson's move to Africa highlights the importance that the bureau attaches to promoting private enterprise in Africa. Munson will be assisted by Frances Johnson, who previously worked on private enterprise matters in the bureau's Office of Development Planning.

Deputy Assistant Administrator for Coastal and Western Africa Jay P. Johnson led the U.S. delegation to the Zaire Consultative Group meeting in Paris Dec. 21-22.

The meeting came on the heels of Zaire's success in enacting AID-encouraged policy reform, such as significant currency devaluation.

—Frank Lavin



World Relief Corp. (WRC), one of the world's largest field networks for stimulating and supporting locally initiated community development, has received a \$1.4 million cost-sharing program grant from the Bureau for Food for Peace and Voluntary Assistance (FVA) Office of Private and Voluntary Cooperation (PVC).

In remarks at the recent signing ceremony, FVA Assistant Administrator Julia Chang Bloch said the grant represents continued confidence in a program which responds effectively to the needs of poor countries. Bloch added that establishing delivery systems for health care, installing water systems, and training farmers in improved agricultural techniques is

only part of WRC's development assistance program. Most importantly, WRC assists in building local institutions—institutions which will enhance each country's ability to marshal its own human and natural resources.

Over the next three years, the \$1.4 million grant from FVA/PVC will be used by the development divisions of local agencies in eight to 10 countries. Countries approved for operation are Indonesia, Sri Lanka, Papua New Guinea, Philippines, Kenya, Upper Volta, Mali, Haiti, Bolivia and Honduras. WRC's grant will provide local agencies with staff development and training; assistance in organization, management and fundraising; and assistance in administering a small projects grant fund. The goal is to enable these organizations to become independent development agencies within their countries and to attract other donor funding.

WRC was created in 1944 by the National Association of Evangelicals (NAE) as its official relief and development agency. Through the unique relationship with NAE, World Relief acts on behalf of 35,000 churches representing 69 denominations in the United States. Overseas, WRC serves more than 900,000 evangelical Protestant churches and 20,000 missionaries.

WRC's refugee relief and resettlement programs with Southeast Asian refugees and the Miskito Indians in Honduras receive the largest share of its international budget. Recently, budgets also have grown for its two other international programs: disaster relief and rehabilitation and "self-help hunger and disease attack." WRC credits the earlier three-year AID management services grant of \$900,000 as a contributing factor in WRC's increased attention on devel-

opmental assistance.

At the outset of an earlier grant, WRC was moving from its 1970s grant-making philosophy toward a more operational mode. The operational approach—enabling churches and missions to assist the poor in socioeconomic activities—focuses on establishing a national evangelical Protestant consortium. This consortium would be a vehicle for mobilizing more local resources, which, in turn, would alleviate demands placed on WRC's international headquarters. Using this philosophy, local agencies will continue to receive WRC assistance under the new cost-shared program grant.

Signing the grant on behalf of WRC was Jerry Ballard, executive director. Representing AID was FVA Assistant Administrator Julia Chang Bloch.

—Lori Forman



Bangladesh's Social Marketing Project (SMP) recently began a test program of sales of oral rehydration packets. Packets were provided by UNICEF and sold for 25 cents apiece. This price is equal to the cost of production and distribution.

The response to the test program has been excellent. In October, 15,000 packets were sold. Retailers' acceptance has been about 15% higher than for other SMP products. SMP is negotiating with the Bangladesh government to expand the program.

Since 1980, the AID office in Rangoon has sent 92 Burmese participants to the United States and other countries for short- and long-term academic training in planning and statistics, accounting, agriculture, energy, health, and trade.

Many have completed their training with the highest achievement and many have been promoted. All have returned to responsible positions.

Twenty-five career employees have finished courses under the Energy Management Training Program. They have enrolled in courses in energy policy planning, petroleum management, geology, and alternative energy.

The Fifth ASEAN-U.S. Dialogue was held last month in Manila. Undersecretary of State W. Allen Wallis headed the U.S. delegation. AID was represented by Dennis P. Barrett, director of the Office of the Philippines, Thailand and Burma Affairs, and Donald Melville, the ASEAN liaison officer.

