

CALENDAR

APRIL

17-21: International Interdisciplinary Congress on Women, The Netherlands. Contact: C. E. Clason, Sociological Institute, University of Groningen, Grote Markt 23, 9712 HR Groningen, The Netherlands

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

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.

MAY

7-November: The International Fertilizer Development Center (IFDC) will host programs in the United States and abroad on fertilizer use. Contact Donald McCune, managing director, IFDC, PO Box 2040, Muscle Shoals, AL 35660; telephone (205) 381-6600

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

7-9: Eighth annual Larval Fish Conference, and International Symposium on the Early Life History of Fishes, Vancouver, Canada. Contact: Jeff Marliave, Vancouver Aquarium, PO Box 3232, Vancouver, British Columbia V6B 3X8, Canada

8: International Symposium on Crop Protection, sponsored by State University, Ghent, Belgium. Contact: Dr. Welvaert, Faculty of Agricultural Sciences, State University, Coupure links 653, B-9000 Ghent, Belgium

13-18: 2nd International Rangeland Congress, Adelaide, Australia. Contact: P. J. Joss, CSIRO, Division of Land Resource Management, Private Bag, PO, Deniliquin, New South Wales, Australia 2710

14-15: 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

15-18: Symposium on Biotechnology for Fuels and Chemicals sponsored by Oak Ridge National Laboratory, Gatlinburg, TN, (Department of Energy). Contact: Charles D. Scott, P.O. Box X, Oak Ridge, TN, 37830; telephone (615) 574-6775

17-19: "Global Cross Roads: Educating Americans for Responsible Choices" sponsored by the National Assembly Secretariat, Global Perspectives in Education will focus on topics ranging from international development to communications technologies. Contact: The National Assembly Secretariat, Global Perspectives in Education, Inc., Box 10, 218 E. 18th St., New York, NY 10003

23-25: European Inland Fisheries Advisory Commission symposium on habitat modification and freshwater fisheries, Aarhus, Denmark. Contact: J. S. Alabaster, EIFAC, UN Food and Agriculture Organization, Via Terme di Caracalla, Rome, Italy 00100

24-29: American Association for the Advancement of Science (AAAS) annual meeting, New York, NY. Contact: AAAS Meetings Office, 1776 Massachusetts Ave., NW, Washington, DC 20036

30-June 5: 58th DLG-Ausstellung International Agricultural Show in Frankfurt am Main. The 1984 show will present a comprehensive survey of worldwide products and inputs for the agricultural industry. Contact: Deutsche Landwirtschafts-Gesellschaft, Zimmerweg 16, D-6000 Frankfurt am Main 1, West Germany

JUNE

4-8: World Congress of Rehabilitation International, Lisbon, Portugal. The theme is "Information, Awareness and Understanding for Integration." Contact: National Secretary of Rehabilitation, 63-5 Av. Conde Valbom, 1000 Lisbon, Portugal

4-July 20: Course on Agricultural Research Methodology, sponsored by the U.S. Department of Agriculture, Washington, DC. Contact: David P. Winkelmann, deputy administrator for international training, Room 4118 Auditor's Building, Office of International Cooperation and Development, USDA, Washington, DC 20250

6-7: Board for International Food and Agricultural Development (BIFAD) meeting, sponsored by AID, Washington, DC. Contact: John Rothberg, AID/BIFAD, Room 5318, Washington, DC; telephone (202) 632-0228

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

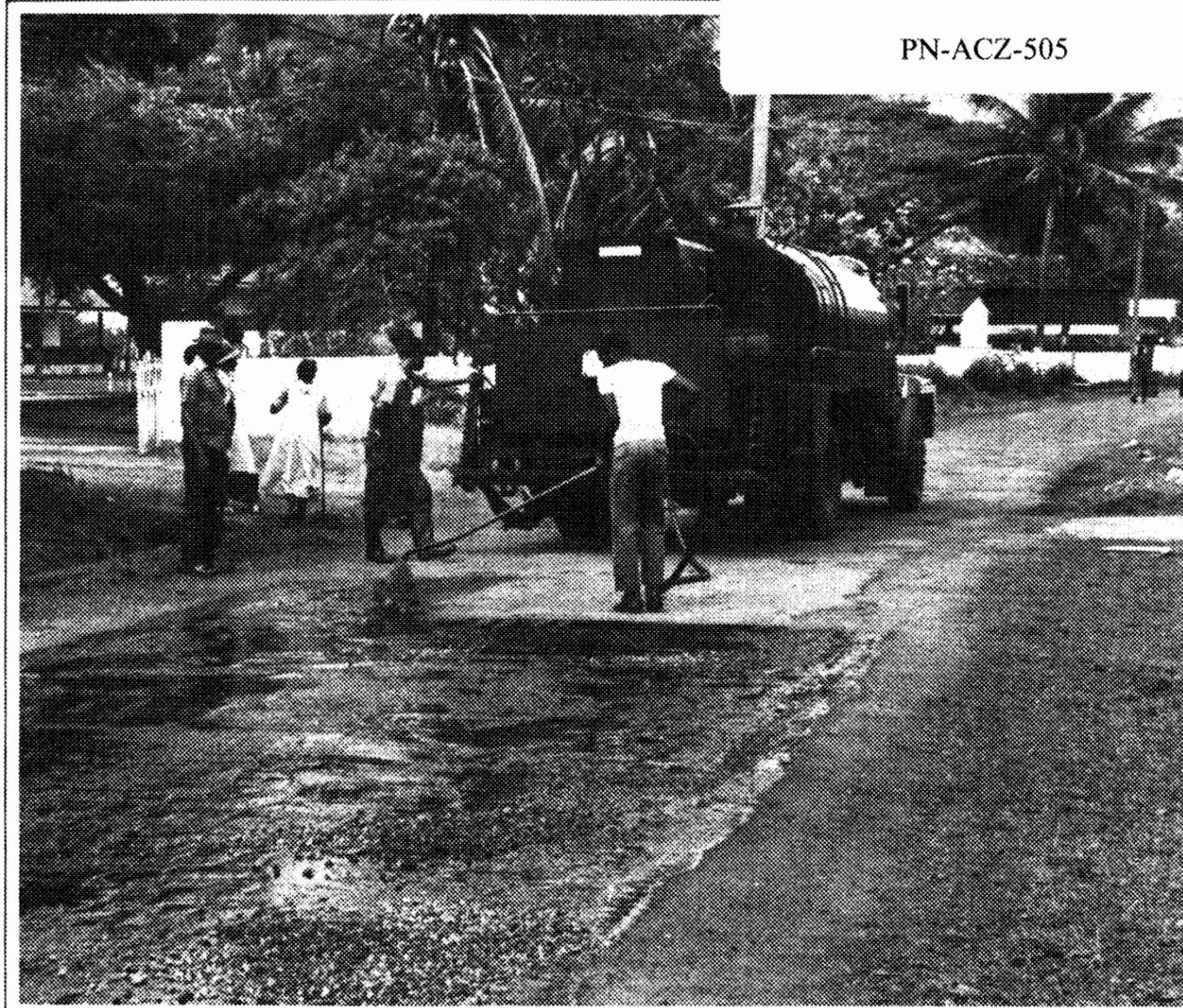
FRONT LINES

THE AGENCY FOR INTERNATIONAL DEVELOPMENT

APRIL 1984

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

PN-ACZ-505



GRENADA OFFICE OPENS

The Administrator Addresses Agency Staff

House Panel Marks Up AID's Bill

AID in Indonesia

McPherson Cites Challenges Facing AID

by Dolores Weiss

With an expression of pride in the Agency, its people, its programs and "what we, together, are able to accomplish," Administrator McPherson began his March 2 address to employees by citing the challenges and opportunities that AID faces in the 1980s.

One of those challenges—accomplishing economic growth while meeting basic human needs—is being met by implementing programs based on the Agency's four cornerstones of development, which he defined as:

- Policy dialogue and reform: To reach agreement with host country governments on policy reforms which provide a positive environment for successful economic development.
- Institutional development: To focus on training, especially with non-government institutions, and to

emphasize long-term commitments patterned on the institution's ability to use them effectively.

- Technology development and transfer: To emphasize finding solutions to age-old problems through inexpensive methods that can be widely disseminated.
- Greater reliance on the private sector and free market forces.

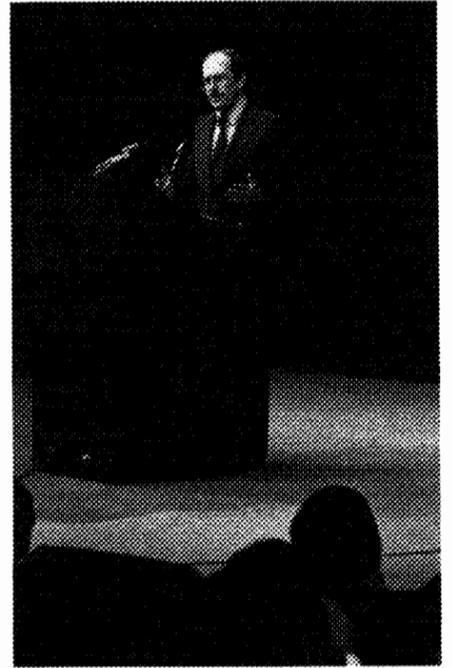
"Development must be broadly based and self-sustaining. Transferring resources alone is not productive," emphasized McPherson. "Development requires generating and spreading useful knowledge, strengthening institutions which are keyed to the real needs of the people, placing practical tools in the hands of the poor, reinforcing the position of indigenous small private business and creating a policy climate in which these basic factors can emerge and flourish. Our philosophy is to help others help

themselves."

In highlighting the accomplishments of the past three years, McPherson noted the strengthening of the Bureau for Science and Technology through the authorization of four directorates. He said AID has recruited highly qualified individuals from the scientific and international development community to head the directorates of food and agriculture, energy and natural resources, human resources, and health and population.

AID has initiated priority efforts calling for increased resources devoted to research in agriculture, fuelwood, biotechnology dealing with major tropical diseases and family planning methods. "We are now organizing region-by-region workshops with mission staff and country research leaders to identify ways to coordinate mission bilateral research projects."

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McPherson: "Development must be broadly based and self-sustaining."



At the NAFEO agreement ceremony were, from left, Nyle Brady, senior assistant administrator for science and technology; Rep. William Gray (D-PA); Deputy Administrator Jay F. Morris; and Ida June Ross, special assistant to Margaret Seagears (right), who is executive director of the White House Initiative on Historically Black Colleges and Universities.

Morris Emphasizes HBCU Involvement

The Agency's program for providing more assistance to historically black colleges and universities (HBCUs) got another boost recently when the Office of Technical Review and Information (S&T/TRI) entered into a cooperative agreement with the National Association for Equal Opportunity in Higher Education (NAFEO). The association, which represents a large number of HBCUs, will play a major role in improving HBCU capabilities related to AID programs, developing information about those capabilities and informing HBCUs about funding opportunities with AID.

This effort will greatly facilitate matching HBCU capabilities with AID needs under the Agency's new Early Alert System. The system is a principal means of carrying out President Reagan's Executive Order 12320 on HBCU involvement and the Gray Amendment on minority contracting.

NAFEO will strengthen HBCU capacity by organizing seminars and

conferences on AID procedures and its country and regional programs, and by leading on-site visits to AID missions.

In signing the cooperative agreement, Deputy Administrator Jay F. Morris, referring to the Agency's initiative, said, "Our actions will speak louder than words only if we have results." In fiscal 1984, the Agency obligated \$5.9 million to HBCUs—an increase over the \$3.7 million in fiscal 1983. "It represents a good beginning," he said, "but we still have a long way to go."

HBCU involvement is coordinated by an Agency HBCU committee established by the Administrator in July 1983. The committee will disseminate information from NAFEO to regional bureaus and missions. Each regional bureau is represented on the committee.

Morris has emphasized the need to expand the number of HBCUs with which AID works, as well as dramatically increase dollar participation.

Action on AID's Bill Proceeds

by Robert Lester

The House Foreign Affairs Committee completed markup March 14 of a foreign aid bill authorizing funds for all AID programs in fiscal 1985 except for Central America.

The Administration submitted two separate foreign assistance bills to Congress this year for worldwide and Central American programs. The committee initially intended to combine both of these bills, but because members were unable to agree on several key Central America issues, only the worldwide bill—without Central American provisions—was reported.

The issues affecting the inability to agree on the Central America bill related primarily to the scope of conditions and limitations to be attached to security aid requests.

The worldwide bill, H.R. 5119, authorizes AID's functional development assistance accounts (exclusive of Central America programs), including the Sahel, at \$1.496 billion—\$86 million more than requested. Functional accounts that the committee increased were population (from \$235 million to \$305 million) and agriculture (from \$682.8 million to \$698.8 million). AID's other functional accounts and the Sahel were authorized at the requested levels.

The committee bill also establishes a new account, a Child Survival Fund, and authorizes an appropriation of \$25 million for the fund for activities to reduce child mortality. Activities would be carried out through bilateral programs or through international organizations.

The committee accepted the following key Administration requests:

- \$75 million for the Economic Policy Initiative for Africa.
- Authority to use up to \$20 million of development funds in fiscal 1985 for the Private Sector Revolving Fund.
- An increase of \$240 million over two years of commitment authority for the Housing Guaranty Program.

Other items authorized include \$378.1 million for operating expenses, \$25 million for disaster assistance and \$21 million for the Trade and Development Program. Also included are higher-than-requested levels for the American Schools and Hospitals Abroad program—\$30 million authorized vs. \$10 million requested—and international organizations and programs—\$279.1 million vs. \$191.8 requested.

The committee also authorized \$3.2 billion for ESF as compared with the request (exclusive of Central America programs) of \$2.8 billion. In the process, the committee adjusted or earmarked the ESF funding levels for a number of countries. Israel's cash transfer program is earmarked at \$1.1 billion—an increase of \$250 million over the Administration request. Egypt's ESF program is earmarked at the requested level of \$750 million, as is Lebanon's at \$20 million.

ESF for the Philippines is earmarked at \$155 million. This reflects the committee's decision not to provide \$60 million in Foreign Military Sales as requested but, instead, to increase the Philippines' ESF level by that amount. Other ESF earmarks: Tunisia (\$10 million), Cyprus (\$15 million) and Turkey (\$175 million).

In addition to placing certain restrictions on the Commodity Import Program in Africa, the bill earmarks \$110 million for programs for southern Africa. This includes a \$5 million ceiling on ESF assistance for Zaire—one-third of the request. This is to be used by private voluntary organizations to deliver services directly to the needy. The committee also required that \$60 million of the \$110 million be used for regional programs in

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Corsi Offers AID's Women Job Tips

Don't be afraid to take risks," said Virginia Corsi at a speech to the Women's Action Organization (WAO), the joint State, AID, and USIA voluntary organization to improve career opportunities for women. A day before she left AID as executive director of the Executive Personnel Assignment Panel, Corsi met with WAO and offered tips on how women might advance in the Agency through such ways as changing attitudes, networking, and seeking mentors. Corsi said that one of the problems women have to contend with is the pressure to be perfect on their own—

“Corsi gave the Administrator and Deputy Administrator high marks on furthering opportunities for women and minorities.”

to be the best and brightest without the help of others. “Men have had the advantage of playing team sports all their lives,” Corsi observed.

She suggested that being a “shining star” is not the way to get ahead in the Agency. A better approach is to bring the suggestions of others into play. For example, a woman could make many points at a meeting if she were to pause and ask, “Well, what do you think of this or that?”

Says Corsi, “Some people are not the most aggressive, ebullient extroverts. If you lay back and ask people what they think, they are going to

like you. And, the more you are thinking of others, the more you're thinking in terms of the team approach. You have got to share your ideas and share the credit. Soon you will notice a difference in your office in the way people perceive you.”

Emphasizing the value of humor, Corsi said, “We can cultivate humor, like we can cultivate creativity, like we can cultivate being a nice person. All your life you're told, ‘don't be flip young lady.’ So humor tends to be suppressed in women. But,” Corsi pointed out, “nobody likes to work with boring people. So, let yourself go. Don't be afraid to be humorous,” she said, injecting some of her own humor in an aside. “I have this theory that there is no gravity; the world turns by the force of irony.”

Administrator McPherson and Deputy Administrator Morris received high marks from Corsi on furthering opportunities for women and minorities in the Agency. “You've got some really good things here in AID,” said Corsi. “It's more than just words, they're really committed to seeing women and minorities come up through the Agency. My presence here at AID has been proof of that.”

“You have to let your bosses know what you want. Don't assume that you are in their realm of thinking when the time comes to fill a slot or give promotions,” advises Corsi. “They may think of you as being great, competent—but unless they know you want to move up, you may not get the chance.”

Corsi is now working for the New York-based Institutional Investor Council.

