INSTITUTIONAL GRANT PROJECT STATEMENT

Proposal for Revision/Extension of 211(d)
Grant in Economics/Agricultural Economics

Applicant: Southern University

Date: January 10, 1978

Grant Title: Rural Unemployment and Underemployment

Amount and Term of Original Grant: $500,000 for 5 years

Amount and Term of Extension: $167,000 for 18 months (from March, 1978 to August, 1979)

Sponsoring Technical Office: Office of Agriculture, Development Support Bureau

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1. Project Appraisal Report (PAR): Southern University 211(d) Grant

I. Relevance of Problem Area and Need for Expertise

The Foreign Assistance Act of 1973 directed AID to place increased emphasis on helping the "poor majority" in the developing countries. As a result, AID is working jointly with developing nations to design programs and policies which will benefit the poor through their active participation in the development process itself. Because the rural poor account for a large percentage of the "poor majority" and due to increasing realization of the problems associated with rural-urban migration, development efforts are increasingly concentrated in rural areas. AID's emphasis on rural development programs and projects is reflected in the FY 78 Congressional Presentation and the FY 79 Annual Budget Submission.

In order to improve their quality of life, particular attention must be given to ways to expand productive employment opportunities (both on and off-farm), improve the distribution of income and social services, and to increase agricultural output. Otherwise, the majority of people in rural areas will continue to exist in varying degrees of absolute and relative poverty under conditions which are deteriorating as rural populations grow and available resources, technologies, and institutional structures remain unchanged.

The development of employment opportunities in rural areas is particularly important. Without these employment opportunities there is little hope for long-term improvements in the quality of life. The

limited resources of the rural poor and the desire to incorporate them in a self-sustaining development process implies that both formal and informal rural organizations, particularly small farmer organizations, may become increasingly important mechanisms in providing more effective employment and income generating opportunities. Such organizations are generally assumed to permit (1) pooling the resources of the rural poor, (2) distributing the risks of projects, (3) increasing the economic returns to members, (4) providing technical services and assistance at reduced cost, and (5) generating employment opportunities.

At present, a few private and voluntary groups are actively engaged in working with small farmer organizations. These groups have focused primarily on providing services such as education and on-the-job training to cooperative members on coop management and operation as well as assistance to AID in project design and evaluation activities. However little attention has been paid to how such organizations affect the return to labor inputs and employment opportunities. AID's internal capabilities in the area of small farmer organizations, as a whole, are quite limited and outside help is needed frequently in problem identification, implementation and analysis of projects involving small farmer organizations. A better understanding of these employment and income effects and how to structure small farmer organizations to enhance these impacts would facilitate the design of more effective rural development projects and programs

which utilize these institutional mechanisms to increase employment and improve the distribution of income.

If the Agency is to provide the assistance that LDC's need and desire in the shaping of such programs and projects, professional expertise is required. Such expertise can be developed through the 211(d) Grant mechanism. The skills and expertise can only be provided by persons with an understanding of and experience in agricultural and rural development. The need for trained and experienced agricultural/rural development specialists has continued to increase both within AID and the LDCs. Missions and Regional Bureaus have been unable to attract and retain personnel with the skills needed in this critical problem area. The Agency's strong emphasis on assisting small farmers and the rural poor accentuates the deficiency. The need for additional expertise and alternative approaches to rural development problems is reflected in the Agency's general agricultural/rural development strategy and also in the individual country strategies proposed in many of the DAPs.

There is also general agreement within the Agency that it needs to do more to involve minority group individuals in its programs and projects and that the domestic experience of the 1890 land grant universities in assisting small farmers and poor rural people may prove to be useful in AID's assistance efforts in LDCs. While discussion on involvement of 1890 institutions in Title XII are proceeding, the 211(d) Grants to minority institutions remain the major mechanism for developing response

capabilities at these institutions. Such grants also provide the impetus to interest minority individuals in international development work.

The Agency has four 211(d) Grants in agricultural economics with minority institutions: Virginia State College, Southern University, Tuskegee Institute, and North Carolina A & T State University. The grants to Virginia State and Southern initiated in 1972, focused on building institutional capacity. In 1974, the purpose of 211(d) grants changed somewhat to include developing institutional capabilities to more directly respond to AID country project requirements. Agency Policy Determination 62 emphasized that both new 211(d) grants and their extensions should be focused on developing response capabilities in specific problem areas where the Agency's need for additional expertise will continue. As a result, the grant to Virginia State College was redesigned and subsequently extended for an additional two years (till May, 1979) to enable them to further develop their capability to assist low-income farmers and small business in developing countries.