The United States signed a memorandum of understanding to support a new ASEAN Small and Medium Business Improvement Project. This three-year, \$2.75 million project will be part of the Asia Bureau's regional program.

Also, at the meeting, the Development Cooperation Working Group agreed on several new activities to be considered for future AID funding.

AID's total commitment for regional projects has reached \$19.5 million since the first project signing in fiscal 1979. This money is separate from bilateral aid programs in three of the five ASEAN countries: Indonesia, Philippines and Thailand.

AID's South Pacific Regional Development Office recently hosted its second biennial conference of private voluntary organizations (PVO) and Peace Corps country directors in Suva, Fiji.

The 30 participants discussed indigenous private enterprise development and promotion of income-generating projects at the village level. Other conference topics included women in development, Pacific islands trade, small business, U.S. government commodity procurement procedures, and energy issues, including solar power.

Also discussed were ways that AID, the Peace Corps and PVOs can coordinate their South Pacific activities.

Particular emphasis was given to disaster relief, small grant assistance through the Accelerated Impact Program, and Peace Corps volunteers assigned to PVO projects.

Participants and observers came from Fiji, Papua New Guinea, the Solomon Islands, Vanuatu, Tonga, Western Samoa, Tuvalu, Kiribati, and the Cook Islands, as well as from Washington and New Zealand. AID's Regional Development Officer William E. Paupe, chaired the conference.

A \$30 million P.L. 480 Title I agreement for Indonesia was signed in Jakarta last month by Ambassador John H. Holdridge and Atmono Suryo, director general for foreign economic relations in Indonesia's Ministry of Foreign Affairs.

The agreement provides credits for purchasing wheat and rice during the remainder of this fiscal year. The signing was well-attended by the Indonesia media, which gave it heavy and very favorable coverage.

Although Indonesia went from being the world's largest rice importer in the 1970s to self-sufficiency in 1981, the drought that has plagued Southeast Asia for the past two years has brought the region's largest country back to the marketplace.

In recognition of the Indonesian government's prudent fiscal management in the face of the worldwide recession, the United States has responded with concessional aid. U.S. response has been made easier by the model self-help measures taken by Indonesia to use local currencies generated by sale of Title I commodities.

U.S. Ambassador John H. Reed and Sri Lankan Finance Secretary W. M.

Tilakarathna signed a \$25 million P.L. 480 Title I loan agreement in Colombo in mid-December. The loan will be used to purchase about 150,000 metric tons of U.S. wheat.

As part of the Sri Lankan government's self-help contribution to the agreement, it will develop a national agricultural, food and nutrition strategy to guide future public investments.

Sri Lanka has made great strides in agriculture in the last few years and is nearly self-sufficient in rice, its major crop. Careful planning, however, will be required to maintain production momentum, while assuring adequate nutrition for its growing population.

Recognizing the importance of this planning effort, the Sri Lankan government has requested technical assistance in carrying it out. In response, the AID mission has provided a long-term agriculture economist and several short-term specialists.

This technical assistance, along with the financial resources and policy support provided by the Title I agreement, will help put a strategy in place during 1984.

As another part of its self-help contribution, the Sri Lankan government will use 67% of the local currency proceeds for irrigation and water management, the agricultural subsector which accounts for a majority of the mission's development assistance budget. Agricultural research also will be given a high priority.

Fourteen AID officers responsible for coordinating private sector activities recently met in Bangkok to discuss issues related to AID's private sector initiative. They were joined by a representative from the Asia

Bureau and the Bureau for Private Enterprise.

The meeting, initiated by the AID mission in Thailand, arose from the perception that an idea exchange would strengthen AID's private sector initiative in the region.

An interesting outcome of the meeting was a realization that "the private sector initiative was being implemented to a greater intensity and over a broader area" than either the participants or AID/W realized.

To document that finding and share their experiences with other missions, participants agreed to prepare summaries of their private enterprise activities and send them to each other and the Asia Bureau in Washington. These will be compiled and shared with other regional bureaus.