—Paul Olkhovsky

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Front Lines, a publication for employees of the Agency for International Development, is published monthly by the Bureau for External Affairs. It has been reviewed and approved by the Communications Review Board.

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Markup

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southern Africa. Not less than 70% of the regional amount must be allocated for projects designed and carried out by the Southern Africa Development Coordinating Committee.

With regard to Development Assistance, the bill includes an additional \$16 million in the agriculture account for relief of drought victims in Africa, as well as \$15 million earmarked for resettlement services and facilities for displaced persons and refugees in Africa. Of the amount appropriated for the population account, the committee earmarked 16% for the United Nations Fund for Population Activities. Also, according to the bill, 50% of any amount appropriated for population in excess of the Administration's \$250 million total request must be administered by AID's Office of Population.

New authorities in the bill include:

- The Housing Guaranty Fund is authorized to borrow funds from the Treasury, if necessary, for the program's reserve fund.

- The African Development Foundation is continued until 1990 and \$3 million authorized for fiscal 1985.

Section 416 of the Agricultural Act of 1949 is amended in the bill to allow surplus agricultural commodities to be donated through the P.L. 480 program. Currently, only surplus dairy products may be used under Section 416.

The bill contains several provisions affecting assistance programs in Latin America. It restates current law regarding assistance for Haiti and earmarks ESF for Peru (\$50 million), Bolivia and Ecuador (\$20 million each), and \$45 million for countries in the Eastern Caribbean.

Finally, the bill contains a lengthy provision defining goals and implementation procedures for a scholarship program for economically disadvantaged students from Latin American and Caribbean countries. The provision earmarks \$25 million of funds authorized for AID and the U.S. Information Agency for this program.

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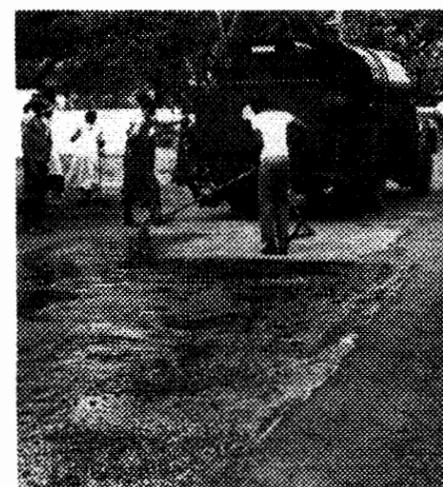
Photo Credits: page 18—Fishermen, by Ed Huffman, World Bank.



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Cover Photo: AID-funded road repair in Grenada also generates employment. The Agency's special mission to Grenada is featured in a story beginning on page 3.

by Dolores Weiss

The most southerly of the Caribbean Windward Islands, Grenada, beckons to tourists and investors. Its shoreline offers numerous coves for the sailor or fisherman. Its crystal waters entice the bather and diver. Lush tropical flora cools travelers during the hour-long drive from Pearls airport, over a 2,000-foot-high volcanic ridge which forms the island's backbone, to the capital, St. Georges. The scenic beauty and friendliness of the people keep the visitor wondering if he really has discovered the perfect island paradise.

But Grenada is not perfect. While it received its independence from Britain 10 years ago, in recent years it has suffered severe economic setbacks. The country's infrastructure disintegrated. The people lost hope.

Jim Habron, associate director of AID's Regional Development Office, Caribbean (RDO/C) and AID representative to Grenada, arrived on the "Island of Spice" Feb. 7. It was the same day that Secretary of State George Shultz made his official visit. It was also the same day Grenadians were celebrating their independence from the British Crown and their renewed independence following the Oct. 25 U.S. rescue mission. The mood was euphoric, the pace hectic. For Habron the mood has changed, but the pace has not.

AID has a difficult task. The approximately 100,000 people of Grenada have had their hope renewed, but it takes more than promises to

AID's Grenada Post Faces Difficult Task



Roads are one part of the infrastructure showing marked deterioration. AID's labor-intensive projects are repairing the island's road system.

overcome a decade of neglect.

Signs of neglect are everywhere. Neglect has led to an "economic growth of almost zero and has impacted seriously on the financial status of the commercial sector," Habron says. "Tourism has declined

to a point detrimental to the island's economic survival and tourist facilities have stagnated."

Roads are one part of the infrastructure showing marked deterioration. Transportation is inadequate. The telephone system is antiquated. Water

and electrical systems are unreliable and the people endure frequent outages. Most public buildings, including schools, require structural repairs as well as a general face-lift. The waste disposal system is dilapidated and, in some places, doesn't exist.

Grenada's infrastructure must be rehabilitated if its tourism, agriculture and industry are to grow. Business will not prosper where it is an arduous, teeth-rattling journey to get to town, where schools have leaky roofs and are without desks, where telephones and electricity are undependable or where living conditions are unsanitary.

To meet these needs, AID's assistance has been divided into three areas: relief, rehabilitation and long-term economic development, according to Habron.

The initial relief program consisted of extensive technical assistance and coordination to restore essential services. Among these were the purchase and distribution of \$52,600 worth of medical supplies to hospitals and health centers and \$2,500 for contracts for trash pickup and mosquito spraying, explained John McEnaney, health development officer, who was on temporary duty assignment (TDY) in Grenada.

Leading the rehabilitation segment of assistance is a project to repair 60 miles of roadway. To date, \$500,000 has been allocated for the task. This labor-intensive project employs approximately 500 Grenadians, according to Jim Baird, a civil engineer on loan from the Jakarta mission. "Up

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AID Cited for Waste Reductions

Repeating its outstanding performance of last year, AID has been cited again for reducing wasteful spending on superfluous pamphlets, periodicals and audiovisual products, according to Kate Semerad, head of the Bureau for External Affairs. The Agency's elimination or consolidation of 108 publications has placed it on the Office of Management and Budget (OMB) list of the 10 government departments and agencies most successful in reducing unnecessary publications.

Government-wide spending for periodicals and pamphlets continued to decline from \$147 million in 1982 to \$137 million in 1983 despite rising publishing costs, according to an OMB report. "From 1981 to August 1983, the consolidation and elimination efforts reduced spending by over 16%." By 1985, it is expected that publication costs will be \$130 million, down from \$165 million in 1981 when the reduction program began. The report also states that throughout the government, 229 uneconomical printing plants and duplicating facilities are being closed and another 46 facilities are being downgraded for a total cost-reduction of \$50 million annually.

To assist in the acceleration of savings, OMB has revised Circular A-3 which offers guidelines for making reductions, sets a procedure for a thorough, annual review of all publications in every agency and gives consistency of definition, coverage and application to remove ambiguities.

Because of the importance of oversight in the area of publications, "for the first time, all publication and printing savings identified will be included in the federal budget starting in 1985," according to a recently released statement from OMB's Office of the Counselor.

AID's savings continue to be achieved by the Communication Review Board's (CRB) careful review of existing communication products and of proposals for new publications, posters, films and audiovisuals in their concept stage, Semerad explained. "The CRB has been very effective in fulfilling the President's 1981 mandate." She stressed that success has been increased by cooperation of AID management officials in establishing controls governing communication proposals and products.

The CRB also is examining a plan to develop and carry out a user fee mechanism for AID publications to comply with OMB Circular A-25. The proposal calls for CRB to identify potential publications as candidates for user fees, and the Office of Management Operations in the Bureau of Management to compute the fees, handle distribution, collect and account for all fees.

Biological Diversity Gets Plan

The Agency has formed an Interagency Task Force to carry out a Congressional mandate to prepare a U.S. strategy to protect biological diversity in developing countries. The strategy is to be submitted to Congress by Nov. 22.

Nyle Brady, senior assistant administrator for science and technology, is chairman of the task force, which includes representatives from the departments of State, Interior, Agriculture and Commerce, the Environmental Protection Agency, the Council on Environmental Quality, the National Science Foundation and the Smithsonian Institution. John Eriksson, deputy assistant administrator of the Bureau for Science and Technology (S&T), is chairman of the task force's secretariat. James Sherburne of Interior's Fish and Wildlife Service, who currently works in AID's Office of Forestry, Environment and Natural Resources in S&T, is technical coordinator for the secretariat. He will work closely with Brady, Eriksson and the S&T advisory group.

A background paper establishing the scope of the strategy, compatible with AID's mandate and operations, has been prepared. The strategy will cover

the five categories used in the AID-sponsored Strategy Conference on Biological Diversity, held in November 1981:

- Terrestrial plant species, both cultivated and uncultivated.
- Terrestrial animal species, both domesticated and wild.
- Aquatic species of both plants and animals.
- Microbial resources.
- Maintenance of ecosystems.

Policy-level representatives on the task force are reviewing the paper and plan of action so that they can assign work to technical representatives of each agency and agree on a wider review mechanism in preparation for White House submission to Congress.

A schedule submitted to Administrator McPherson last month calls for the following actions by the end of April:

- First meeting of the task force's technical working groups to devise a plan of action.
- An AID/W inventory of ongoing activities that conserve genetic resources and a cable to missions to refine and solicit recommendations.
- Meetings between the secretariat and outside groups such as conservation organizations, businesses, universities and Congressional staffs.

By Labor Day, the schedule calls for preparation of a draft strategy and subsequent review by AID and the other participating agencies. A cable to missions summarizing the draft and asking for comment also is scheduled.

Grenada

From page 3, column 4 until January it was almost impossible to drive along the Grand Anse Road," he said. "The Grenadians have been patching potholes, cleaning drainage ditches and adding culverts." He estimates that 30% of the bananas trucked to port for export are spoiled because of jarring potholes on the main roads and the lack of feeder roads.

"AID is working closely with the Ministry of Construction," Baird said. "The Grenadians are identifying road segments for repair and providing cost estimates. We are working up the agreement and prioritizing projects. We also are considering a long-range highway project and are looking to have the asphalt plant operational again." Since transportation plays such an important part in the revitalization program, a total of \$6.5 million will likely be obligated for road repair as part of the long-term economic development plan.

On a personal services contract for 90 days, William Fuller worked closely with the Ministry of Education and Sgt. Emilio Infusino of the 416th U.S. Reserve Civil Affairs Co. to help rehabilitate the island's schools. "Some 44 schools have not had any maintenance since 1979," Fuller said. "With the men of the 416th, we have been repairing sanitation and water systems in the schools, repairing roofs, adding drainage pipes and performing general maintenance to the buildings." Infusino added, "We also have been providing nuts, bolts, rivets and labor to assemble about 2,000 chairs and



AID Representative to Grenada Jim Habron (background) visits a field being planted in sweet potatoes. Agriculture employs about two-thirds of the work force and accounts for one-third of the island's gross national product.

desks for the schools."

AID is providing funds to recruit and bring teachers from Barbados to fill the vacuum created by the Cubans' departure, said Fuller. The AID-supported Caribbean Basin Scholarship Fund and other regional training funds presently are providing training opportunities for Grenadians. For the long-term, AID plans a manpower skills survey for a participant training program, as well as a review of textbooks and evaluation of curriculum.

McEnaney emphasized that all rehabilitation projects have been designed to improve living conditions and support increased employment.

A project of \$42,000 to repair almost 200 refuse bins was agreed upon in December. Over 1,000 of 1,500 planned pit latrines have been installed and nine public latrine facilities have been improved. These projects are funded by a \$115,460 grant. In addition, electrical transmission facilities will be rehabilitated so that electrical power is more reliable.

Besides the \$2.2 million in Office of U.S. Foreign Disaster Assistance emergency relief programs, AID is making available \$15 million aimed at long-term development and rehabilitation. Projects already launched include a \$5 million economic stabilization grant to increase financial liquidity and improve the balance of payments, \$1.5 million for Project Hope operations in the public health sector, \$400,000 for an American Institute for Free Labor Development project and \$300,000 to add Grenada to the Coopers & Lybrand contract for private sector development under the Project Development Assistance Program (PDAP). Ted Morse, RDO/C deputy director, believes that the support provided through PDAP will give a major boost to trade and investment. The PDAP resident adviser will maintain close ties with the Overseas Private Investment Corp. and the local chamber of commerce to increase investor understanding of opportunities in Grenada and to help attract investment to create employment and promote economic growth.

Additional funding of \$2 million to revitalize agriculture and \$800,000 to fund a scholarship project also are being planned under the long-term assistance program.

The economic development of Grenada will, for a large part, depend on agriculture, according to Jim Murphrey, an AID agriculture adviser serving temporarily in Grenada. Agriculture employs about two-thirds of the work force and accounts for one-third of the gross national product. Murphrey noted that the country's land use program has been disrupted for years. The Grenadian government plans to return state farms to the farmers, he says, but it needs help in determining the best method, examining legal aspects and providing

appropriate assistance to the farmers. AID also is considering the restructuring of Grenada's National Marketing Board and proposing alternatives to the present system.

It takes commitment, money and trained people to reverse the trend of neglect and revitalize a country. In addition to its resources, AID has enlisted Grenada's private sector and the interim government to accomplish the task.

RDO/C has been working in Grenada since the second day of the rescue mission when Morse arrived to coordinate the evacuation of Americans and direct emergency assistance. As Morse identified a task, the Barbados mission sent TDY staff to get the job done.

Now, almost four months after the special mission office in Grenada was authorized, the flow of TDY people has increased. Habron was the first permanent AID direct hire on the island. While RDO/C will continue to provide much of the office's support, Habron stresses the need for continuity. "The importance of getting in permanent staff quickly cannot be overemphasized," he says. "This will give the program a permanency in direction, understanding and relationships. It also will increase the efficiency of the program."

Although all members have not arrived, the mission will include Habron, an engineer, a capital development officer, a controller, and a general development officer. The staff will be augmented with foreign nationals (two are coming from Guyana), personal services contractors and TDY officers from the Barbados mission. Presently, the work is being done by AID direct hires on loan from other missions, foreign nationals on TDY, retired AID staff under personal services contracts, Participating Agency Services Agreement personnel and the U.S. Army Civic Action Group from the 79th Army Reserve Command.

A major concern of staff coming to an "island paradise" is isolation. Grenada covers only 133 square miles—about twice the size of the District of Columbia. The island has only one radio station. Television doesn't exist. Finding suitable housing is also a problem. Habron's goal in the operation of the special mission is that "it function as a team, but live as a family." The team will work long days to carry out the AID strategy of increasing employment, reducing the role of government, stabilizing the economy and rehabilitating the basic infrastructure. Habron said, "Because the proposed staff are people who have considerable experience with AID overseas," he continues, "the Agency expects that they will be able to get off the ground quickly and maintain a productive attitude."

Particular attention will be given to revitalizing private sector institutions such as the chamber of commerce, tourism associations, producers' associations and co-ops, and small business groups. The stimulation of private local and foreign investment also will be stressed with the goal of creating new job opportunities.

Weiss is assistant editor of Front Lines.



Business will not prosper where schools have leaky roofs or are without desks. Working with the Ministry of Education, a personal services contractor and the 416th U.S. Reserve Civil Affairs Co. have rehabilitated many of the island's schools.

PERSONALITY FOCUS

Sarah Tinsley

by Kimberly Getto

Sarah Tinsley learned at a young age that in order to get ahead, you have to take risks. The "no guts, no glory" philosophy of her parents became a kind of catechism that helped shape her thinking and world view.

But risk-taking is really only one part of a dual philosophy. The other part: setting high goals and working for them until you reach them. The drive and sense of mission that these ideals engender make talking with the director of AID's Office of Women in Development (PPC/WID) a very interesting experience.

In the two years that Tinsley has directed WID, she has set goals which, in retrospect, seemed insurmountable. This made reaching them all the sweeter.

The major goal—making women in development a "development" issue rather than a "women's" issue—is critically important, says Tinsley. In her calm, self-confident manner of speaking, she proudly points out that this is exactly what's happened over the past two and a half years.

When Tinsley joined the WID staff in September 1981 as acting deputy director, the consensus was that she had been sent from "upstairs" to close up shop. "The first six months on the job I had to respond to this misconception more than anything else," she says with a relaxed smile. "But with Administrator McPherson's support, I was able to expand the operation and begin doing exactly what our mandate says: integrate women into the Agency's work."

Eleven years ago, Sen. Charles Percy (R-IL) introduced women-in-development language into the Foreign Assistance Act. It directs that AID shall recognize the role of women in economic development and integrate them into the economies of their own countries. PPC/WID was established the following year to influence development policy to this end.

Meeting the challenge of incorporating the WID mandate with all elements of the Agency's work required dedication and long hours. It consumed Tinsley's time. Although living near the Agency makes late night and weekend work a little easier, Tinsley is starting to look for some balance in her life these days. "You can get too much of a good thing," she says with a laugh.

"I have always felt it's a real struggle for women to gain credibility, especially without an advanced degree. I lived by the rule that I had to work very hard—harder than anyone else—and do the best possible in order to achieve my career goals."

But now she says that she is going through a "metamorphosis" in her life and work. An attractive woman, Tinsley, who just turned 30, recently married.