This grant project statement proposes to extend the grant to Southern University with the emphasis on developing a response capability to assist LDCs in the development of more effective small farmer organizations. By focusing the grant extension on the return to labor and employment impacts of small farmer organizations this emphasis is consistent with the focus of the original grant awarded to Southern in 1972 which stressed the analysis of rural unemployment and underemployment. Southern can thus continue to strengthen its

response capability through overseas involvement and move on to other contractual mechanisms for utilization of its response capabilities. Given AID's increasing emphasis on participation of the rural poor in the development process and the fact that informal and formal organizations are frequently viewed as effective mechanisms for achieving this end, the sharper problem area focus of the proposed extension of Southern's 211(d) Grant seems both appropriate and timely.

II. Performance and Results to Date

The 211(d) grant to Southern University was awarded in May, 1972. The purpose of the grant was to increase the competence and strengthen the capacity of Southern in Economics/Agricultural Economics to contribute to the resolution of rural unemployment and underemployment problems. The Economics and Sector Planning Division, which was responsible for managing and monitoring the activities of the 211(d) grants in agricultural economics, was severely understaffed during the first three years of Southern's grant (1972 - 1974). As a result, the grant program at Southern had very little guidance or direction from AID and Southern had difficulties in linking its domestic work with the programs of AID field missions and LDCs. Thus the capacity to assist LDCs to deal with problems of unemployment and underemployment was built at Southern but not adequately tested or utilized.

In 1975, as the staff capacity of the Economics and Sector Planning Division began to expand, the management of the 211(d) grants began to improve. Nevertheless, the grant program at Southern continued to progress more slowly than the programs at larger universities which had more international development experience and stronger ties to

field programs. Southern was a new participant in the Foreign Assistance Program and needed both more guidance and more time than the larger land grant universities with similar 211(d) grants.

In March 1976, TAB/AGR conducted a comprehensive review of the grant program at Southern. The intra-agency review team recommended that the grant to Southern not be extended because the grantee had failed to focus grant resources on the problems of rural unemployment and underemployment, and had done little to test the hypotheses regarding the adaptability and transferability of solutions for domestic rural problems to LDC's with similar rural characteristics, as called for in the grant. The review team did recognize that TAB/AGR management of the grant in its earlier years had been remiss. They also found that Southern had, under the grant, considerably strengthened its staff capacity in economic development teaching and research although the focus of activities had been primarily on the domestic economic development problems of small farmers in Louisiana. The review team made the following recommendations:

1) That the remaining year of the grant (May 1976 - May 1977) be used by Southern with positive assistance from TAB/AGR to focus sharply on Agency and LDC needs.

2) That Southern seek opportunities to involve its faculty members, supported by the grant, in AID overseas activities such as project design, analysis and evaluation teams, thereby gaining overseas knowledge and experience which could be put to work in LDCs.

3) That Southern tighten up its grant management by prioritizing its use of grant resources and by planning, in detail, for grant outputs to be produced in the final year.

TAB/AGR deferred making any decision on the grant until March, 1977 to enable it to assess Southern's responses to these recommendations and progress toward grant objectives.

Following the comprehensive review, Southern promptly followed up on the review team's recommendations to become more directly involved in AID programs. As examples:

—Southern University faculty have participated in project design and evaluation teams in Liberia on a development program, in Zaire designing an agricultural development proposal, and in Ethiopia working on a non-formal education project. Southern University faculty have recently participated in an evaluation of an agricultural credit project in Kenya and as part of a project team in Haiti.

--Southern also participated in a number of international development conferences. Earlier this year a faculty member presented a paper at a Seminar on Cooperative Experiences in LDCs which was held in Kenya. These conferences have provided Southern with opportunities to begin the process of developing ties with LDC institutions.

--Three faculty members completed AID's Project Design and Evaluation course. Later a summary version of the course was presented on campus for others involved and interested in economic development and grant activities.

--Three students, who were furnished with scholarship support from the 211(d) grant, took part in the AID sponsored Undergraduate Cooperative Work-Study Program in 1976. They were ultimately assigned to assist various AID missions for a 3-5 month period.