—Joseph A. Esposito



Before the first session of the 98th Congress adjourned Nov. 18, it passed a number of measures concerning AID. In addition to AID-related amendments in the Department of State authorization (article is on page 8), Congress passed a "tied aid" provision in a supplemental appropriation bill.

In this provision, the AID Administrator is authorized to establish a program of "tied aid" credits to be carried out in cooperation with the Export-Import Bank. Under the program, credits, loans or guarantees from the bank can be combined with concessional financing or grants from AID. This will help the United States compete with the concessional financing that some foreign nations use as export credit subsidies.

In addition to AID's fiscal 1985 authorization and appropriation, measures that Congress may take up in its second session, which convenes Jan. 23 include:

- **Select Committee on Hunger:** The House Rules Committee reported a rule on H. Res. 15 which would establish a Select Committee on Hunger. But the measure was not brought to the floor. The Select Committee would consider the problem of hunger in the United States and overseas.
- **P.L. 480:** An agriculture authorization bill was introduced in the Senate in October. The bill includes a provision to encourage the use of processed, value-added products under P.L. 480.
- **Human Needs and the World Security Act:** A bill proposed by Bread for the World was introduced in the House, but no action was taken in the first session. The bill would freeze fiscal 1985 security assistance at fiscal 1984 levels, and provide for an increase of \$200 million for development assistance and certain multilateral organizations.

—Nancy Johnson



Indonesia's short record of self-sufficiency in rice was broken by the drought of the last two years. The P.L. 480 Title I agreement provides credit for purchasing wheat and rice during the rest of the fiscal year.



The award of indefinite quantity contracts (IQCs) to five U.S. firms will allow AID missions to call directly on top-flight private sector expertise

for project design and development assistance.

The Bureau for Private Enterprise (PRE) cabled missions on Dec. 2 that it had selected two companies for financial analysis services, including advice on development of capital markets and capital institution building.

Meanwhile, a similar cable announcing selection of three companies to provide expertise in agribusiness was being prepared.

The firms:

- For financial analysis, Coopers & Lybrand and Price Waterhouse were selected. The latter firm has joined with Energy/Development International, East-West Group and Equator Bank for purposes of the IQC.
- For agribusiness analysis, Development Alternatives, Inc.; MASI; and IRI Research were chosen.

PRE will tap into the five firms to supplement staff resources in shaping its own program. In addition, it urged AID missions worldwide to look on the contractors as especially well-qualified to help in developing private enterprise strategies in the field.

In the case of Coopers & Lybrand and the Price Waterhouse consortium, PRE said the two firms would respond to field requests for, among other things:

- Analysis of the investment climate.
- Analysis of credit markets.
- Preparation or analysis of feasibility studies.

- Investment promotion planning and implementation.
- Strategies for divestiture or privatization of government-owned parastatal corporations.
- Development of cooperative arrangements with U.S. business.

The PRE cable pointed to the Price Waterhouse team's long-standing presence in LDCs, its links with the private sector here and overseas and its record of moving beyond simple project analysis to project implementation. The team has more than 300 offices in 90 countries.

Referring to Coopers & Lybrand, PRE noted the firm is one of the "big eight" among international accounting and management consulting organizations. Its management consulting arm has expertise in business planning, mergers and acquisitions, investment and economic research and analysis. Coopers & Lybrand has 405 offices in 95 countries. The firm is presently under contract with AID's Bureau for Latin America and the Caribbean for help in identifying and developing investments and linkages between U.S. and Caribbean businesses.

Normally, missions using these IQC firms would pay for their services, except when PRE has specifically agreed to assist in a particular effort.

Larry Brown of PRE's Office of Policy and Program Review can provide further information. He may be contacted in Room 633, SA-14, (703) 235-2274.

—Douglas Trussell

HOUSING

The Office of Housing and Urban Programs (PRE/H) now offers a series of urban development studies, as

part of its continued effort to explore the role that urban development can play in economic growth. One report analyzes the potential role of the urban sector in Somalia's capital. Completed four months ago, it is entitled "Urban Development Assessment of Mogadishu, Somalia."

The report is based on the recognition that Somalia is mostly rural. Eighty percent of the people depend on agriculture and livestock. Livestock alone generates 50% of Somalia's GDP and 80% of its export earnings. Nevertheless, about 19%, or 727,000 people were believed to live in urban areas in 1975.