"I am beginning to understand that it takes more than a job to be truly successful. It takes a family and a set

of personal vocations in addition to your career to have a balanced life. I haven't taken much time to develop other aspects of my life, and I look forward to spending more time expanding them."

Four years after Tinsley was born in southern California, her family moved to McLean, VA. Two years later her father retired from the Marine Corps and began his second career as an attorney representing Mexico's private interests in the United States. Her mother had her hands full with four children—three girls and one boy—and all of the activities they enjoyed. For Tinsley, this included horseback riding and swimming.

A 1976 graduate of Skidmore College in Saratoga Springs, NY, Tinsley spent many weekends and holidays in nearby New York City. But although she loves New York, she returned to McLean after graduation with hopes of working on the Republican Presidential campaign. "Growing up in McLean, national news was always local news. My parents have always been interested in politics and encouraged me to be involved politically."

In August 1976, Tinsley took a job with the Republican National Committee (RNC) where she worked in the financial division. By the end of the year she was promoted to the political division to work on the 1978 Congressional elections as liaison with the Republican state committees.

It was at the RNC that Tinsley met her future husband David Demarest, who was an assistant to then-chairman of the RNC, William Brock. Ambassador Brock is now the U.S. Trade Representative and Demarest continues to work for him as director of public and intergovernmental affairs.

Early in 1978, Tinsley joined Sen. John Warner's campaign. She was logistical director for the largest state convention on record. "Leaving the relative security of a job at the RNC to work on a short-term project seemed risky at first," she recalls. "But I had the support of my family and friends. Many of the risks I took in those early years were due to my parents' belief that life is too short not to take chances."

In 1978, she went to work on Capitol Hill, first for Rep. Willis Gradison Jr. (R-OH), and later for Sen. Howard Baker Jr. (R-TN).

Just before joining AID, Tinsley was political director for political action committees at the National Republican Senatorial Committee. In this job, she spent a lot of time on the road, speaking to corporations on behalf of 1980 Republican challengers and incumbents.

"I had been intrigued by the issue of women in development for a long time," says Tinsley, "and I really started my education in development the day I walked into PPC. I was able to get a good overall understanding of our policies and programs because WID deals with all four regional bureaus and all sectors. The past



Tinsley: "It takes a family and a set of personal vocations in addition to your career to have a balanced life."

director of the office, Paula Goddard, took me completely under her wing and talked 'development' to me for one full year. It was the finest education I could ever have had."

One of the most valuable tools that WID has used to facilitate women's integration into the Agency's work has been two workshops held in Washington, DC. It is hoped that the workshops will be offered overseas in the near future.

The workshops were conducted under a contract with the Harvard Business School. Participants of the two-day program included senior Agency officials who play important roles in project review and implementation. They were given the description of a project and asked to analyze it in group discussions using the Harvard Business School case method.

In addition to the workshops, WID supported the first Association for Women in Development meeting in Washington, DC, last October. Over 900 women from across the United States attended. It was standing room only. Sen. Percy and Administrator McPherson addressed the opening session. "I think they were quite surprised when they saw such an enormous crowd," Tinsley laughs. "I am convinced that they expected to see about 30 women."

Still another accomplishment that Tinsley cites is AID's women-in-development policy paper, which was approved in October 1982. It is more extensive than any other donor country's and some are using it as a model for developing their own women-in-development policies.

"Here at AID," says Tinsley, "the policy paper has given us 100% more clout than ever before. It elevates the whole issue of women in development to the policy level and can be used

to determine whether a Country Development Strategy Statement (CDSS) or a Project Identification Document coincides with what is now Agency policy.

"Without Peter's support, people's expectation's *would* have been met: WID would have gone by the wayside and continued to be a marginal issue rarely considered, and usually chuckled at. This has been our last big push. Finally, we are doing what we were told to do 10 years ago. Women in development is no longer just a part of the appendix. It has become part of the body of documents, strategies and projects."

Even with the glow of these accomplishments, Tinsley admits that it's tough working in what she describes as an "advocacy" office. "You often feel that the gains are miniscule, and if you have to answer the question 'What is WID?' one more time, you'll scream." But lately, the staff has found the topic is no longer an uncomfortable one, and every meeting isn't a battle. People are realizing that the topic of women in development doesn't have to be raised by a WID staff member. It can be raised by anyone.

"The most gratifying experience for myself and the staff," she enthuses, "is to return from a policy discussion or a CDSS review and report that we didn't have to raise the issue of women in development. It is now an integral part of the dialogue—not just to satisfy requirements, but because it's important."

"We are seeing the fruits of our labor," she smiles, "and that's a good feeling."

Getto is deputy director in the Office of Interbureau Relations and Special Projects in the Bureau for External Affairs.

Volunteers Needed for Bookfair '84

Volunteers are needed to help prepare for this year's Bookfair. The October event is sponsored by the Association of American Foreign Service Women.

Chairman of Bookfair 1984 Marilyn Steigman says that volunteers are needed to sort, price and box donated books. Those with cars are needed to pick up books from donors. Steigman emphasizes that even an hour a week can be helpful.

Books, stamps, records, paintings, prints, drawings and posters are needed now. If the green collection boxes placed throughout the State Department are not convenient, the bookroom can be called (223-5796) to arrange for a pickup.

Those who want to volunteer or need more information, should call or visit the bookroom, Room 1524 NS, next to the cafeteria. The bookroom is open 2-3 p.m. weekdays, except Wednesday.

AID BRIEFS

Upton Nominated for Award

Barbara Upton, chief of the Office of Donor Coordination in the Bureau for Program and Policy Coordination, is AID's nominee for the William A. Jump Memorial Award. Presented annually, the award recognizes "outstanding service in administration and notable contributions to the efficiency and quality of public service." The award includes a gold key and a certificate of merit.

Upton has been in charge of AID's participation in U.S. policy-making regarding the multilateral development banks (MDBs) which finance development projects in the Third World. Her citation reads: "Her informed and forthright leadership and her outstanding ability to negotiate and resolve very sensitive U.S. government-MDB issues have enabled AID to take its rightful role in the decision-making process on all policy and program aspects of multilateral lending."

The Jump Award was established in 1950 to encourage young people's interest, growth, development and performance. They must have demonstrated, over a period of years, unusual competence in public administration, leadership, creativity and resourcefulness, adherence to the basic principles of enlightened public service, integrity, and dedication to duty.

May 4 Ends Bond Drive

May 4 concludes the 1984 U.S. Savings Bond campaign. To enroll in the payroll savings plan, employees should contact their office key worker or call the Employee Relations and Services Division in AID's Office of Personnel Management, SA-1, Room 1116, telephone 632-2954.

Arterbery Is Confirmed by U.S. Senate

Another member of the board of directors of the African Development Foundation (ADF) has been confirmed by the U.S. Senate and sworn in. He is A. C. Arterbery who will serve a six-year term.

Arterbery points out that ADF, which began officially in October, "will neither initiate nor operate projects, but will provide grant funding to projects which indigenous groups undertake to foster their own development and benefit the poor."

Its precedence is in the Inter-American Foundation which has assisted local groups in Latin America and the Caribbean for the past 13 years, Arterbery said. "We, as a board, hope to formulate policy that will build on this base of experience and adapt it, where necessary, to fit the African environment."

He has been with TRW's Electronics and Defense Sector for 22 years and now serves as manager of information resources.

Staff

From page 1, column 3

They also will establish intercountry research networks including AID/W-funded and managed "ribbon projects," which will provide technical backstopping.

The new Bureau for Private Enterprise (PRE) was established to focus on host-country private sectors, including cooperatives and social marketing organizations. McPherson said that PRE is strengthening ties between the United States and indigenous private sectors in training, research and development, marketing and credit for small businesses. He also called attention to the recent Congressional authorization of the Private Sector Revolving Fund which will be used to finance specific projects through intermediate credit institutions in developing countries. "The work of PRE is key to the success of development goals of the Caribbean Basin Initiative (CBI) and other projects throughout the world," he said.

Turning to the Bureau for Food for Peace and Voluntary Assistance (FVA), McPherson credited it with integrating P.L. 480 food with development programming without diminishing its humanitarian character. As an example, he cited Church World Services in Peru, which is supervising a countrywide reforestation program using commodities as compensation for work. Also, Title II feeding programs, when properly targeted, lead to sustained improvements in nutrition as well as increased school enrollment and attendance, McPherson said. "FVA has taken the lead in the Agency to highlight the contribution that private and voluntary organizations (PVOs) can make to development," he emphasized.

With the recent transfer of responsibility to AID for Section 416 of the

Agricultural Act of 1949, the Agency has set up a system to distribute surplus dairy commodities. McPherson pointed out that Section 416 "complements P.L. 480 Title II efforts and is another opportunity we have to meet the needs of hungry people."

The Administrator reported that AID's relationship with the State Department has been greatly strengthened. Noting that he regularly attends meetings with Secretary of State George Shultz, McPherson said, "We are in the same room when decisions are being made and can bring up development impact issues . . . our presence has been extremely productive."

Closer working relations also have been established with the White House, Congress, the World Bank and regional banks, and the public. "The Hill has responded quite positively to virtually all of our major legislative initiatives," he added. As examples of positive legislative steps recently taken, he cited *El Niño* disaster funding, the \$15 million economic assistance package for Grenada, the PRE revolving fund and deobligation-reobligation authority. He also pointed out that AID's budget has continued to increase each year.

"In the eyes of the decision-influencers and decision-makers of this country," McPherson said, "we have taken our proper place as a major factor in world affairs. And, as a result, this Agency has attained a greater degree of stability than ever before." AID's new relationship with the U.S. Information Agency will serve to further increase visibility by increasing communication about AID's programs to the world, he added.

Assisting the developing countries to confront massive economic problems effectively, with the limited resources available, requires a carefully thought-out foreign assistance program and greater support from the public. The

Carlucci Commission, charged with reviewing the foreign assistance program and making recommendations, strongly endorsed the four policy cornerstones we have in place, reported McPherson.

To improve the conditions for economic development required to foster stability and democracy in the Caribbean, President Reagan's Caribbean Basin Economic Recovery Act became law on Jan. 1. McPherson said the initiative will enhance the competitive enterprise system through free market forces, encourage diversification of agricultural and industrial production and develop business opportunities and jobs in the region.

AID also has taken the lead in disseminating oral rehydration therapy (ORT) which promises to substantially reduce millions of diarrheal disease-related deaths among infants and young children. Also, research on a vaccine against malaria continues to receive AID support. Clinical testing on humans is expected to begin in 1985.

In other efforts, AID has eliminated any support for abortion or abortion research and consolidated its population program by strengthening ties with population-related PVOs.

Recognizing that education is an important element in building developing country institutions, AID has increased its support for training both in local regional programs and in the United States through participant training.

Looking to the future, the Administrator said, "Future directions must be an extension of the major thrusts of the past three years. AID must continue to be an innovative agent for change." Then, he discussed five points which will need special emphasis over the next two years.

Free market forces provide the most stable foundation for economic development and the growth of

democracy, McPherson noted. There will be a major emphasis to move from government-to-government programs toward the private sector, which will assist in meeting basic human needs. AID will build upon the existing PRE initiatives to expand the Agency's focus on agriculture, health and medical services; start a program to use local currencies for host-country private sector development; commercialize technology; and expand co-financing programs and arrangements with intermediate institutions to increase the impact of official funds.

The establishment of a clearly defined AID philosophy of operation is another of the points. "Good management means fully using the hard-won ability of people in various disciplines to take responsibility for the separate levels of the program-project cycle. It means getting decisions made by those most competent to make them and most responsible for them—including women and minorities," stated McPherson.

Emphasis on project implementation will definitely increase, he said. Although he said that he believes everyone in the Agency is committed to its goals, McPherson stressed, "We must get the job done right." Giving the field broader authority will be one way to improve implementation. Emphasizing training will be another.

The other points that AID will emphasize will include further developing the Agency's science and technology priorities, distributing ORT worldwide, and increasing the size and quality of participant programs.

In closing, McPherson stated, "We can be proud of the things we have accomplished these past three years for our country. Our job now is to build on the past, improve on the present and approach the future with confidence."

Weiss is assistant editor of Front Lines.

Entrepreneurs Capitalize on Credit Aid

by Dolores Weiss

When Hurricane Allen lashed into Dominica four years ago, power lines were strewn about, and for weeks, slim, white candles were the major source of light after the sun set. However, the only candles available were imported, and soon the supply dwindled.

In a country with a population of 80,000 and where hurricanes and power outages are not unusual, there is a substantial need for candles. To capitalize on that need, a half dozen local young people came together with the idea of starting a candle factory. But they had no equipment and no credit—just an idea, a willingness to work and the National Development Foundation (NDF) of Dominica which AID funds.

With the foundation's help, the young entrepreneurs were able to obtain credit, buy equipment, find a wax supplier and start a candle factory. The group now includes a dozen young men and women and is the only producer of candles on Dominica. Their plans include expanding their market to nearby island countries and making colored candles for the holidays. Without NDF assistance, the group of young people might still be unemployed.

The Pan American Development Foundation (PADF) and Partnership for Productivity International (PPI) made an agreement in 1981 to provide NDF with technical assistance, training and overall guidance. NDF also obtained grant assistance of \$325,000 from AID, \$102,000 from PADF and \$9,000 from PPI. PADF and PPI also assist other development foundations throughout the Eastern Caribbean.

Since its start in Dominica, NDF has provided credit and technical assistance to over 200 small businesses, according to Anita Bully, NDF executive director. Through this assistance, the private, non-profit organization has supported more than 445 jobs. Each new job helps reduce



National Development Foundation (NDF) Executive Director Anita Bully (right) visits client Justina Cuffy's produce stall on the outskirts of Roseau in Dominica. NDF's first huckster loan went to Cuffy.

Dominica's high unemployment rate, estimated at 15-25%.

NDF represents an effort by the private sector to participate in the development of small business through financial support, time, talent and expertise. The organization is particularly interested in helping people with limited economic means to improve their standard of living, explains Bully. Although AID is the principal donor at this time, the private sector is expected to become the main source of funds for the program. The board of directors includes members from both private and public sectors who are willing to volunteer their time and experience to promote the development of small businesses.

Bully defines a small business enterprise, for the purpose of obtaining assistance, as one with assets of up to \$25,000. It may be owned by one

or more persons and employ not more than 20 persons.

The NDF of Dominica works primarily through a loan guaranty mechanism. It concentrates its guaranties and accompanying training and technical assistance on projects that demonstrate potential for serving Dominica's broad development objectives. Accordingly, the project should either create employment, use local raw materials, produce products of value to the community, stimulate exports or reduce imports. Another important objective is that the project facilitate opportunities for women to operate small businesses.

"The business community in Dominica recognized that for real progress, we must have a larger productive sector to generate the wealth necessary to build our country and to ensure a sound future for all Dominicans," explains Phillip Nassief, a prominent local industrialist and founding member of the NDF board of directors. "We recognized that in our midst, we have a core of dynamic young people with potential to make a contribution in development if only they can obtain some additional capital and training." NDF arranges for the necessary capital and training.

Small businesses receiving NDF assistance do not qualify for normal commercial loans from a bank, says Bully. When an entrepreneur satisfies the foundation that he will be able to manage the business and pay back the loan, NDF arranges for credit with one of four local banks or the government-owned Agriculture, Industrial and Development Bank.

The foundation does not give loans directly to the client. Instead, it deposits its funds in one of the cooperating banks, the bank issues the loan, and the client repays the loan directly to the bank. "One of the benefits of the program," Bully points out, "is the training which gets clients

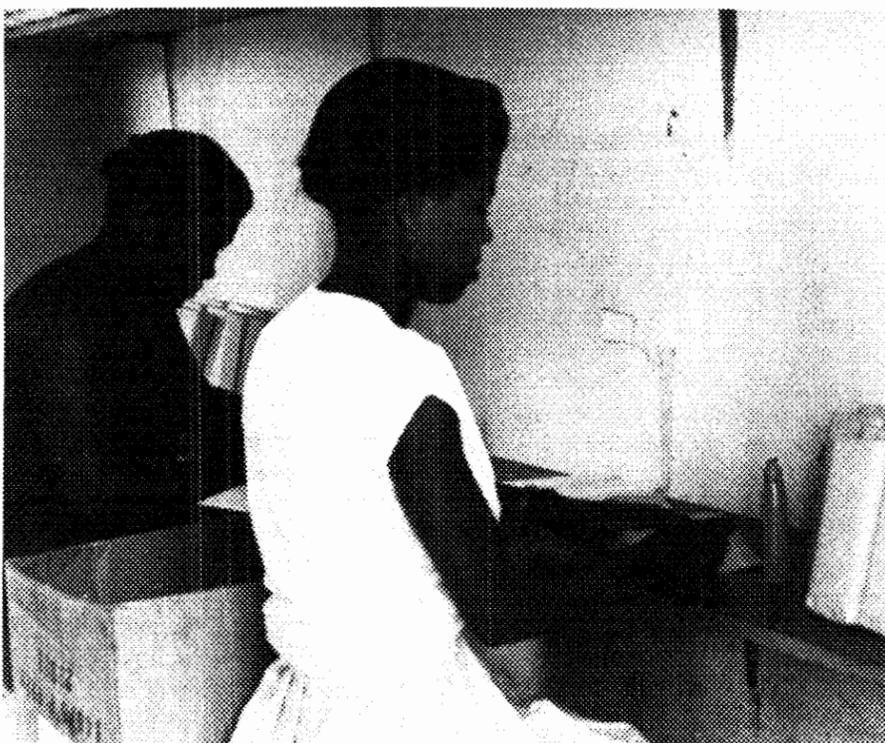
used to dealing with a commercial bank. We also emphasize meeting deadlines so that in the future, the entrepreneurs can acquire loans on their own."