—In June, 1977 Southern met with some of the Regional Bureaus to discuss their possible involvement in projects and to review opportunities for work on rural employment problems and cooperatives. They also discussed support of domestic research on cooperatives with U.S.D.A.'s Farmer Cooperative Service, Extension Service and Cooperative State Research Service (CSRS). The USDA's Farmer Cooperative Service will fund some additional work at Southern on a profile of small farmer organizations in the Southern U.S.

Southern University, as demonstrated by its activities since the comprehensive review, has become actively involved in AID projects and programs. Most of the activities undertaken could not be anticipated a year in advance and were not included in a detailed work plan as proposed by the review team. The extension outlined in this grant project statement does, however, provide a more detailed work plan than is usually presented in a 211(d) Grant Project Statement while still leaving flexibility for Southern University to respond to field mission and Regional Bureau requests.

The proposed extension would rely in part on the University's domestic experiences with small farmers and their organizations, particularly research on the economic problems and constraints facing small farmers. Their research has also been directed at analyzing the structure of rural organizations, identification of community leaders, and analysis of community problems and solutions as perceived by the community and its leaders. For example, some of the studies in these areas include:

(1) "Analysis of Economic Factors Affecting the Success of Small Farm Operators"

(2) "The Impact of Institutional and Socio-Economic Forces on the Marketings of Small Farm Produce."

(3) "Rural Community Problems and Solutions as Perceived by Indigenous Leaders and Non-Leaders."

(4) "Rural Community Needs, Problems, Alienation and Social Structure."

(5) "Leadership Research for Community Development."

(6) "The Relative Effectiveness of Different Approaches to Training Leaders in Low Income Communities.

Much of this research has been funded by the U.S. Department of Agriculture's Cooperative State Research Service (CSRS). The domestic research also has the characteristic of being action oriented i.e. the results are disseminated to provide individuals with practical alternatives for the solution of their problems. Southern University faculty and research assistants work closely with rural people and organizations and also rely on their own knowledge of institutions in Louisiana as well as sample surveys and case studies to identify problems and analyze them. Southern recognizes that its knowledge of institutions and people in Louisiana which shape its domestic research activities may or may not prove as useful overseas. Therefore, the necessity of becoming involved in analyzing LDC problems in their own environment is critical and is an important component of

this 211(d) Grant extension.

The proposed extension of Southern University's 211(d) grant is designed to complement and build upon the experience gained during the first five years grant. As will be described in more detail later, the grant extension activities focus more sharply on the rural unemployment and underemployment problems in LDCs. The activities are designed to involve the University in development work outside the campus-both overseas and through domestic linkages with other land grant institutions and agencies currently working on small farmer organizations and rural employment problems in LDCs such as the Cooperative League of the United State of America (CLUSA), Agricultural Cooperative Development International (ACDI), and Michigan State University. These and other institutions will be asked to participate in workshops and seminars at Southern University and to consult with Southern in its implementation of a field case study of employment and income impacts. In addition other joint research opportunities are presently being discussed with them as well, continuing the "outward" focus of this 211(d) extension.

III. Committment to Long-Term Involvement

Southern University is interested in, and committed to, assisting LDCs in solving problems associated with their economic and social development. This commitment has been strongly articulated by Dr. Jesse N. Stone, President of Southern University, as well as demonstrated by the commitment of its scarce resources to these activities. Southern University faculty members in Agricultural Economics, Sociology and Education/Extension have participated and continue to participate on AID project design/evaluation teams in various

developing countries. The University has, and continues to be an active participant in a program sponsored by the Department of State's Cultural Unit in which foreign dignitaries get an opportunity to see first-hand the various kinds of education, research and extension programs underway at selected U.S. universities. The School of Agriculture at Southern was the principal contractor in a Cameroon project to assist in developing the teaching capacity of the National Advanced School of Agriculture (NASA) in Yaounde (contract ended in 1976). The 211(d) grant program at Southern has supported several students from developing countries majoring in agricultural economics. Southern has held seminars, conferences and workshops to focus on various problems affecting developing countries. Southern is also an active participant in the newly-formed South-East Consortium for International Development (SECID). The 211(d) grant program director, serves as a member of SECID's executive board.

The University has demonstrated in these and other ways that it is committed to the involvement of faculty members, students, and its resources in overseas development activities over the long run.