Although Somalia is expected to retain its rural character for the foreseeable future, the rapid and unplanned growth of urban areas recently has captured the attention of government officials. While the country's population growth rate is estimated at 2.3-3% annually, Mogadishu is growing by 9% a year and secondary cities by 4-5%. This urban growth is fueled by the immigration of refugees.

The capacity of rural areas to absorb the growing population without incurring environmental degradation, a lower standard of living or excessive investment costs (as marginal crop lands are brought into cultivation) is limited.

Although migration to urban areas is expected to continue, there is no rational set of urban policies to shape the expansion of Somalia's cities. Nor are backward agro-industrial linkages from urban centers to the rural sector sufficiently developed to promote the equitable growth of both areas.

The report describes the constraints

to orderly growth in the urban areas and the need to develop an urban strategy which reflects the agricultural character of Somalia.

Demand for essential urban services far exceeds the capacity of municipal governments to respond. Only 50% of Mogadishu has running water or electricity. In secondary cities, statistics are bleaker.

The development of industrial zones are not incorporated into urban plans. With an expected drop in remittances from expatriates, the contribution of the urban sector to GDP will diminish in the future. Yet, Mogadishu is expected to absorb and gainfully employ 22% of the people by 1990, 26% by 2000, compared to 10.2% in 1980.

The report concludes that we must begin to examine the rural-urban linkages that can spur both urban and rural employment. Market centers and storage facilities for agricultural products are proposed for key secondary cities. A rational urban land policy is recommended that emphasizes recovery of costs and prevents windfall profits. Transportation, service and port facilities could be developed in major cities to promote nontraditional agricultural exports. These could generate the foreign exchange needed to import supplies for agroprocessing in duty free zones of urban areas.

In summary, the report proposes an economic strategy designed to promote both rural and urban development and argues that these need not be mutually exclusive objectives.

Copies of the report may be obtained from PRE/H, SA-12, Room 625.

—Alexi Panehal



To inform AID staff about the full range of office automation and microcomputer software packages available in the Agency, the

Bureau for Management's Office of Information Resources Management (M/SER/IRM) is compiling a software exchange catalog.

In addition to including commercial software approved for use in AID, it also will have information on user- and Agency-developed software. There will be sections on the Wang Office Information System, Wang VS, as well as microcomputer software used in the Agency.

The first edition, to be distributed in the first quarter of this year, will contain package and application information currently available in M/SER/IRM/TSD. Updates will add software information as it becomes available.

The catalog will be distributed in hard copy and Wang word processing form. It may be obtained by writing M/SER/IRM/TSD, Room 709, SA-11. Questions should be directed to Damon Loveless at 632-3863.