During 1983, the foundation received 320 applications and approved 135 loans totaling \$360,000. The loans assist enterprises ranging from home production of uniforms to carpentry to welding. For example, an unemployed factory manager with a talent for working with straw borrowed \$1,850 to set up a handicraft shop. She now employs two others. In three months she repaid \$1,000 of her loan. With a loan of \$14,705 from NDF a man bought a cement block making machine. He now employs 14 people and makes four-inch and six-inch blocks used in building construction. To help develop the island's farm marketing system, the foundation's directors authorized a \$1,400 loan to a "huckster"—a woman who purchases produce for resale in the local market and for sale on other islands. Since then, 17 more loans have been approved for hucksters.

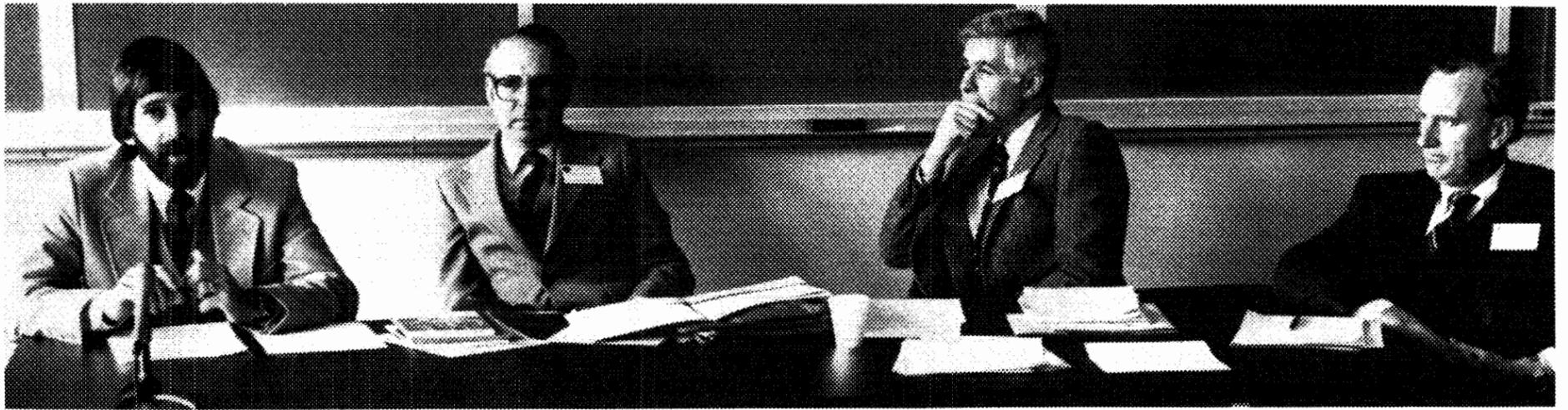
Although Bully says that the loans are very high-risk, she is proud that to date only "four loans have been written off." She attributes this success to the field officers "training clients in bookkeeping, marketing and management." Field officers visit the client and start training and advising him four to six weeks before he gets the loan. In the business' start-up phase, field officers continue to visit their clients regularly—at least twice a month. Assistance can include everything from procuring raw materials to marketing and keeping the financial records.

To reach a wide variety of persons, in 1983 the foundation visited 23 of the 31 village councils throughout the country. NDF representatives acquainted the councils with the

(continued on page 8)



Young entrepreneurs package candles manufactured in their candle factory, started with credit and training from the foundation. The only source of candles on Dominica, the factory is expanding its market to surrounding islands.



Michael Farbman (left) of the Bureau for Science and Technology's Office of Rural and Institutional Development participated on a panel at the SID conference which examined small-scale enterprises. Other panelists, from Farbman's left, are Herb Werlin of the Council for International Urban Liaison, Arthur Gibb of the U.S. Naval Academy, and Friedrich Kahnert of the World Bank.

Meeting Explores Trade & Development

Free trade and free societies are two requirements for development, Lawrence Krause, senior fellow at the Brookings Institution, told a Washington, DC, audience of development professionals March 14. Speaking at the annual meeting of the Washington chapter of the Society for International Development, Krause focused his keynote address on trade as a vehicle for development. The conference theme was "Trade and Development: Economic Realities and Political Risks."

Free trade is of supreme importance, Krause said, because the absence of trade restrictions encourages "specialization of production, maximum use of the gross national product, efficient use of domestic resources and the importation of goods a country produces less well. Free trade maximizes the economic welfare and promotes economic growth," the Brookings scholar said.

An outward-oriented (free trade) policy is preferable to an inward (self-containing) policy because outward strategies promote rapid, sustained growth, according to Krause. He used Australia as an example of the effect that inward-oriented policies can have on an economy. In 1870, he said, Australia was the richest country in the world. But since the end of the 19th century when its government adopted an inward-oriented policy, its trade has stagnated and its relative income has declined.

Free societies with less-regulated economies tend to enjoy greater growth and more development, he said, comparing the economics and policies

of North and South Korea, and Vietnam and Thailand.

When there is a great deal of government intervention, most talented people withdraw from the industrial sector or leave the country, Krause noted. Without capable managers, production declines. Government restrictions also motivate businessmen to apply their energies to circumventing the system, rather than to production and growth.

Where countries follow free market policies, their vulnerability to imbalances in their international payments is lessened even though they are heavily dependent on trade. Taiwan's economy, for example, is very dependent on trade, and although the country has borrowed, it is not in debt.

Pointing to one of the two-day meeting's panel discussions, "Trade and Debt Prospects for Developing Countries," Krause declared that Third World debt problems can be linked to trade restrictions, which cut off growth.

In that session, William Kline of the Institute for International Economics noted that although the large external debts of the less developed countries (LDCs) create substantial uncertainty and risk, international trends are favorable and the credit worthiness of LDCs as a group will improve. "It is essential, however, that LDC export levels increase," Kline said.

In another session, "Promoting Small-Scale Enterprises, Going Beyond PISCES," panelists discussed how helping small businesses can contribute to development.

Michael Farbman, chief of the

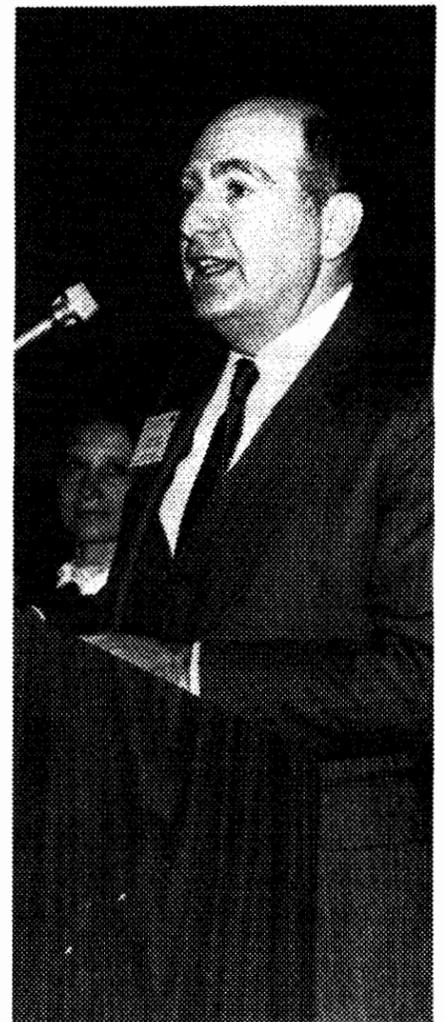
Employment and Small Enterprise Division in the Bureau for Science and Technology's Office of Rural and Institutional Development, summarized AID's Program for Investment in the Small Capital Enterprise Sector (PISCES). He said that PISCES was set up in 1978 to deal with "the very bottom of the economic sector—the informal sector of micro-enterprises comprised of one to five persons, usually family-oriented and home-based." Farbman maintains that the informal sector has a high profile in trade. He cited 300,000 separate enterprises in Lima and 500,000 members of the Jakarta labor force, which numbers one million, as indications of the informal sector's magnitude.

During the research and development phase of PISCES, Farbman said, AID examined the problems of urbanization, the needs of people in the informal sector, the indigenous institutions available to meet their needs and the success rate of meeting those needs. He reported that AID found small amounts of credit were the most manageable and that groups were most successful at borrowing and guaranteeing repayment.

Furthermore, research found that to reach the informal sector, local outreach programs and private voluntary organizations are the most effective. Although government programs were found to be relatively less effective in giving assistance, it was determined that government policy influences every aspect of the informal sector. But the crucial limiting factor, Farbman said, is marketing. AID is preparing for a reporting workshop which will be held in Washington in June. The final report will follow in September.

Another panelist, Arthur Gibb, who is a professor at the U.S. Naval Academy, characterized the informal sector as a "foot in the door of development." While too small for effective government assistance, the sector can benefit from policy reforms and less regulation, he said.

A panelist from the World Bank, Friedrich Kahnert, said that he sees programs such as PISCES as helping to eliminate poverty and boost standards of living. Credit, managerial assistance and training are more important to the success of these enterprises than are grants, he added. For example, in the slums of El Salvador, 85% of the



Keynote speaker Lawrence Krause, who is senior fellow at the Brookings Institution, discussed trade as a vehicle for development.

loans were to women entrepreneurs. The two percent who defaulted on their loans did so because of a "failure in training," according to Kahnert.

In the meeting's closing address, Shahid Javid Burke, director of the International Relations Department of the World Bank, pointed out that Latin America and sub-Saharan Africa face particularly difficult problems in the future, even with the projected world economic recovery. Because of their enormous external debts, they will have problems maintaining investment levels, he said. "While recovery in growth and trade are necessary, expansion alone will not pull Latin America and sub-Saharan Africa along; these two areas will need special attention," he continued. That attention should include substantial resource flows from both multilateral and bilateral donors for the next two decades, according to Burke.

Dominica

From page 7, column 4

program's purpose and explained how enterprising people in the community could receive assistance. Following those meetings, 222 of the 320 applications received were from villagers.

Although, at first, farmers were not among NDF's clients, the foundation has introduced a program to benefit banana growers. With assistance from the Dominica Banana Growers Association, NDF is making credit available for private packing sheds and pro-

curing sleeving to ensure that bananas which are exported are of the highest possible quality.

NDF plans to continue expanding its services and to continue assisting the private sector in Dominica. To be self-sufficient, Bully believes the foundation needs to maintain a large number of loans. By 1985, she expects that the foundation's portfolio will include 250 loans, valued at \$1 million, supporting 600 jobs.

Weiss is assistant editor of Front Lines.



At left, borrowers wait outside a rural credit facility near Semarang in Central Java. It is one of the institutions supported by a six-year AID project.

MISSION OF THE MONTH

AID'S MISSION IN INDONESIA

by Joseph A. Esposito

Every workday by 7:30 a.m. employees at the AID mission in Indonesia are at their offices in the Embassy compound. Every day, that is, except the 17th of each month, when many get caught in traffic jams created by the monthly Indonesian celebration of independence.

Traffic is congested on these days because all Indonesian government officials, uniformly dressed in blue batik shirts, flock to early morning speeches and ceremonies. This show of solidarity is repeated throughout the republic and is known as Hari Kemerdekaan.

But such regimentation belies the great diversity of Indonesia, whose population of 150 million makes it the world's fifth most populous country. Although Bahasa Indonesia is the official language, there are more than 150 dialects—many quite distinct. Ethnic and cultural diversity is further accentuated because the population is scattered over more than 6,000 islands in an area wider than the United States.

In many ways Indonesia is an atypical Asian country. Its colonial roots are Dutch. It's a Muslim country where religious freedom is strong and constitutionally guaranteed. It's a member of the Organization of Petroleum Exporting Countries (OPEC).

It's also a beautiful country, carpeted with rice fields and terraces, and studded by volcanoes—many still active. But Indonesia is a poor country. Although progress was made in the 1970s, it faces major development problems. For this reason and because

Indonesia's location is strategically important to the United States, AID has a major program there.

For most of Indonesia's history, these choice islands were magnets to colonial powers. The Portuguese ruled in the 16th century and the British ruled briefly in the 19th century. But the Dutch were basically in charge from the early 17th century until Indonesia's independence, which was declared on Aug. 17, 1945.

Sukarno was the first president. He was a leader of the early non-aligned

“ Per capita income rose, rice production doubled and the birth rate dropped. ”

movement and by the early 1960s had become increasingly hostile to western powers, including the United States. The AID program, which began in 1950, was suspended for several years in the mid-1960s when Americans were forced to leave the country.

When General Suharto became president in 1967, his strong, central New Order Government set up national education, communications and transportation systems, and a family planning program. Management of the economy improved. In the next decade progress was clear. Per capita income rose to \$520. Rice production doubled. The birth rate dropped substantially. Access to primary schools increased.

But a large part of this success was due to expanded oil exports. With their decline, economic problems developed, with 1983 marking the second year of a significant economic downturn. The balance-of-payments deficit burgeoned from \$2.9 billion in fiscal 1981-82 to \$6.9 billion in fiscal 1982-83. The gross domestic product increased by 2.2% in fiscal 1982-83—down from the previous year's 7.9%. In Indonesia, an annual growth rate of 5.4% is needed to match the expansion of the labor force.

Recognizing its economic troubles, the Indonesian government is girding itself for the hard days ahead. It has adopted an austere budget, initiated tax and banking reforms, reviewed regulatory and licensing requirements imposed on the private sector, reduced subsidies, and devalued the rupiah by 27.6%. Overall imports are down and non-oil exports such as rubber, tin and plywood are up.

It is against this background that AID operates its program, which includes about 40 projects and a fiscal 1984 funding level of \$64 million in development assistance. P.L. 480, Titles I and II, accounts for nearly \$40 million more. The main objective of the program is institution building—“to help Indonesians develop the capacity to continue on their own,” according to Mission Director William Fuller. Other objectives are to test, experiment, and adapt technology and to encourage sound economic policies. An emphasis on private enterprise solutions cuts across the program.

The program focuses on four areas:

- Increasing off-farm employment by helping provide management training, investment information and experimentation with non-oil export quality control.
- Strengthening food production by continuing agricultural research and developing better agricultural planning and water resource management.
- Continuing the family planning program and improving primary health

care.

- Strengthening resource development through participant training and university faculty development.

Although AID provides only about 6% of all concessional aid to Indonesia, the program is important to the country. “We are not a resource transfer agency. We are experimenting. We are trying to build institutions to do a job,” Fuller says.

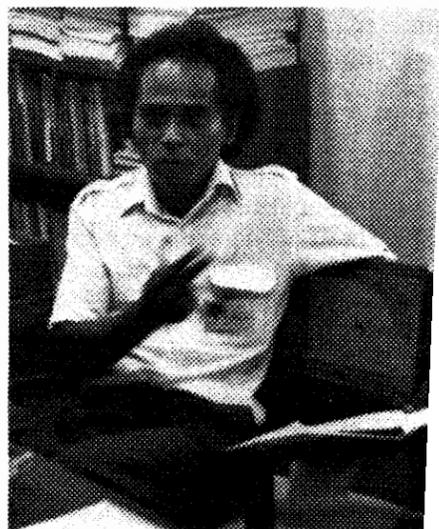
Jonathan Sperling, chief of the Program Office, describes the program as a labor-intensive one, which emphasizes technical assistance. Sperling, a 17-year AID officer, feels the program's thrust is typical. “My experience is that AID doesn't contribute a lot of money but basically is in a country to start something. We're not just giving money, we're giving knowledge.”

The AID staff totals 48 U.S. direct-hires, two International Development Interns (IDIs), and 83 foreign nationals. It is AID's second largest mission. Although the staff has declined by about 30% in the last three years, its quality remains high as officers reflect a variety of experiences inside and outside of AID.