IV. Rationale for Revision/Extension

The need for additional expertise to assist LDCs in the general areas of agricultural/rural development continues to increase. This is reflected in the requests for technical assistance by AID missions, LDCs and regional bureaus for professional expertise to assist in designing, analyzing, implementing and evaluating agricultural and rural development

programs and projects. An increasing number of countries are recognizing the importance of the agricultural sector and have centered their development efforts around strategies to increase food production, rural incomes, employment, access to services, etc.

There is increased recognition that the "trickle down" approach to development has not adequately improved the welfare of the rural poor, and as a result, LDCs face steadily worsening unemployment problems. The involvement of the rural poor in the development process will probably require increased reliance on both formal and informal rural organizations. Such organizations must be more directly linked with the local economy if the rural poor are to be incorporated into the market economy and the development process is to be self sustaining. The Agency currently has a number of projects to develop small farmer organizations or cooperatives. These projects are likely to become increasingly important in the Agency's efforts to meet the Congressional mandate.

As was noted earlier, there are only a few private and voluntary agencies working on developing such organizations in LDCs. These agencies have focused largely on education and training for new cooperatives in such areas as management, bookkeeping etc. There has also been tendency among development practitioners to assume that cooperatives are obviously "good" organizations which simply need better management or more members. There has been much less work on how organizations such as cooperatives do in fact, affect small farmers' incomes, returns to labor, and employment opportunities. Yet, it is this

and similar information which the LDC's and AID require to assess their usefulness as a development tool, and to analyze their economic and social feasibility in a particular setting. Therefore, the capabilities which would be strengthened at Southern under the extended 211(d) grant would be complementary to existing work on small farmer organizations and are needed by AID and host governments. The primary objective is to build Southern University's capacity to assist AID Missions and LDCs with the design, implementation and evaluation of rural development institutions and organizations which can affect employment opportunities and the earnings of small farmers.

The difficulties with the 211(d) grant awarded to Southern University in May 1972 have already been discussed in detail. Although a number of activities during the early years of the grant were directed at domestic activities, Southern's interest in and commitment to international development continued to grow. The grant extension would build on this domestic base. For example, the capacity of the agricultural economics department at Southern was significantly strengthened by the 211(d) grant. Involvement in future overseas activities would permit this capacity which developed through the grant to become stronger.

This grant extension permits Southern to focus its interests in unemployment and underemployment problems that (1) build upon the capacity already developed, (2) promise to be in an area where future involvement in international development work is expected to increase and (3) continues

the more intensive overseas involvement that has been evident in the later years of the grant. It also provides AID with the capability to more effectively analyze the impact of organizational mechanisms such as small farmer organizations on rural employment and incomes. The grant extension would permit Southern University to apply existing methodologies to analyze these impacts through a case study of a production-marketing cooperative overseas. In the future the capacity developed at Southern could be tapped by AID and other institutions. Prospects for other funding at this time are negligible. After this extension which would permit the University to work in an LDC setting more significant involvement in project design and evaluation teams and other contractual arrangements would appear more promising.

With respect to Title XII strengthening activities which are contemplated in FY 79, this extension should be thought of as continuation of the strengthening activities under the 211(d) grant. As such, it has a focus within a specific problem area, and should not preclude Southern University participation in the broader strengthening program envisioned under Title XII.

V. Revised Grant Project Design

A. Summary: Purpose, Outputs, Inputs and Assumption

The purpose of the extension is to continue to build Southern's capacity to work on important problems of international agricultural and rural development and to facilitate fuller utilization of this capacity in assisting the Agency and LDCs in the critical problem area of rural unemployment

and underemployment. The focus of the original grant will be narrowed to encompass the analysis of the economic impacts and effectiveness of small farmer organizations to meet development ends, particularly the goal of increased employment.

The grant activities during this extension are designed to provide Southern University with a learning experience while conducting a case study analyzing a small farmer organization and its impacts on employment and income. In the process the University proposes 1) to build on its domestic experience with small farmers and their organizations while increasing its ability to carry out such research overseas, 2) develop close linkages with other land grant institutions and agencies working with small farmer organizations by involving them in seminars and workshops designed to tap their experience in applying appropriate methodologies, data collection etc, and 3) continue the strengthening of a response capability in analyzing rural unemployment and underemployment problems consistent with the purpose of their original 211 (d) Grant. In addition, Southern University would have increased the knowledge of how such organizations impact on employment and income; at present knowledge about these impacts appears quite limited. AID could utilize Southern University personnel on future design and evaluation teams looking at projects that involve both formal and informal rural organizations.