—Barbara Bennett

NEW SALARY SCHEDULE

Effective Jan. 8, 1984 by Executive Order No. 12456

STEP RATES WITHIN GRADE LEVEL OR CLASS															
	GS	1	2	3	4	5	6	7	8	9	10				
CIVIL SERVICE	18	69,920*	*	*	*	*	*	*	*	*	*				
	17	69,042*	71,343*	73,644*	75,945*	78,246*	*	*	*	*	*				
	16	58,938	60,903	62,868	64,833	66,798	68,763	70,728	72,693	74,658	*				
	15	50,252	51,927	53,602	55,277	56,952	58,627	60,302	61,977	63,652	65,327				
	14	42,722	44,146	45,570	46,994	48,418	49,842	51,266	52,690	54,114	55,538				
	13	36,152	37,357	38,562	39,767	40,972	42,177	43,382	44,587	45,792	46,997				
	12	30,402	31,415	32,428	33,441	34,454	35,467	36,480	37,493	38,506	39,519				
	11	25,366	26,212	27,058	27,904	28,750	29,596	30,442	31,288	32,134	32,980				
	10	23,088	23,898	24,708	25,518	26,328	27,138	27,948	28,758	29,568	30,378				
	9	20,965	21,664	22,363	23,062	23,761	24,460	25,159	25,858	26,557	27,256				
	8	18,981	19,614	20,247	20,880	21,513	22,146	22,779	23,412	24,045	24,678				
	7	17,138	17,709	18,280	18,851	19,422	19,993	20,564	21,135	21,706	22,277				
	6	15,423	15,937	16,451	16,965	17,479	17,993	18,507	19,021	19,535	20,049				
	5	13,837	14,298	14,759	15,220	15,681	16,142	16,603	17,064	17,525	17,986				
4	12,367	12,779	13,191	13,603	14,015	14,427	14,839	15,251	15,663	16,075					
3	11,017	11,384	11,751	12,118	12,485	12,852	13,219	13,586	13,953	14,320					
2	10,097	10,337	10,671	10,955	11,278	11,604	11,930	12,256	12,582	12,908					
1	8,980	9,279	9,578	9,876	10,175	10,474	10,773	11,072	11,371	11,670					
FOREIGN SERVICE	Class	1	2	3	4	5	6	7	8	9	10	11	12	13	14
	1	50,252	51,780	53,312	54,842	56,374	57,906	59,438	60,970	62,502	64,034	65,566	67,098	68,630	70,162
	2	40,719	41,941	43,199	44,495	45,830	47,204	48,621	50,079	51,582	53,129	54,723	56,365	58,056	59,797
	3	32,996	33,985	35,004	36,056	37,138	38,250	39,398	40,580	41,797	43,051	44,343	45,673	47,043	48,454
	4	26,736	27,538	28,364	29,215	30,092	30,994	31,924	32,882	33,868	34,884	35,931	37,009	38,119	39,263
	5	21,864	22,314	22,863	23,433	24,033	24,663	25,323	26,013	26,743	27,513	28,323	29,173	30,063	30,993
	6	19,367	19,948	20,546	21,163	21,798	22,452	23,125	23,819	24,534	25,270	26,028	26,808	27,613	28,441
	7	17,314	17,833	18,368	18,919	19,487	20,072	20,674	21,294	21,933	22,591	23,268	23,967	24,686	25,426
	8	15,478	15,942	16,421	16,913	17,421	17,943	18,482	19,036	19,607	20,195	20,801	21,425	22,068	22,730
9	13,837	14,252	14,680	15,120	15,574	16,041	16,522	17,018	17,528	18,054	18,596	19,154	19,728	20,320	

*Rates for Civil Service and Foreign Service schedules are capped at \$66,000.



The Board for International Food and Agricultural Development (BIFAD) recently extended the Small Ruminants Collaborative Research

Support Program (CRSP) for three more years. One of seven CRSPs, the small ruminants program was extended at the request of BIFAD's Joint Committee on Agricultural Research and Development (JCARD). The CRSP is managed by the University of California at Davis.