Fuller encourages the conflict of ideas, which becomes what Deputy Director Robert Clark calls “a spirit of open debate on development matters.” Says Fuller, “I like the intellectual challenge to define the problem, break it down, and decide the best way to deal with it.” He believes that thinking leads to better implementation. Fuller's staff will tell you that his line of “What's the evidence?” has become the standard way of dealing with issues.

The director also encourages an open communication system which draws all officers into major mission decisions. The budget is designed with multi-office participation. The Country Development Strategy Statement (CDSS), which was presented in January 1983, represents a mission point of view because nearly everyone participated. Lisa Chiles, the regional legal adviser, was one who was quite pleased to expand her participation to policy issues like the CDSS.

(continued on page 10)



Wouter Sahanaya, a civil engineer in the Office of Rural Development, is the first Indonesian employee appointed as a project officer. Since 1982, he has been responsible for the Rural Works Project.

MISSION OF THE MONTH

Indonesia: Not Typically Asian

From page 9, column 4

A mission policy committee, a 12-member rotating group, identifies issues to investigate. Now headed by Michael Morfit, a project development officer, the committee also administers the Development Studies Program, a \$4 million project which supports policy-related research. So far, studies have been approved on agricultural employment and practices which affect nutrition. A review of literature on off-farm employment is forthcoming.

One of the legacies that Fuller says he wants to leave is "projects which make a real difference—a real impact." The mission is making progress in this area, as can be seen in its efforts in agriculture—an important area, given that 67% of all Indonesians earn their livings in this sector. It is not surprising then that agricultural projects, together with rural development projects, account for 55% of the mission's budget.

The mission has seven agriculture projects and nine rural development projects. One of the most extensive is the Sederhana Irrigation II project, valued at \$36.3 million, which develops or rehabilitates small-scale irrigation systems. The project will

“ This program has reduced by half the number of children going blind because of Vitamin A deficiency. ”

benefit 24 of the country's 27 provinces, where it aims at increasing rice production and farmers' incomes.

One component of the Sederhana project is to increase user participation at all levels of systems development from site selection, survey and design to construction, operation and maintenance.

The Chitanduy I and II projects in the provinces of West and Central Java will improve natural resource management to stabilize the agricultural base. These provinces are located on Java, the country's most populous island. Chitanduy I is reducing flood losses by constructing water control works, rehabilitating existing irrigation and drainage systems, and helping assess future agriculture and water needs in the Chitanduy Basin. It also is demonstrating techniques of upland agriculture. Chitanduy II will provide technical assistance to help Indonesians plan and carry out a comprehensive watershed management program in the basin.

The Applied Agricultural Research Project affects more than half of Indonesia's provinces. It is improving



At the Upland Agriculture Project in Central Java, from left, Douglas Tinsler of the Rural Development Office, Evaluation Officer Timothy Mahoney, Director Fuller and agronomist Enrique Barrau examine corn interspersed in rice fields.

research on food crops, livestock, fisheries, industrial crops and forestry, as well as providing technical assistance, construction, equipment and training to upgrade 20 research facilities and their staffs. According to James Gingerich, an agriculture officer, "Agricultural research has made a major contribution to Indonesia's increase in rice production to the point that it is almost self-sufficient in rice."

In an effort to improve agricultural policies, the mission is carrying out the two-phase Provincial Area Development Program. These projects are helping the Indonesian government decentralize development planning and implementation by giving technical assistance to provincial governments selected on a trial basis to do their own planning and building. The program also is providing training and partially funding trial projects initiated by provincial planning groups.

Rural areas also will be helped by the six-year Financial Development Project, which began this fiscal year. Valued at \$20.8 million, the project will support rural credit institutions in Central and West Java and West Sumatra. It is administered by the mission's Office of Employment and Enterprise Development, which is headed by Terry Myers.

"My bet is that 10 years from now, people will be looking at how Indonesia succeeded both in mobilizing savings in rural Indonesia and in providing credit on a self-sustaining basis to millions of low-income Indonesian households," Myers says.

Another area to which the mission has given considerable attention is family planning and health, which account for about 15% of the mission budget. Two decades ago, Indonesia's 3.7% annual population growth rate posed a serious problem. AID began family planning assistance there in the early 1970s. The flexible grant money and good technical assistance have had a profound effect. The population growth rate for the 1970s has fallen to 2.3%, and there is every indication that it will continue to decline.

AID's four active population projects

in Indonesia accounted for \$103.8 million in obligations during 1975-1983. According to Dr. David Calder, head of the Office of Population and Health, "The government of Indonesia is extremely pleased with us. We've been the most flexible, most responsive and least intrusive of the bilateral donors."

The family planning program has been especially successful in rural areas because it has used the strong village social structure. At group meetings local leaders explain the values of family planning. Also, as Diddy Sudarmadi, a foreign national in the mission Population Office, points out, the federal government has strongly supported the program. "Support for population planning is strong from the president down to the village level," he says. "That is why it is so successful in the rural area."

But because the social structure in urban areas is not as strong as it is in the villages, efforts have been less successful in the cities. In Jakarta, for instance, the population growth rate may be as high as 8%. Therefore, AID has focused part of its Family Planning Development and Services II Project in urban areas.

Working with the Indonesian government and through a private, nonprofit organization known as Yayasan Kusuma Buana (YKB), AID is supporting 10 clinics in Jakarta and, ultimately, one in six other cities. These neighborhood clinics offer counseling and sell contraceptives. They also provide gynecological and obstetrical care to lower- and middle-income women, as well as health care for their children. These clinics eventually will be self-supporting.

Dr. Firman Lubis, an Indonesian who heads YKB, says the program has been successful even though fees are charged. He believes people have chosen the private sector approach over seeking free aid from the government for several reasons: a skepticism toward free products, a greater selection of contraceptives at the YKB clinics, longer and more convenient hours, simpler procedures and less waiting.

Dr. Calder, who also directs the mission's health programs, is one of a group of physicians who has chosen to work in AID rather than make a more comfortable living in private practice. Calder "got the development bug" during his final six months of medical school and it stuck after he obtained a grant from the U.S. government to study in Punjab, India.

But working in international public health requires some adjustments. Calder says, "In clinical life, you get immediate gratification. In public health, you defer your gratification; it may come a decade down the road. You have to take heart and hope in statistics, because you don't see it on a day-to-day basis."

One project that Dr. Calder is particularly fond of is the \$9 million Comprehensive Health Improvement Program Province Specific (CHIPPS) Project, which began in 1981. CHIPPS is improving health services in three outer island provinces. It's a new, decentralized approach to medicine, which builds the ability of local health practitioners to identify, quantify and evaluate their medical cases.

Another important AID health project, administered by Helen Keller International, aims at preventing Vitamin A blindness, an ailment common in rice-eating cultures. There is more activity in prevention of



Assistant Administrator for the Asia Bureau Charles Greenleaf Jr. (standing) addressed officials of a rural credit facility in Central Java earlier this year. He was accompanied by Rural Credit Contract Adviser Richard Patten (on Greenleaf's right) and Mission Director Fuller (far right).

Vitamin A blindness in Indonesia than in any other country. More than 50,000 children were going blind because of this deficiency, and this program has cut that figure in half. The program also provides primary eye health care.

Helen Keller International is one of 17 U.S. private voluntary organizations (PVOs) with which the mission works. Both AID and the Indonesian government are funding CARE's activities in community water. Also, the Asia Foundation works with the Lembaga Institute of Criminology at the University of Indonesia to upgrade lawyers' access to information on the constraints to legal development. The project also supports the improvement of law school curriculums. Another Asia Foundation project works with Pesantren, traditional Islamic learning institutions, and uses them to work on community development problems.

"We are expanding our efforts to work directly with local PVOs," says Walter North, a project manager who works with PVOs. There is need to encourage pluralism in the Indonesian socio-political development environment, and these organizations are developing innovative, cost-effective approaches which are alternatives to the government's.

"We are trying to put more flexibility into what is already, in AID terms, a flexible instrument—the PVO co-financing instrument," North

“
We are expanding our efforts to work directly with local PVOs.”

continues. "We are doing this by providing block grants to organizations with established track records." So far, one block grant has been provided to an emerging Indonesian non-governmental organization to provide quick institutional development support.

Regardless of the project or the sector, the mission emphasizes evaluations. From the time a project is proposed, there is discussion of the ultimate evaluation. Timothy Mahoney, who worked in the Bureau for Program



The mission's two IDIs, Meg Brown and Stephen Hadley, consult in front of a wayang, a hand puppet used to tell stories in Indonesia.

and Policy Coordination's Office of Evaluation before coming to Indonesia in 1983, works with project managers in designing evaluations.

"Project managers realize that evaluations are taken seriously in this mission," he says. "I also feel the outcome of evaluations is being used here." The mission anticipates 17 or 18 evaluations in fiscal 1984.

As in most missions, the foreign nationals have an important role. In addition to the 83 direct hires, there are 80 foreign nationals on personal service contracts.

In Indonesia, foreign national employees have formed an association, which Diddy Sudarmadi heads. All Indonesians who work at the Embassy automatically become members. Fees that the association collects are used for loans to help foreign national employees with transportation, housing and maternity leave. "Mr. Fuller is very helpful to us," Sudarmadi says.

There are four tandem couples in the Indonesia mission. Project Officer Nancy Tumavick and her husband, Program Office chief Sperling, were the mission's first. "A lot of compromise is involved in tandem assignments," Tumavick says. "There is

flexibility at lower levels, but as you gain seniority and tenure, it is far more difficult." She adds that when the couple reaches supervisory levels, it is hard to find challenging jobs which offer enough responsibility in appropriate fields.

It is also difficult for many non-AID spouses to find suitable work in Jakarta. Several work in the Embassy or teach English part time. As would be expected, many are underemployed because the opportunities are limited or laws prohibit foreigners from holding certain jobs. This is particularly true of nurses.

But some spouses have been able to find stimulating work. Legal Adviser Chiles's husband is a lawyer in a small Jakarta law firm. Jackie Tarter, wife of public administration adviser Jerry Tarter, is an accomplished painter who works with a group of nine artists. Maria Belen Tinsler, wife of Douglas Tinsler, is an interior decorating consultant.

Jakarta is a sprawling, congested city of seven million people. But most AID officers enjoy living there perhaps because it offers more than some AID posts. Many people in the mission say, "you can get anything you want in

Jakarta—if you are willing to pay for it." Tumavick says, "Jakarta is a fantastic place. Living conditions are very good—it has improved tremendously over the last 10 years." She also cites a "large, stimulating foreign community."

Meg Brown, an IDI assigned to the Rural Development Office, says, "You have to actively look for things to do." This seems to be a consensus, but it also appears that opportunities abound for those who look. It is a matter of taste. The American Embassy Recreation Association is a popular spot for tennis, swimming and movies, which sometimes are a bit old and of a B-grade caliber. Video cassette machines are very popular, and new films are anxiously awaited from the United States and often shown at parties.

There are other activities for those who search them out. For instance, mission personnel are among the 25 or 30 people who get together weekly for square dancing. It brings together an interesting mix of people: an Australian caller, a disproportionate number of Texans and Oklahomans who work in the petroleum industry, and several Indonesians.

The International Community Activities Center sponsors classes in dancing, cooking and language, and provides counseling for teen-agers. The Ganesha Volunteer Society, made up of wives of Embassy employees and other expatriates, runs lectures and study groups and assists with the Kota Museum and Central Museum in Jakarta. The Jakarta Players, a popular theater group, recently performed *Pirates of Penzance*, *Cinderella*, and *Stagestruck*. Jerry Tarter, Walter North and Ben Hawley are among the active members.

For those interested in the outdoors, there is the opportunity to spend weekends in cabins in Puncak, a cool, mountainous area one hour south of Jakarta. There also is a scuba and skin diving group, which explores the Pulau Seribu (literally the thousand islands) which are located five hours from Jakarta.

The mission is fortunate in having a well-regarded school, which all mission children attend. The Jakarta International School includes kindergarten through 12th grade. Enrollment is 2,100, 40% of which are Americans. Deputy Director Clark is on the school's board of trustees.

Most of the AID staff agree that the mission in Jakarta is as stimulating to work in as Indonesia is an enjoyable and beautiful place to live. Fuller, confident in the development of his mission, says, "there is a spirit which is emerging around a common set of development principles. The Indonesian government has adopted some policies promoted by AID, and there is an obvious feeling of good will. There is every reason to believe that AID will continue to play an important role in Indonesia's future development, and that these AID officers will enjoy the intellectual and management challenge of being part of it."

Esposito, who is special assistant in the Bureau for Asia, is the bureau's Front Lines correspondent.



Scarcity of arable land has made Indonesia a developing country model for rice-terraced farming.



The Office of the Science Advisor (SCI) sponsored a \$159,000 research project in Jamaica which is restoring seagrasses

destroyed by pollution. In what is the first attempt at such an undertaking in any developing country, the SCI-funded project is rehabilitating 19 shoreline sites.

Seagrasses are especially vulnerable to the noxious effects of pollution because they tend to grow relatively close to the shore in shallow waters. They are important to the coastal ecosystem because they supply food for coastal organisms and help combat erosion. At the same time, they provide a habitat for the early stages of many marine organisms, including commercially important fish.

In Jamaica seagrasses had been destroyed or damaged by oil spills, sewage, waste from bauxite mining and cement plants, filling for urban development, and port and coastal development including dredging for channels and causeways.

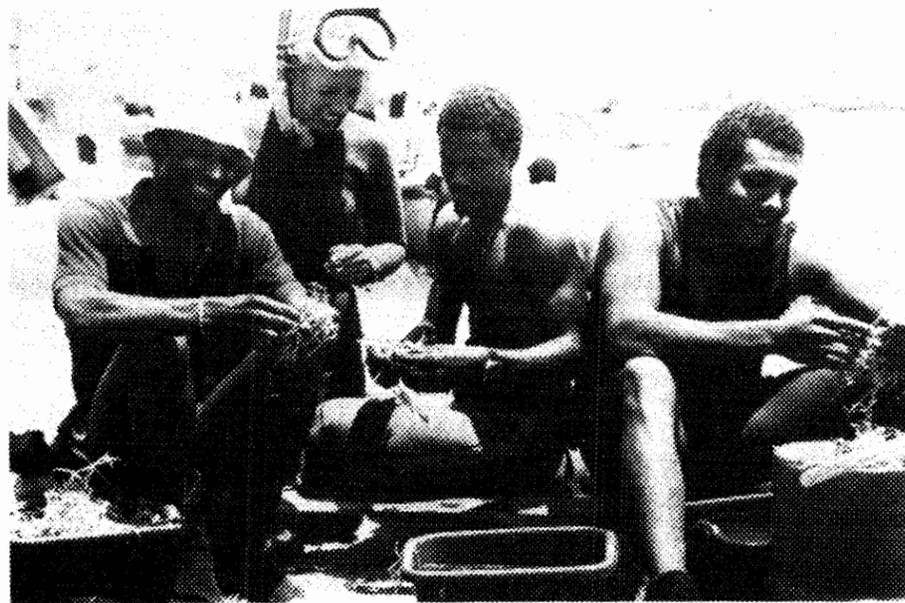
According to SCI grantee Anitra Thorhaug of the Florida International University in Miami, Jamaican fishermen already are seining (using a net to fish) in one of the 19 sites being rehabilitated.

Test plots of Jamaica's three major seagrasses were planted using different methods. But regardless of the method used, all three species grew at many of the sites.

Seagrasses do not restore themselves. In Florida coastal areas, for example, seagrass had not returned in 20 years since it was destroyed by dredging and filling. Yet, within three years, a well-planned restoration



Before planting seagrasses along the coast of Jamaica (above), SCI grantee Anitra Thorhaug oversees their preparation (below). Using unemployed fishermen in the project has proven very successful.



program had seagrass growing at these same sites.

Restoration, however, is much more expensive than conservation. In the United States, it costs \$2,000-\$10,000 to restore an acre. In Jamaica, the cost is roughly \$500 per acre. The United Nations Environmental Program estimates that the resource value of one acre of seagrass is \$86,000, a sum that would suggest restoration is well worth the cost.

An unexpected benefit of the SCI-funded project in Jamaica was that it provided unemployed fishermen jobs planting seagrass at test sites. "This idea proved very successful because the fishermen were enthusiastic and already had sufficient water skills to enable them to pick, sort and plant seagrass easily," Thorhaug reported. "Members of this ready-made labor force also had a great understanding of the relationship between a thriving seagrass bed and the availability of fish," she said.

The fishermen had seen not only the destruction of the seagrasses and associated fish, but also the disappearance of their jobs. Thus, they were willing to work hard to bring back the seagrass which would rejuvenate the fishing industry.

The AID mission in Jamaica is in the process of adding its own support to the project by funding a larger-scale restoration. The effort will restore 6-10 acres using 25 unemployed fishermen, and Jamaican government staff as supervisors. As part of a coordinated effort, the Natural Resources Conservation Department of Jamaica has planned a five-year program to rehabilitate seagrasses. This program includes labor-intensive activities that will provide more jobs for unemployed fishermen.