The case study should be viewed as an example of how the application of these existing methodologies can be used to better understand the impacts of these organizations and make them more effective in meeting employment and

income goals. In the process of conducting the study, Southern would be able to exchange ideas on research methodology and problems that may be encountered through seminars. Of course, it would be inappropriate to generalize the results from such a study to other small farmer organizations. Nevertheless, Southern could use the results and methods used as a guide for studies in other countries.

In terms of outputs the grant extension would provide: a case study of a small farmer organization in a selected developing country; five seminars to enhance the knowledge of Southern University faculty and students about international agricultural development and research problems; development of linkages and networks between Southern, other universities and private voluntary agencies concerned with small farmer organizations; a conference on employment and income impacts of cooperative organizations in rural areas; and advisory and consultation services in such areas as small farmer organizations and rural employment problems.

Evidence of achievement of these outputs would include publication of the proceedings of the seminars, publication of the findings of the case study, publication of papers presented at the conference, joint activities with other universities and organizations during the grant, and completion of trip reports, project papers and evaluations carried out through advisory and consultative services.

Underlying the achievement of these outputs are the following assumptions: willingness of other universities and organizations to participate in activities with Southern University; willingness of Southern University

faculty to participate in workshops and seminars, undertake international research, and overseas advisory and consultative services; and AID's assistance in identifying consultative assignments for Southern's increased involvement in Agency programs and an appropriate country in which to undertake a case study; and that country's willingness to permit Southern University to study a small farmer organization.

In terms of inputs, the greatest proportion of grant funds would be used to finance the following:

1) Faculty and Student Support

It is expected that release time for faculty engaged in research activities (22.5 man-months) and overseas advisory and consultation activities (6 man-months) would also be funded by the grant. A graduate student and a research associate working on the case study would be supported through the grant (30 man-months).

2) Travel

In order to carry out the research activity and develop linkages funds would be provided for travel to the LDC as well as conferences and workshops. Examples of such conferences may include Agricultural Development Council - Rural Training Network (A/D/C-RTN) seminars and meetings by such organizations as the Society for International Development. Explicitly excluded are meetings of domestic professional societies. In addition travel funds for participants of workshops and seminars at Southern would be provided.

B. Plan of Work

1. Background:

The Plan of Work outlines in much greater detail than is usual for

Grant Project Statements, the required inputs, expected outputs and timing of activities during the extension. Over an 18 month period, Southern will undertake a program to enhance its capabilities to participate in future activities designed to increase small farmer income and employment through the vehicle of small farmer organizations as well as analyze rural unemployment and underemployment problems. This program will consist of five interrelated and supportive components: (1) research, (2) education and training, (3) linkages and networks with other universities and organizations, (4) advisory and consultative services, and (5) information capacity. However, the grant extension activities proposed in this paper are organized around a case study of a small farmer organization. Indeed the bulk of funds for faculty and student support are included in this output and the other outputs are designed to interact with this effort. For example, seminars which are scheduled during the extension are linked to the research effort but are viewed as having an education and training output; formation of linkages with participants in these seminars and their institutions would also occur. The information capacity output consists of a conference and increases in library holdings on rural organizations in LDCs. The advisory and consultation services output permit the university to support faculty so that they can more easily take part in these opportunities while minimizing the effect on the educational programs at the University.

In the process Southern would acquire the professional expertise, physical resources, linkages with other organizations and visibility necessary to establish a capability for meeting the needs of LDCs and AID for designing,

analyzing and evaluating small farmer organizations. Although the research activity's primary intent is to provide Southern University with added experience, it will also provide important insights into the role and capabilities of small farmer organizations in a participatory development process that could be incorporated into research efforts in other countries.

Farmer Organizations - The objectives of farmers organizations can be classified into four categories: 1) to increase the income earning capacity and employment of members, 2) to provide members with consumer goods and services, 3) to alter the political and social role of members in the broader community, and 4) to promote community and economic development. While these objectives are complementary it is the goal of enhancing income and employment that will be the focus of Southern University's activities.