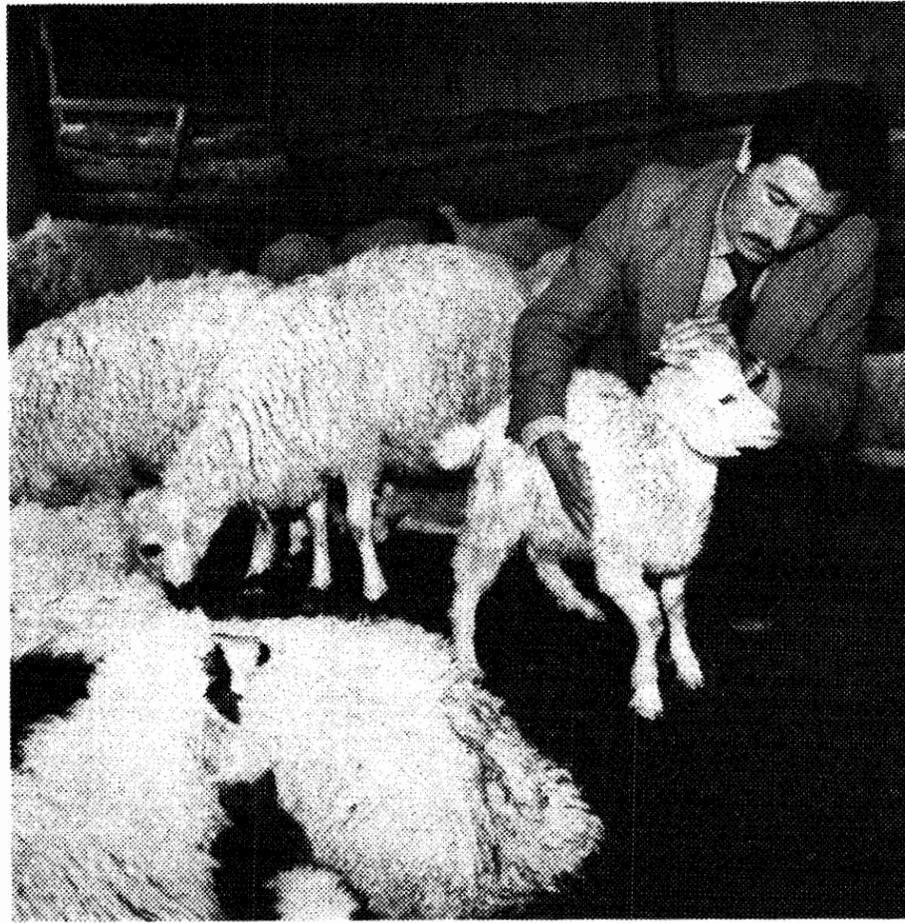
At its December meeting, BIFAD recommended that AID approve the extension so that reviews and evaluations of the CRSP's effectiveness would be simpler and faster.

CRSPs were developed by AID and BIFAD to promote innovative research programs, using various methods, to solve agricultural research problems in developing countries.

Further information about the Small Ruminant CRSP may be obtained from William F. Johnson in BIFAD's Research Division, Room 5318NS, (202) 632-9048.

BIFAD has endorsed Ohio State and Michigan State universities as eligible to participate in Memorandums of Understanding (MOU). The board's recommendation was based on assessments by JCARD and BIFAD's Strengthening Grant Panel.

MOUs, another joint BIFAD-AID



A scientist examines a lamb as part of a CRSP on prolific sheep.

initiative, involve long-term commitments from universities to provide a wide range of expertise in agriculture and related sciences to support AID's programs.

In making its recommendations to BIFAD, JCARD commended the efforts of the BIFAD-AID Task Force on MOUs which recently established guidelines for joint MOUs. Joint

MOUs pair a large institution with a small institution to support AID programs.

The task force was reactivated at the suggestion of BIFAD Chairman E.T. York. BIFAD member Benjamin Payton is the panel's newest member. He fills the vacancy created by the departure of H.F. Robinson.

Further information on MOUs is

available from BIFAD's executive director, Frederick Hutchinson, 4318NS, (202) 632-9048.

BIFAD endorsed four JCARD recommendations relating to AID support of the International Agricultural Research Centers (IARC). The next step is AID approval. The recommendations:

- That AID fund a university-IARC cooperative program.
- That AID's commitment for long-term support of the IARC system be explicitly recognized as an Agency-wide commitment and be funded from AID's agriculture account. The Bureau for Science and Technology would continue the technical and managerial responsibility for the IARCs.
- That AID be selective in funding individual IARCs. Factors that would be weighed in the selection process include the IARC's performance and relevance to AID. The percentage of AID funds supporting the Consultative Group on International Agricultural Research (CGIAR) also would be taken into consideration.
- That a cooperative plan be developed for monitoring IARC programs. Such a plan should satisfy BIFAD's legal responsibilities as well as AID's program management obligations.

Further information about these recommendations may be obtained from John Stovall in BIFAD's Research Division, Room 5318NS, (202) 632-8532.

—Mary Lester



Feb. 1 is the deadline to submit preproposals for the next round of the Office of the Science Advisor's (SCI) competitive research grants

program. Part of AID's Program in Science and Technology Cooperation (PSTC), the program has funded 140 projects from over 50 countries since its beginning in fiscal 1981. These projects were selected from over 1,300 submissions.

PSTC is particularly popular with LDC scientists who appreciate AID's receptiveness to their ideas. Annual submissions have increased from 120 in fiscal 1981 to 609 in fiscal 1984. This growth is due almost entirely to the increase in LDC submissions.