—Howard A. Minners



Recently, AID Handbook 24, Chapter 5, was revised to define more accurately the purpose of AID's Equal Opportunity Program. The

revisions, the first in several years, also clarify roles of the Office of Equal Opportunity Programs (EOP), AID management, equal opportunity counselors and AID employees in carrying out the equal opportunity program.

The most significant changes in Chapter 5 relate to the mechanism for handling discrimination complaints in AID based on race, color, national origin, sex, religion, age, and physical or mental handicap. The chapter now details the rights of an employee or applicant and the steps taken in the discrimination complaint process.

According to the revised chapter, the employee or applicant must meet with an equal opportunity counselor within 30 days of a discriminatory action or a notice of personnel action. The counselor then has 21 calendar days to resolve the informal complaint. If it is not resolved during this time

and no extension is granted, the aggrieved party must be notified of the right to file a formal complaint.

To file a formal complaint, an individual must file in writing with the Agency within 15 days of either the final interview of the informal process or of notice that the counseling process has ended.

Upon receipt of a complaint, EOP notifies the complainant of rights and the time limits in which to act on those rights. It also notifies the counselor that a formal complaint has been received. The counselor is then required to submit a report outlining the areas in which the complainant was counseled and the steps taken to resolve the complaint.

After a formal complaint has been accepted, the equal opportunity officer will review the file and develop a plan of action to be used by the contracted investigator. When the final investigation report is received, EOP sends a copy to the complainant.

Regulations dictate that after the complainant receives a copy of the investigation report, an Agency representative meets with the individual to try to settle the complaint informally. If settlement is reached at this stage, AID will not need to issue findings and

recommendations and will avoid the expense of a hearing.

If the Agency and complainant are unable to informally resolve the matter, AID issues the Notice of Proposed Disposition which states the preliminary findings and notifies the complainant of his rights and specific time limits. Accompanying this notice is an analysis of each issue with specific findings and recommended remedial action. If the complainant disagrees with the disposition, he has the right to request, within 15 days of receiving it, a hearing before the Equal Employment Opportunity Commission (EEOC) or a final decision by the Administrator or his designee.

If the complainant requests a hearing, EOP will make a formal request of EEOC to appoint a complaints examiner. EOP also will notify AID's Office of the General Counsel, which has the responsibility of representing the Agency in all hearings before the EEOC.

When there has been a hearing and the complaints examiner has issued a recommended decision, the Administrator, or designee, will review that decision and either adopt, reject or modify it. AID must make its final decision within 30 days of receiving the examiner's decision or the

recommended decision will be final. Should the Agency reject or modify the decision, the reasons will be included in the final Agency decision.

If the complainant requests a final Agency decision by the Administrator, or designee, without a hearing, an impartial individual will review the case and issue a final Agency decision based on an analysis of the complaint file and any other relevant material. The decision will include the analysis, findings and recommendations.

The complainant may appeal any final Agency decision to EEOC's Office of Review and Appeals (ORA). ORA will review the entire file to determine whether the final Agency decision is consistent with the principles of Title VII law. Also, ORA may affirm, overturn or modify the final Agency decision. When the decision has been made, AID carries out the required action.

Throughout the complaint process, the complainant has the right to file a civil action.

Questions concerning this process should be directed to Dennis Diamond, EOP, SA-1, Room 1224, Washington, DC 20523, telephone (202) 632-5766.

—Voncile Willingham



Agency management is now reviewing Country Development Strategy Statements (CDSSs). These documents are the foundation

for AID's individual country programs. AID/W's goal this year is to approve CDSSs for virtually all AID countries. This is not as ambitious an undertaking as at first it might seem because many CDSSs already were approved in recent years.

CDSSs provide a strategy that missions can use to guide project and budget development and which AID/W can use to assess mission proposals, guide choices among alternatives and measure progress toward goals.

A well-drafted CDSS should answer four basic questions:

- What fundamental economic and social conditions and what governmental policies will impede a country's development over the next several years?
- Within this context, what are AID's objectives in the country?
- What program interventions—especially those in AID's four priority areas (institution building, technology transfer, policy dialogue and private sector involvement)—are required to achieve these objectives? What are the benchmarks for success in attaining these goals?
- What resources, in terms of dollar assistance, P.L. 480 and staff, will the mission need to carry out its strategy?

Once a strategy has been accepted, a full annual CDSS will not be necessary. The approved CDSS serves as the

basis for country programming until conditions change substantially, requiring a new CDSS. Minor mid-course adjustments and topics of special interest to senior management can be handled in brief updates, which will free up time for more attention to project implementation and performance evaluation.

This is an example of adjustments being made in the Agency's programming system to reduce workload so that more attention can be paid to the priorities of project implementation and performance evaluation. Completion of CDSSs provides an immediate opportunity to contribute to this goal.

—Leonard Rogers

FROM WID

The Solanda Housing Project in Quito, Ecuador, offers a good example of resources that the Office of Women in Development (PPC/WID) can provide AID missions. In 1982 and 1983, PPC/WID provided extensive technical assistance to the AID mission to help redesign this major urban housing program in south Quito so that it is more responsive to the economic needs of women.

This takes on added significance in light of the fact that over 40% of the Solanda housing applicants are female heads of household. Furthermore, research increasingly demonstrates that women who are heads of household are frequently among the poorest of the poor. This is particularly true in Latin America and the Caribbean.

To respond to the economic needs of these women, the AID mission and PPC/WID awarded grants to two

U.S.-based organizations, the Overseas Education Fund (OEF) and the International Center for Research on Women.

Accordingly, OEF has mounted a technical assistance program for the Fundacion Mariana de Jesus (FMJ), an Ecuadoran private voluntary organization. This assistance is tailored to strengthen FMJ's institutional capacity so that it can offer economic programs for women in the Solanda project. The one-year grant funded a program to help FMJ:

- Develop three distinct training modules for an income-generation program.
- Strengthen and develop technical skills and training expertise so that FMJ can train trainers.
- Contract and supervise market surveys of economic conditions for small entrepreneurs in Quito.

Meanwhile, FMJ has created a professional/vocational job training team and other teams to help develop micro-enterprises and human resources. OEF and FMJ also designed a system for planning such activities as helping women prepare for entry in the formal job market and improving the productivity of small enterprises.

To pinpoint economic needs, OEF and FMJ commissioned a series of mini-studies and a market survey to more clearly define the cultural context of women's work in Quito's informal labor sector. These included a study of 50 self-employed, female heads of household; an occupational analysis of female applicants to Solanda; and economic feasibility studies on the costs of launching a group-based industry for women in Solanda.

Once housing applicants are selected, the lessons learned and training con-

ducted for FMJ staff are expected to be incorporated in the social component of the housing project.

The Solanda project is unique for a number of reasons. It is one of the first low-income housing projects to

“
Women who head households frequently are among the poorest of the poor.”

actively involve women heads of household in the planning stages. Also, particular attention is being given to creating credit mechanisms so that low-income women qualify financially for housing.

A major priority for PPC/WID is to help missions devise ways of integrating women-in-development issues into major, ongoing programs, such as the Solanda project. This is in direct response to PPC/WID's policy of promoting and strengthening women-in-development concerns as an integral part of overall mission strategy—not as a separate smaller-scale activity.

PPC/WID anticipates that the OEF and FMJ systems eventually will be a model for similar urban projects. The OEF-developed training materials which are in Spanish, together with the studies of women's role in the Ecuadoran labor sector, may be reviewed in PPC/WID, Room 227, SA-18, telephone 235-2208.

—Deborah R. Purcell



John Koehring, director of AID's Regional Economic Development Services Office in East Africa, and the deputy general of the International

Rice Research Institute in the Philippines signed a \$1.2 million agreement Feb. 24 which will mean better rice for Madagascar. The three-year grant will:

- Support ongoing germplasm evaluation and cultural practice research at several government substations.
- Fund the training of Malagasy scientists to participate in developing their country's rice program.
- Provide a means for government rice breeders to introduce new characteristics into Madagascar's rice varieties.

The signing took place at the Malagasy Ministry of Foreign Affairs and was given substantial press coverage.

The AID mission in Swaziland and other donors have begun to assess damage caused by Cyclone Domoina in January. The Office of U.S. Foreign Disaster Assistance (OFDA) has provided \$25,000 in disaster assistance funds, which were donated to the Swaziland Red Cross. In addition,

\$135,000 was donated to repair rural health clinics damaged by the storm.

As part of the damage assessments, AID is examining farm-to-market roads, irrigation and rural water supply systems. Other donors are giving priority to reconstructing bridges, other roads and washed-out railway beds.

Soon after the storm in Swaziland, a cyclone struck neighboring southern

“
A major earthquake is unlikely to occur for many years in this seismically active area.”

Mozambique. Following U.S. Ambassador Peter De Vos's disaster declaration, OFDA provided \$25,000 for emergency relief and a sanitary engineer to assess damage to the Maputo water system. Based on the engineer's recommendations, \$550,000 was provided to repair the facility and replace chemicals.

Meanwhile in Guinea, a disaster assessment team completed its work in Koumbia. An earthquake, which occurred in December, destroyed 4,500

houses and many public buildings, including schools. Of the seven affected villages, four were almost destroyed, according to the team.

Team members were Scott Johnson, a civil engineer from AID's Regional Housing and Urban Development Office (RHUDO) in Abidjan, and two earthquake specialists from the U.S. Geological Survey. They predict that another major earthquake is unlikely to occur for many years in this seismically active region. Consequently, RHUDO recommends that more earthquake-resistant buildings be constructed on the same sites.

At the time of the disaster, AID provided food assistance valued at \$55,000 with the understanding that housing repair needs would be taken into consideration.

The AID mission in Kenya has approved a request from Catholic Relief Services to reprogram Title II commodities within current fiscal 1984 levels for emergency food assistance in drought pockets. Areas particularly affected are Marsabit, Kitui and Lodwar.

Because of continued drought during Chad's last planting season, on Feb. 16 the Interagency Subcommittee on Food Aid granted Chad's request for 5,000 metric tons of rice. Because N'Djamena residents have the means

to purchase the rice, it will be sold in the capital city at a price decided upon by AID and the government of Chad. Sale proceeds will help rehabilitate infrastructure in agriculture, health, public works and disaster relief.

In separate action, the committee approved 13,500 metric tons of P.L. 480 Title II food aid for Chad. The World Food Program (WFP) will deliver 8,000 metric tons of the amount: five metric tons of sorghum, two of dried milk and one of vegetable oil.

The need for donations continues, although resettlement of displaced persons in Uganda has begun. Relief centers in Luwero, Mpigi and Mubende are staffed largely by non-governmental organizations.

As of mid-January, medical services resumed at the centers. This is especially important for centers such as the one in Nakitoma, which has grown to 7,500. But, security remains a concern for donors and the organizations serving the centers.

The International Monetary Fund announced a stand-by agreement with Sierra Leone for special drawing rights of \$51.7 million over the next 12 months.

—Frank Lavin



As AID missions and host-country ministries increase their use of automated data equipment, the Office of Inspector General (IG) faces a new challenge. The complexity and wide scope of automated data processing (ADP) systems require that the IG auditor pay great attention not only to the system that processes the data, but to the data itself.

Objective and credible audit reports require that the auditor gather and analyze relevant information. Such analysis may require using statistical inference and quantitative techniques. ADP systems can help analyze uniform

data and statistics.

When ADP is an important part of an IG audit, the auditor's work will include an examination of the ADP system. Furthermore, if the auditor plans to use ADP output in his report or to support a finding, he first will verify, to the extent possible, that the information is relevant, accurate and complete in the context of its intended use. This is one of the most important tasks for an auditor, regardless of whether the information is provided to him or if he obtains it himself.

Sometimes it is impossible or impractical for an auditor to examine an entire ADP system. This is true especially when large, complex systems are involved, or when information is obtained from many different computers. To determine the extent of

examination, the IG auditor weighs the importance of the computer-processed information in relation to the point being developed, and the degree of risk in using information that may be inaccurate.

If computer-processed information is invalid or unreliable, the auditor gauges its effect on the assignment, making necessary adjustments. In making his report, the auditor will explain these adjustments.

In the event that the auditor cannot determine the validity and reliability of computer-processed information crucial to a finding, he includes appropriate caveats in the methodology section of his report, along with reasons for the limitations.

The auditor also records in his workpapers a description and results of

the work performed, his conclusions about the ADP system's functioning and reliability of computer-processed data. If the auditor's work involves computerized techniques, including data processing and statistical programs, the step-by-step process is sufficiently documented to permit it to be repeated on a future review of the same or similar project.

—Anthony Salvemini

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.

IN HOUSING



The Office of Housing and Urban Programs (PRE/H) recently published three reports which significantly contribute to the study of development dynamics. These reports are the result of research and studies on PRE/H projects and are entitled *Women and Shelter*, *Informal Financial Circuits in West Africa*, and *Upgrading: Concepts and Examples*.

Informal Financial Circuits in West Africa summarizes findings in informal financial systems in five countries. Although the functions of such informal finance organizations vary considerably between the countries, common patterns were found and many assumptions were disproved.

For example, contrary to popular belief, it was found that the capacity for savings generally exceeds actual investments by small entrepreneurs. This finding points to the need, in AID-funded projects, to link credit access to a demonstrated capacity for savings.

Such a concept is not new to low-income families in West Africa. It is the cornerstone of informal savings associations, where depositors' access to accumulated credit is predicated upon their savings habits. The savings rate in these associations is very high.

The study also discovered that procedures of informal lenders are tailored both to the credit needs of borrowers and lenders' supervisory capacity. First, the type of loan provided—typically a small loan over a short period of time—helps to establish the credit record of the borrower, as well as to limit the lender's risk. Second, lenders were found to play a strong supervisory role.

Frequently, lenders are merchants operating in the same market as the borrower. Thus, the borrower benefits not only from the credit, but also from the lender's marketing expertise. The study recommends that these kinds of information networks be preserved in programs which tap into the more formal credit markets.

Finally, the study found that high interest rates in the informal market

are not due solely to a lender's monopoly position nor to the greater risk inherent in such transactions. Rather, they act as a rationing device which discourages habitual borrowing of scarce resources by the same clients.

The study of *Women and Shelter* also revealed some surprising facts. In the three countries studied—Tunisia, Paraguay and Honduras—legal or financial impediments were not found which would prevent women access to shelter. Instead, the obstacles are subtle, socioeconomic factors: Low-income households headed by women earn far less money than the average low-income family. When housing is pegged at prices affordable by median low-income families, it is beyond the reach of households headed by women. The study also found that low-income women are not well-informed about available housing programs.

Furthermore, there are other forms of institutional discrimination. Although women are the chief consumers of shelter, their needs often are not taken into account in shelter design. For example, in Moslem countries, where many women are confined to the home, constructing small shelters in order to make the units affordable poses sociological disadvantages.

The study recommends:

- A recognition by policy planners that women are the principal consum-

ers of shelter. Therefore, they should be consulted about their design preferences—particularly in Moslem countries.

- Shelter can be more affordable if solutions, such as upgrading, are proposed instead of relocation to new, more expensive sites. Shelter costs can be further reduced if women are trained in home improvement skills.
- Since low income is the source of the problem, housing institutions should employ more women in their projects. These projects should be located in areas near where women work or within easy reach of public transportation.
- Project planners should assess availability of child-care facilities in the neighborhood, both as a convenience for working women and as a source of employment for other women in the project area.

Many of these same suggestions can be found in recommendations of the report, *Upgrading: Concepts and Examples*, which analyzes case studies in Panama, Tunisia and Honduras and summarizes elements contributing to project success.

Upgrading is frequently difficult to carry out because it usually involves several institutions, each responsible for a specific service, such as water or electricity. Fine-tuned coordination and timing of project inputs and community participation are keys to success.

Although each upgrading project faces unique problems and solutions, there are some technical, socioeconomic and procedural factors which can contribute to the success of almost any project.

For example, site selection is always a crucial decision. Sites must be environmentally suitable or beneficiaries will not invest in upgrading their homes. Employment is yet another factor that constitutes a suitable site. Areas selected for upgrading should be near employment centers or transportation lines. A project also will be more economical if existing off-site infrastructure is already in place and easily accessible.

Second, because completion of a project depends upon residents investing their own "sweat" and other forms of equity, the likelihood of success increases in cohesive communities or areas where community groups are active.

Third, preferences of these community groups must be factored into project design. Consumer surveys and including residents in the planning process go a long way toward instituting a viable cost-recovery plan. The best-laid cost-recovery plans will fail if the services provided are not those which residents prefer and, consequently, are willing to pay for. Also, the government must show that all users are taxed equitably and that payment is expected.

Translating consumer preferences into physical improvements can be an administrative nightmare. To avoid administrative bottlenecks, physical improvements should be as basic, visible and technically simple as possible. In most cases, creating umbrella organizations to manage the process has not been effective. It is much more effective to improve the capabilities of existing institutions so that they can manage the process.

These three studies are particularly valuable because they reinforce the importance of integrating socioeconomic factors into project design. Furthermore, they underscore the fact that our understanding of the development process continues to evolve.

Copies of these reports may be obtained from Francis Conway, PRE/H, Room 633, SA-12, telephone 632-0086.

—Alexi Panehal



When housing is pegged at prices affordable by median low-income families, it is beyond the reach of households headed by women.



The fiscal 1985 foreign assistance legislative cycle opened with Secretary of State George Shultz's testimony before the House Foreign Affairs Committee Feb. 9. Action is well under way in both the House and Senate on the fiscal 1985 request and the fiscal 1984 emergency food aid supplemental for Africa. Also under active consideration is the Administration's draft legislation to implement recommendations of the National Bipartisan Commission on Central America.

Administrator McPherson and regional and central bureau assistant administrators testified before both the authorization and appropriations committees in support of all these economic aid requests.

Keeping to his announced strategy of early markup and floor action, Rep. Dante Fascell (D-FL), the new chairman of the House Foreign Affairs

Committee, began markup of the fiscal 1985 legislation Feb. 28. Fascell orchestrated a smooth markup, which provided quick initial action on the major portions of the regular fiscal 1985 bill. (See article on page 1.) By mid-March, the committee was considering the Central America legislation, which it hopes to incorporate into the regular authorization bill.

Of particular interest to the Administration are efforts by the House Foreign Affairs Western Hemisphere Affairs Subcommittee to tie a large portion of regional Economic Support Fund (ESF) money to a comprehensive peace agreement and a regional development plan. The subcommittee also recommended ESF earmarks for Peru, Bolivia, Ecuador and the Eastern Caribbean.

The full committee was unable to work out a compromise on these issues, and on March 15 agreed to report out a fiscal 1985 worldwide authorization bill without provisions for Central America. Inability of the House Foreign Affairs Committee to obtain a

favorable ruling from the House Rules Committee has had the effect of delaying floor consideration of the bill until the first week in May at the earliest.

With the exception of the Central America provisions, the House Foreign Affairs Committee action generally supported Administration requests for the AID accounts. In a significant action, the committee accepted the Economic Policy Initiative (EPI) for Africa with several amendments.

On the Senate authorizing side, Foreign Relations Committee Chairman Charles Percy (R-IL) who shares Rep. Fascell's concern for early action, is committed to expedite Senate action on the legislation. Committee markup was scheduled for late March, through the first week in April, with possible floor action in the Senate shortly thereafter.

Action in the appropriations committees has been equally hectic. In addition to the usual series of hearings, the House Appropriations Committee acted early in March on the fiscal 1984

emergency food aid supplemental appropriations request for Africa. The committee added \$60 million to the Administration request for \$90 million. The resulting \$150 million measure passed the House by a vote of 374 to 29 on March 6.

Amendments involving aid to Central America and several other issues slowed Senate action on the bill. But in a surprise move, a floor amendment added \$90 million in P.L. 480 Title II to another bill, the Emergency Fuel Supplemental. So far, no opposition to the concept of additional food aid for Africa has surfaced. However, it still remains unclear what will be the fate of the overall Africa Supplemental which contains the remainder of funding for Africa, as well as Central America provisions.

Congress breaks for the 10-day Easter recess in mid-April. Progress up to that time will offer a better indication of what the rest of the year holds for foreign assistance legislation.

—Ken Ludden



In his recent visit to the United States, Moroccan Prime Minister Karim Lamrani met with Administrator McPherson and Near East Bureau Assistant Administrator Antoinette Ford to discuss possible remedies for Morocco's economic problems and ways to blunt the effects of a drought which continues to afflict North Africa.

The lingering drought has dramatically increased Morocco's wheat

import requirements and thinned livestock herds. Reduced water supplies also have taken a toll on hydroelectric power generation, AID officials were told.

The Moroccan delegation stressed the need for new and quick-disbursing assistance to revitalize the economy so that the government can continue the rigorous structural economic reforms that it has embarked upon.

As a result of the talks, AID will make an additional \$20 million worth of P.L. 480 Title I assistance available to Morocco, raising its Title I total to \$45 million this fiscal year. Adminis-

trator McPherson and Prime Minister Lamrani also signed a \$3.6 million grant agreement for dryland agricultural research. Future assistance plans are being reviewed in light of the Moroccan presentation.

In the aftermath of recent riots in Tunisia, precipitated by a rise in food prices, the United States has increased P.L. 480 Title I wheat sales by \$5 million. This raises Tunisia's 1984 share to \$15 million.

Although AID staff has been evacuated, the Agency's assistance

program in Lebanon continues. AID's Lebanese foreign national staff is carrying out disaster relief activities, coordinated in Beirut by Kamal Farhad and supervised from AID/W by Acting Mission Director Lee Twentymen.

While the \$150 million made available in fiscal 1983 has not been disbursed, funds provided to private voluntary organizations are being used to assist war victims and repair essential utilities. Money also has been given to international relief organizations, such as the United Nations and the International Red Cross.

—Suzanne Majors



Leadership seminars, educational materials and embassy dinners are part of AID's plan to commemorate the 30th anniversary of Food for Peace. The Bureau for Food for Peace and Voluntary Assistance (FVA), with input from other AID offices and the U.S. Department of Agriculture (USDA), is planning a series of events throughout 1984 to mark P.L. 480's 30-year history. These activities will take place at the national, state and local levels, and will be of three types:

- Those designed to inform and educate policy-makers and opinion leaders in both the private and public sectors.
- Those designed to increase understanding among the general public.
- Ceremonial events.

Programs are being planned to build and strengthen awareness among public and private sector leaders about world hunger and the contributions that Food for Peace and related development activities have made in addressing these problems. The programs also will examine the need and potential for future action.

On the national level, a leadership conference will bring together top-level representatives from government, the corporate and diplomatic communities, private voluntary organizations (PVOs) and academia to assess how private enterprise can help eliminate world hunger.

Regional seminars also will be part of the observance, with key state officials as participants. Issue briefs will be prepared for these seminars to educate the officials on hunger and foster development of a collaborative state-level agenda directed at world hunger. The working seminars will prepare the way for a national conference designed to inform and enlist the support of the state governors.

On the local level, farm groups and leaders will carry out an educational project. Its goal is to expand the commitment of farm organizations to participate in programs to relieve worldwide hunger and poverty. At the same time, these organizations will strengthen the capacity to communicate with their members about the link between social and economic development in developing countries and the building for markets abroad for farmers through the P.L. 480 program.

Also in the planning stage are several ceremonial events. USDA is

planning a possible White House ceremony. AID's involvement in the P.L. 480 30th anniversary is being coordinated by Peggy Sheehan of FVA's Office of Food for Peace and a committee representing FVA's offices of Private and Voluntary Cooperation, and Program, Policy and Evaluation, the Bureau for External Affairs, the Office of the Deputy Administrator and USDA.

Review of reports from the National Bipartisan Commission on Central America and the Carlucci Commission highlighted the spring meeting of the Advisory Committee on Voluntary Foreign Aid (ACVFA). Meeting in Washington, the committee heard reports from members of the respective commissions, comments from PVO panelists and questions from the floor.

ACVFA member William Walsh, who was on the National Bipartisan Commission on Central America, presented an overview of its findings. He said that while there were differences among commission members, they concluded that the future peace of Central American nations is vitally important to the interests of the United States.

While the ACVFA generally endorsed the human development programs recommended in the report, it did criticize the commission for not fully recognizing the role that PVOs can play in these programs. "PVOs (both U.S. and indigenous) have unique expertise and resources that are required for the implementation of many of these programs," the committee noted.

ACVFA endorsed the Carlucci Commission's special emphasis on assistance to sub-Saharan Africa and recommended a greater use of P.L. 480 commodities to support development objectives worldwide. The committee underscored its concern that PVOs be included in the formulation of country strategies and the planning of specific programs with AID missions.

In other business, ACVFA heard an update on the African emergency situation from FVA Assistant Administrator Julia Chang Bloch and a report from Antoine van Agtinael of the World Bank, on how, and where small businesses in developing countries can obtain financing.

The next meeting of the Advisory Committee will be June 18-20 in Port-au-Prince, Haiti.

—Lori Forman



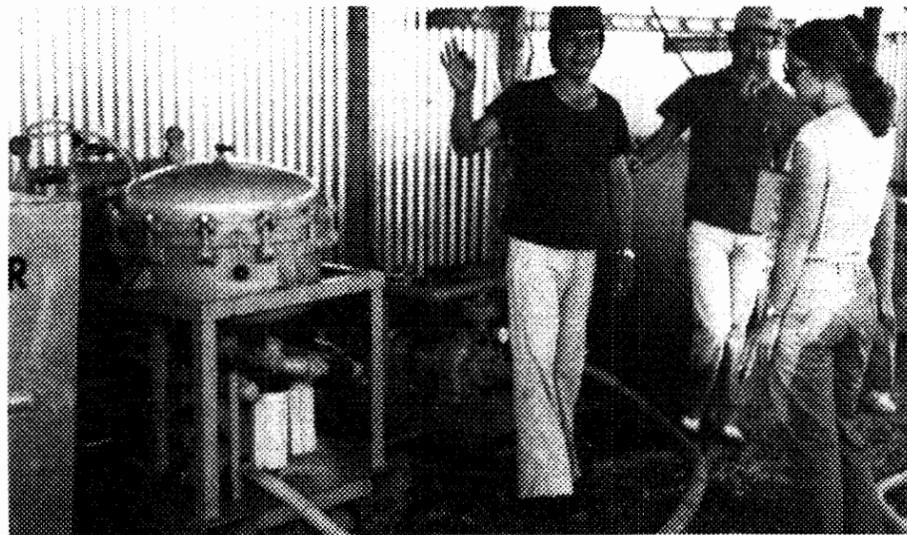
The Office of U.S. Foreign Disaster Assistance (OFDA) has developed a number of computer systems which make it easier to respond with appropriate assistance in a disaster. The Disaster Information System, as it is known, contains four components: Lessons Learned, the Disaster History, the Supplier File, and the Resource Contact List. A fifth program, the Commodity Services File, is being developed.

The Lessons Learned System is OFDA's institutional memory. Information on relief operations which were particularly successful as well as those which presented problems and the reasons why are maintained in the system. Such information was especially useful last summer at the height of *El Niño*-induced flooding in Santa Cruz, Bolivia.

When the AID mission in Bolivia called for several water purification units, an OFDA assessment team used lessons learned in Ecuador, together with what it found in its Bolivia assessment, to come up with more appropriate assistance.

The team found that the problem in Bolivia was not the lack of potable water, but rather a breakdown in the water distribution system. Accordingly, 11 inflatable water storage tanks were airlifted to Bolivia, where they were set up in strategic locations.

Without the experience in Ecuador, time and money would have been wasted delivering several of OFDA's 11 portable water purification units at a time when a different response was indicated. Moreover, with other flood



During *El Niño*-induced flooding, the AID mission in Bolivia requested several water purification units similar to those used in Babahoya, Ecuador (above).

disasters occurring in the region, valuable equipment would have been unnecessarily tied up.

The Disaster Information System, developed by a consulting firm, is maintained on a Wang OIS 140. In the Bolivia example, an OFDA officer would have entered the keyword "water purification units" and all the lessons learned concerning the use of these units would appear on the terminal screen. If the officer were interested only in situations dealing with the use of the units after floods, he could enter the keywords "water purification units" and "floods."

The Lessons Learned file also can be used to train new disaster relief officers or other AID staff, or to provide background information to specialists being sent to the field.

The Disaster History file is a comprehensive catalog of all major disasters outside of the United States since 1900. Information includes the date of the disaster, location, number

killed, affected, injured and homeless, and dollar losses. Disasters to which OFDA responded are identified by a special code.

A sophisticated computer program allows the historical data to be sorted in a variety of ways. For example, it is possible to select the data by individual country, region, disaster type, year or month, disasters in which more than a certain number of people were killed or affected, or by dollar loss.

This flexibility is especially useful in preparing country disaster vulnerability profiles which can be used to target OFDA disaster preparedness and early warning programs.

The history file can be useful to AID missions in designing projects to ensure their long-range viability. In the Caribbean, for example, AID planners normally review projects in relation to hazards posed by hurricanes. But that is only part of the picture. A quick look in the history file will show that most of the islands are equally prone to

major earthquakes.

Because of the emergency aspects of disaster relief, OFDA needs a list of commodity suppliers which can be contacted at any hour of the day or night. The Supplier File is indexed by commodities that OFDA has used or might need in the future. For each supplier, essential contact data is listed together with information on contract-related matters such as whether the Agency has an indefinite quantity contract with the company. For example, last year when flood waters engulfed the water and sewerage systems in Sfax, Tunisia, OFDA was able to quickly identify a U.S. company to provide sewer cleaning equipment.

The Resource Contact file is both a mailing list and a compilation of specialists whom OFDA might call for assistance during a disaster. For example, a French-speaking food assessment specialist might be needed in Africa to survey the requirements of drought victims. By entering the words "French" and "food assessment" (as well as any other desired criteria), such a person can be identified.

Disaster assistance is a highly visible aspect of the AID program and OFDA frequently must answer questions regarding the U.S. response to foreign disasters. The Commodity Services File, now in development, will contain summary information on all commodities and services that AID has provided in response to a disaster.

Data in the commodity file can be supplemented by OFDA disaster case reports, which are more detailed. They contain financial accountings of each disaster and include assistance provided by U.S. voluntary agencies and the international community.

—Cecily Mango

FROM PM



Administrator McPherson has authorized Agency Performance Pay Awards for members of the Senior Foreign Service (SFS) for the July

1982-May 1983 rating cycle. Following guidelines established by the U.S. Office of Personnel Management, AID gives awards of up to \$10,000. Last year there were 44 awards: four awards of \$10,000, six awards of \$9,000, and 34 awards of \$6,500 each for a total of \$315,000.

The Administrator also has established this year's Performance Pay Board, consisting of Richard F. Harger, a retired senior officer, Eugene E. Staples, deputy assistant administrator for the Asia Bureau, and Ersa Poston, public member.

The board is responsible for reviewing the performance during the 1982-83 rating period of the 217 SFS officers eligible for performance pay awards. Eligible officers are those who were SFS members at the end of the 1982-83 rating cycle (May 31, 1983) under career appointments, limited career extensions, senior career candidate appointments, or limited appointments with re-employment

rights as career appointees in the Senior Executive Service.

The Foreign Service Act of 1980 authorizes Presidential Performance Pay Awards to SFS officers as well as performance pay awards conferred by the Foreign Service agencies. The Presidential Awards are for sustained accomplishment as a member of the SFS. They are based on recommendations made by an interagency selection board which has reviewed nominations by the Foreign Service agencies.

The Administrator has instructed this year's Performance Pay Board to nominate up to 13 SFS officers for Presidential Awards. The Foreign Service Act permits the Agency to nominate up to two senior officers for Distinguished Service Awards (\$20,000 each), and 11 senior officers for Meritorious Service Awards (\$10,000 each). Last year, there were two Distinguished Service Awards and 11 Meritorious Service Awards for SFS officers.

There is a parallel system of Agency and Presidential performance pay awards for members of the Senior Executive Service. SES awardees for the 1982-83 rating cycle were announced in the February 1984 issue of *Front Lines*.

More than 90 AID employees rolled up their sleeves at the Valentine's Day

bloodmobiles in Rosslyn and Main State. This was the most successful AID drive in over two years. Under AID's newly appointed blood services chairman, Michael Guido, the Agency met 113% of its goal at the Rosslyn bloodmobile and participation at Main State tripled.

Approximately 75% of AID employees are eligible to donate. Guido urges employees to continue this trend by giving at the upcoming bloodmobiles sponsored by the Agency. The next bloodmobiles will be at Rosslyn on June 12 and Main State June 12-13.

Although many AID employees who have traveled in a malarious area may not donate blood for transfusions, they may offer blood for the research program. Others prefer the pheresis program. Under this plan, rather than donating whole blood, the donor allows his blood to be run directly through a special machine which extracts the desired component, such as platelets. The machine then transfers the blood back to the donor.

For more information on donating blood, call 632-2954.

—Maggie Boyajian and Marge Nannes



A new quarterly publication from the Bureau for External Affairs, designed to inform community and business leaders about America's foreign assistance program, will make its debut in April. Entitled *AID Highlights*, the two-color, educational newsletter will be mailed to 50,000 service organizations, community and business leaders and university libraries.

Horizons, previously produced on a monthly basis, has been redesigned

as a quarterly magazine to allow for funding of the new publication. As a quarterly, *Horizons* will continue to provide the development community with information about AID's programs and policies.