The enthusiastic support of AID missions and direct contact with LDC scientific institutions have contributed to increasing field submissions from 15% of the total in fiscal 1981 to around 70% in fiscal 1984. All LDC proposals are submitted and cleared by the local AID mission.

Preproposals are reviewed by AID Sector Councils. Full proposals from the semi-finalists are reviewed by special panels of outside experts. Their scientific recommendations play a crucial role in SCI's final decisions.

One goal of PSTC is to promote AID liaison with LDC scientific institutions. The number of partici-

pating countries and international organizations in SCI's competitive research grant program has more than quadrupled in the last four cycles. It has grown from 10 in fiscal 1981 to 48 in fiscal 1984. Thirty different countries now receive SCI funds or are slated for funding. It is hoped that this wide-ranging liaison with LDC scientific institutions will encourage lasting LDC-U.S. linkages and better integration of SCI-funded research with other Agency programs.

Each year, 40-50 projects in 12-15 countries are selected. Grantees are reasonably well-distributed by country. Only seven countries have more than five projects. Only three—Thailand, Peru and Nepal—have more than seven. In contrast, the regional distribution is highly uneven. Most grantees are in Asia (33) or Latin America (35). Few are in the Near East (6) or Africa (9).

A new element in SCI's fiscal 1984 cycle was the introduction of four specific areas of emphasis, or "research modules." They are biotechnology, chemistry applied to food needs, biomass conversion technology and biological control of selected vectors. Although these areas accounted for a significant part of SCI's fiscal 1981, 1982 and 1983 programs, they have grown more rapidly in fiscal 1984. Already they account for 50% of submissions and 90% of final selections.

Growth in the biotechnology module is particularly remarkable. Some 134 biotechnology proposals were sub-

mitted for fiscal 1984. Of these, 25 were selected for funding. The biomass conversion and vector modules also have done reasonably well. In these three modules, about one in six submissions was funded. But, only one chemistry proposal in 10 was selected.

Although not a major PSTC focus, submissions in engineering research and technical assistance have been surprisingly strong, with 70-80 proposals a year. Only one in 26 was selected, however, in fiscal 1984. The low level of funding reflects both the technical assistance orientation of many proposals and a SCI decision to give less emphasis to non-module research. Neither consideration would apply to other centrally funded AID programs. In fact, SCI's file of 1,300 preproposals could be a source of innovative ideas for AID's centrally and mission-funded programs.

Due to the large quantity and high quality of research ideas in biotechnology, the module recently was split into plant applications and immunology with human and animal applications. Each of both biotechnology categories will receive approximately \$1 million in fiscal 1984.

Plant tissue culture (PTC) is an important component of the biotechnology/plants module. Costa Rican investigators are using PTC of plantain to help attack problems caused by black fungus disease. Investigators in Indonesia and Peru are applying PTC to improve potatoes.

Investigators in Sri Lanka, Nepal and the United States are using PTC to improve rice, coconut, alder and palm trees for a variety of uses. Investigators at the International Rice Research Institute will develop and use monoclonal antibodies to do epidemiological studies of rice viruses. Guatemalan investigators will attempt similar studies on beans.

Particularly exciting is the proposed use of self-replicating subcellular organelles as vectors to transfer useful DNA to potatoes and other crop plants. This is a joint effort of the Weizman Institute and International Potato Center. Recombinant DNA techniques also are being used to improve the nitrogen-fixing capabilities of legume rhizobia and blue-green algae.

Biotechnology/immunology proposals use monoclonal antibodies (hybridoma technology), ELISA (enzyme-linked immunosorbent assays) and DNA hybridization for a wide variety of purposes. Some examples: to diagnose and eventually treat trypanosomiasis, onchocerciasis and tuberculosis; to study parasite/vector relationships in leishmaniasis; or rapidly detect snails infected with schistosomiasis. One somewhat unusual proposal from Burma seeks to develop a Russell's viper antiserum using hybridoma cell lines. Over 10,000 rural Burmese are bitten yearly, many fatally.

—Irvin M. Asher