The first issue of *AID Highlights* will focus on the Food for Peace program and the 30th anniversary of P.L. 480. Roger Mahan, who recently joined the Office of Publications as senior writer, will edit the new publication. Paul Olkhovsky, a writer in the Office of Publications, will serve as managing editor.

—Cynthia Johnson

AGRICULTURE



In its first three years of operation, the Bean/Cowpea Collaborative Research Support Program (CRSP) trained 166 persons. Nearly half (75) completed degree programs at universities. The remainder were trained in non-degree programs. CRSP host countries provided 101 of the trainees; 23 came from other developing countries and 42 were from the United States. Sixty-six of the trainees were female.

The Bean/Cowpea CRSP recently issued a summary of its 1983 research. Copies of the 24-page booklet have been sent to mission agricultural officers. Extra copies are available from Bernie Pollack, Bean/Cowpea CRSP manager, S&T/AGR, Room 409, SA-18.

The Bean/Cowpea CRSP, Michigan State University and the International Institute of Tropical Agriculture (IITA) will sponsor a World Cowpea Research Conference Nov. 5-9 at IITA. English and French will be the meeting languages.

The conference's objectives are to attract more funding for research, establish collaboration in cowpea research and germplasm exchange between national and international organizations, and share research information.

The Small Ruminant CRSP recently marked completion of five years of research by publishing a major report and holding a combination conference-workshop for project participants.

The report, *Partners in Research*, describes the Small Ruminant CRSP and cites accomplishments of its 15 research projects carried out in five host countries (Peru, Morocco, Kenya, Indonesia and Brazil) and the United States. Scientists from 10 U.S. institutions (nine universities and Winrock International) contributed to the research program. The report also lists project publications, research collaborators, trainee programs and administrative officers.

The January conference-workshop at Texas Tech University in Lubbock attracted participants from U.S. universities, Winrock International, each of the CRSP's host countries and AID staff from Washington and overseas.

Director of the Office of Agriculture (S&T/AGR) Anson Bertrand, who attended the meeting, complimented Small Ruminant CRSP researchers for:

- Effectively addressing host country needs and greatly strengthening their institutions.
 - Providing a means of developing human resources.
 - Expanding knowledge about small ruminants.
 - Serving as catalysts for other development programs in host countries.
 - Operating as a supporting part of AID mission portfolios in the collaborating countries.
- The Small Ruminant CRSP has

supported 100 students from cooperating countries in degree training—21 at the doctoral level—and provided instruction for 330 participants in 12 short courses held in host countries. Twenty-three U.S. graduate students also have participated in the Small Ruminant CRSP research projects in host countries.

S&T/AGR has sent copies of the 251-page *Partners in Research* to mission agricultural development officers. Inquiries about the CRSP should be directed to Charles Haines, project manager, S&T/AGR, Room 420, SA-18.

NiTAL, the project on Nitrogen Fixation by Tropical Agricultural Legumes funded by S&T/AGR, will offer a legume inoculant production course Dec. 3-21 at the NiTAL Inoculant Production Plant in Hawaii. AID mission agricultural development officers who plan to nominate participants must do so by July 15. Only 10 candidates will be accepted.

The course is tailored for people who produce legume inoculants for farmer use. Fermentor design and operation, carrier processing and packaging and quality control will be covered. J. C. Burton and R. J. Roughley, internationally recognized authorities on commercial-scale inoculant production, will teach the course.

Further information on applying for the course may be obtained by writing NiTAL Project-MIRCEN, P.O. Box O, Paia, HI 96779.

NiTAL-MIRCEN also has announced that the 1985 North American Rhizobium Conference is scheduled for Aug. 18-24 at the Maui Inter-Continental, Maui, HI. Presentations on basic and applied studies involving *Rhizobium* will be welcomed. Limited sponsorship is available for qualifying graduate students.

Inquiries about the conference should be directed to Jake Halliday, NiTAL director, Department of Agronomy and Soil Science, University of Hawaii, P.O. Box O, Paia, HI 96679.

Approximately 500 scientists in Asia and the Pacific have agreed to establish a fisheries forum which will organize regular meetings of

researchers working in fisheries and aquaculture. Richard Neal, director of the International Center for Living Aquatic Resources Management (ICLARM) in the Philippines, is secretary to the forum's founding council. ICLARM is the forum's temporary secretariat. The forum's first meeting will be early in 1986.

How can the various components of the agricultural technology transfer process, such as research, extension, credit and input delivery, be more directly linked to improve technology generation and distribution? This is the question that the University of Illinois' International Program for Agricultural Knowledge Systems will attempt to answer over the next five years.

The S&T/AGR-managed project will conduct field studies and an extensive literature review to identify the linkages that contribute to effective agricultural technology transfer. The result will be case studies, instructional materials and a technical report containing the basic concepts of the technology transfer process designed to help policy-makers and managers strengthen agricultural development programs.

FROM RD

The Development Administration Division of the Office of Rural and Institutional Development (S&T/RD) held the first of a series of planned reviews of a draft state-of-the-art paper. Entitled "Implementation and Sustainability: Lessons from Integrated Rural Development," the paper was prepared under the Organization and Administration of Integrated Rural Development Project.

Since 1978, the project has provided field assistance to 18 developing countries in carrying out 23 rural development projects. At the same time, field consultants have assessed the assistance to determine what has worked and why.

The paper presents major findings and discusses their significance as guidelines for future AID investments in rural development. Among the findings:

- For effective service delivery, implementation authority should be concentrated. Dispersed authority

leads to breakdown in coordination and performance.

- In all settings, successful implementation is closely related to the ability of managers to recognize and use informal procedures, relationships and communications channels.
- Information processes require project designs that allow enough room for innovation and flexibility.
- Local action is a key to project success. Effective local organizations are characterized by, among other things, control over a renewable resource base, broad-based membership and an open operating style.
- A participatory work environment encourages project staff to share resources and authority with clients and to develop a service delivery style that emphasizes a collegial relationship with beneficiaries.

Another Development Administration Division project, the Syracuse University Local Revenue Project, has released its latest report on local government finance in Bangladesh. "Intergovernmental Grants in Bangladesh" reviews the structure and operation of all major programs of grants-in-aid from the Bangladesh central government to local governments. These grants constitute a major part of Bangladesh's local government finances.

According to the report, the most important policy choice in the grant system is the trade-off between relief and development. It maintains that both cannot be served efficiently by the same grant system at the same time: A program emphasizing relief should include better targeting on the needy; a program emphasizing development should focus on better grant coordination, improved monitoring of grant achievements, and establishment of project maintenance plans.

If development is to be the primary goal of the Bangladesh grant system, Syracuse recommends making fewer but larger grants, and distributing them partially on the basis of their development potential. One of several ways that Syracuse suggests stimulating the generation of local revenue is to include in grant allocation formulas a measure of "revenue effort." This means a measure of how much revenue a locality raises relative to what it could raise.

Syracuse also recommends that the Bangladesh government establish a system to monitor actual distribution of grant money to all local governments under all intergovernmental grant programs.

EDUCATION

The University of the West Indies Distance Teaching Experiment (UWIDITE), part of the Office of Education's Rural Satellite Project, will help carry out a six-month pilot satellite education program in reproductive health education in five Caribbean countries. The pilot is part of the Johns Hopkins program in international education in gynecology and obstetrics, which is funded by S&T's Office of Population.

Weekly for three months, the \$55,000 project will take a two-hour



The new fisheries forum will organize regular meetings of researchers working in fisheries and aquaculture.

course to 48 physicians and 60 nurses in Jamaica, Trinidad, Barbados, St. Lucia and Dominica. To do this, the project uses audio-conferencing and slow-scan television capabilities of UWIDITE, which offers a wide array of subjects.

One purpose of the S&T and Africa Bureau Joint Initiative on Improving the Efficiency of Education Systems is to better coordinate the efforts of donors in education and human resources (EHR). The initiative already has produced results in four countries, thanks to EHR sector assessments.

In Liberia, the World Bank has indicated an interest in collaborating with AID on a fifth education loan. The bank has accepted an AID-sponsored EHR sector assessment as the update for the bank's 1979 Education and Training Memorandum.

In Somalia, the AID mission and the International Monetary Fund are jointly designing a study to help reform the country's civil service system. This collaborative effort comes on the heels of an EHR sector assessment and the Consultative Group meetings in Paris. The mission also reports that other major donors have pronounced the assessment report invaluable and plan to use it in project formulation.

In Niger, the AID mission and World Bank are cooperating to develop the bank's fourth education loan to the country, and to extend AID's Maternal Language Textbook Production Project. The mission has agreed to extend its curriculum project to develop primary reading texts so that the project complements the bank's, which produces and distributes primary texts and offers in-service teacher training.

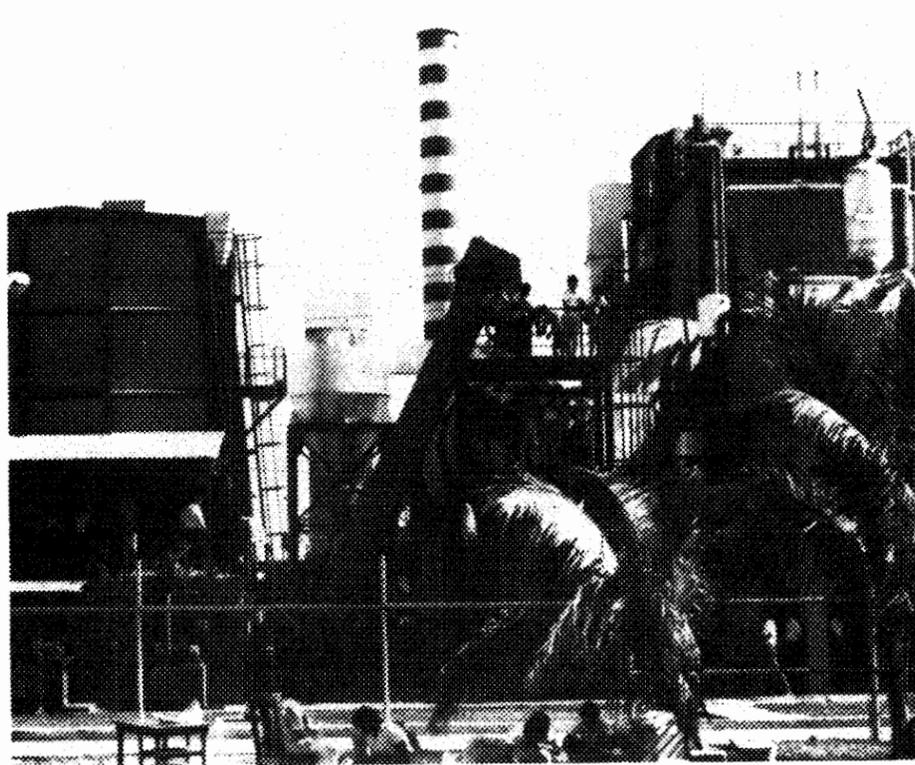
The AID mission in Botswana reported that the EHR assessment "drew considerable attention from other donors" and that it anticipates that the assessment "will be used . . . for engaging other donors in the planning/program development process."

The first issue of "Telematics and Information" has been published. The international journal focuses on research and review articles on applied telecommunications and information sciences.

Cliff Block of S&T/ED is on the magazine's editorial advisory board, which includes representatives from India, Brazil and a Pan-African communications group. The quarterly publication is available at a yearly subscription of \$45 from Pergamon Press, Maxwell House, Fairview Park, Elmsford, NY 10523.

ENERGY

Formation of the Bioenergy Users Network (BUN), an organization of developing countries that either have bioenergy programs or are seriously considering them, was announced at a meeting of the group's organizing committee Jan. 31-Feb. 1 in Bangkok, Thailand. The Office of Energy (S&T/EY), through the Bioenergy Systems and Technology Project, is providing assistance during the group's formative phase.



During a recent meeting in Thailand, organizers of the Bioenergy Users Network visited this wood-burning generating plant. Committee members represent developing country agencies active in bioenergy program development.

Organizing committee members represent agencies active in bioenergy program development. They are: the bioenergy coordinator of the AGRO 21 Project in Jamaica, the head of Indonesia's Department of Forest Industry, the coordinator of the Sudan Renewable Energy Project and Special Energy Project, and the energy policy adviser to Costa Rica's minister of industry, energy and mines.

Over the last several years, developing countries have increased their interest in the commercial potential of bioenergy. In several countries, bioenergy is considered a key to rural development because it can provide affordable energy and markets for crops at the same time. However, many bioenergy efforts planned or under way lack management experience and technical know-how. A purpose of BUN is to help meet these needs and to tackle crucial research problems.

One of the network's first activities will be to establish a mechanism to transfer expertise among developing countries. The organizing committee cited three areas in which the transfer of skills from one developing country to another is necessary to further the evolution of bioenergy systems. They are technologies, resource management and systems analysis. It is expected that over the first year of BUN operation, additional areas will be pinpointed.

Member countries will provide the names of people with skills in these areas. Their names will be placed on a roster which will grow as more countries join the network. By the second year, enough names will be on the roster so that assignments can be rotated. As the roster is being established, a system to transfer skills is being developed, along with evaluation systems and criteria.

A second major BUN activity will be to assess services and equipment. For example, if a country is considering a product or service for its bioenergy program, it will be able to ask BUN for a reference or confirmation of quality. A country also will be able to ask BUN to recommend a service or product to meet a specific

need. BUN's assessments will be based on experience in one or more member countries.

Included in the assessment function are:

- Identification of consultants and firms that can provide services.
- Cataloging of firms manufacturing equipment and parts related to bioenergy technology.
- A listing of current donor programs, their emphases and goals.
- Identification of private investors and determination of criteria for investment.

BUN also plans to sponsor regional training courses and workshops to develop the skills needed in member countries and to determine priority needs in bioenergy research. It is expected that BUN will support research in gasification, direct combustion, charcoal manufacture, engine design and fuelwood species. Research also will take into account culture and social customs.

Because BUN plans to operate on a regional basis, its activities will complement those of AID's regional bureaus. Working with BUN, AID can increase the returns on its investment in areas such as fuelwood research, the synthesis of energy and agricultural programs in support of rural development and the development of new and relevant technology.

TRAINING

Two medical officers from the Sri Lankan Ministry of Health are spending three months at the International School for Water Resources at Colorado State University. The AID mission's request specified a program in "preventive medicine relating to potable water and sanitation," concentrating on bacteriology, toxic chemicals, virology and the preservation of water quality.

Seven Haitian physicians are taking a course in disease mechanisms at the University of Miami's School of Medicine. Upon completion of the semester-long course, they will spend 14 months in clinical training in their

specialty areas. When they return to Haiti they will work for the Department of Public Health for four years.

Egbert Carter, managing director of Guyana Refrigerators Ltd., recently completed an observation study tour of U.S. home appliance manufacturing plants. An outcome of the executive's visit is that the president of Kelvinator International will visit the country to arrange a licensing agreement for the manufacture of refrigerators in Guyana. Carter, who has two engineering degrees, offered advice to the engineering staff of Warwick Manufacturing in Chesapeake, VA, on the redesign of plastic inserts in refrigerator doors.

Five undersecretaries in the Egyptian Ministry of Finance completed a five-week observation-study tour specially designed for them in budget, economic data, administration and management, currency and tax. Their tour included two workshops sponsored by the U.S. Office of Personnel Management and the U.S. Department of Agriculture, and meetings with representatives of various government agencies and Congressional committees. The tour included appointments with state financial officials in Washington, DC; Albany, NY; New York City; and Atlanta, GA.

POPULATION

The Office of Population's (S&T/POP) Research Division will support U.S. clinical trials of Norplant, an innovative, long-acting contraceptive implant. Norplant, the first significant new technology in contraception in more than a decade, has received official drug registration in Finland. Lieras Pharmaceuticals is readying for mass production, paving the way for additional country approvals and worldwide availability. Filing for new drug approval in the United States is scheduled for early 1985.

Norplant is a long-acting, low-dose progestin-only contraceptive for women. The implant system contains levonorgestrel, a progestin used in oral contraceptives. The dose is comparable to that of mini-pills.

After more than nine years of clinical experience and use by more than 10,000 women worldwide, the effectiveness and continuation rates of Norplant have proved superior to other reversible contraceptive methods. Pregnancy rates are less than 1% per year after five years of continuous use. Continuation rates are 80-90% after one year and, in some instances, as high as 50% after five years of use.

Norplant has been under development for 17 years by the Population Council in New York with support from the Ford Foundation, the Rockefeller Foundation and the International Development Research Center of Canada. Two systems—six implants of 30 millimeters each and two implants of about 40 millimeters each—are being evaluated in Thailand, Indonesia, Egypt, Colombia, Brazil, Chile, the Dominican Republic, India, Finland, Sweden, Denmark and the United States. S&T/POP, in coordination with country researchers, also will support some of the overseas trials.