From among the three most prevalent forms of farmers organizations (production cooperatives (group or communal farms), marketing cooperatives, and farmers clubs) marketing cooperatives are the most important in terms of both AID programs and LDC investments in farmers organizations. Marketing cooperatives provide three general sets of services to members which are intended to immediately impact on their income earning capacity and employment. These are 1) marketing (sales, processing, storage, and transportation) of members' produce, 2) sales of farm inputs such as seed, fertilizer, chemicals, equipment, and machinery, and 3) education and training in new farming techniques and systems. Because of the importance of these cooperatives Southern University will conduct a case study of a marketing

cooperative: 1) to determine its impacts on income and employment in the community which it serves, and 2) identify the determinants of the distribution of those benefit among small farmers.

2. Methods:

Increases in income and employment generated by a cooperative may be derived by its members and their employees, by employees of the cooperative itself, and by the owners and employees of firms producing inputs sold by the cooperative to its members. In addition, the spending of these incomes induces additional income and employment. In order to keep the study within the resources available, no attempt will be made to estimate the income and employment induced by expenditure of the income initially derived from the cooperative. Only the increased income and employment of the community in which the members reside will be estimated. This includes the wages, salaries, profits, and employment of the cooperative, local firms which may produce inputs sold by the cooperative and increases in the incomes and employment of its members and their employees.

a) Income and Employment Effects - Estimation of the income and employment effects of the cooperative and local manufacturers of inputs is relatively simple. Since most LDC communities suffer from some degree of unemployment, it can be assumed that the income formerly earned by the Cooperative's and input supply firms' employees is now earned by someone else who was formerly unemployed or underemployed. Therefore, the income and employment of the cooperative can be viewed as net increments to community income and employment. Although theoretically it is the increments to income

and employment of input producing firms that result from sales to the cooperative that should be credited to the cooperative, it is beyond the resources of the study to estimate marginal effects. Therefore an averaging method must be used which ascribes wages, salaries, profits, and employment of the firms to the activities of the cooperative in proportion to the ratio of the firms' sales to the cooperative to total sales. The required data can be obtained from the records of these firms and the cooperative.

Estimation of the increases in the incomes and employment of members and farm workers employed by them is substantially more difficult. It will require data on current income and employment and then deducting income and employment that would have been obtained had the cooperative not been established. Thus this will require data for members of the current farm organization and for farmers in a situation without a cooperative. A control group consisting of farmers who in all respects other than membership in the cooperative are similar to the cooperative members will be utilized to obtain the second set of data. Information necessary to make these estimates include: cash sales, home consumption, expenses, hired and family labor inputs, income from other sources etc.

Because it can be expected that attitudes and agricultural methods of non-members residing in the community served by the cooperative are affected by the presence of the cooperative, the control group will be selected from farmers in an adjacent community where the socio-cultural, agro-climate environment are similar to those found in the community served by the coop-

erative. Farmers will be included in the control group whose personal characteristics are similar to those of cooperative members. Important characteristics are anticipated to be age, education, family size and composition, and and access to capital.

Since the time available for data collection is limited all data will be derived from interviews rather than direct measurement. It is recognized that this method has severe shortcomings particularly for data items which are repetitive throughout the year such as labor use. Secondary sources will be utilized, such as agricultural sample censuses and other research projects, to verify interview results. The samples of members and non-members will number not less than 50 each and will be chosen randomly. Larger samples and more cost effective sampling methods will be explored.

b) Determinants of the Distribution of Benefits - The second objective of the case study is to analyze the determinants of the distribution of the income and employment benefits of the cooperative among small farmers within the community. Since only members of the cooperativé can obtain its benefits, then one of the major determinants of the distribution of benefits is membership in the cooperative. Southern University will analyze factors underlying such membership in the community. Among the factors that can be hypothesized to influence the decision to join the cooperative are progressiveness, family structure and kinship relations, cooperativeness or competitiveness, ethnicity, [illegible] leadership and ability to derive economic benefits as determined [illegible] to productive resources, and other similar socio-economic attri-

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butes. The role of women in the family structure and type of labor inputs provided by the family would be examined for cooperative member and non-member households. Techniques which may be utilized in testing these hypotheses are analysis of variance, discriminant analysis, or regression analysis. Data will be derived from interviews of samples of not less than 50 non-member small farmers and 50 members in the same community. During the planning of the study specific hypotheses will be selected for testing.

Not only is membership in the cooperative a determinant of the employment and income benefits obtained by small farmers but, there are undoubtedly differences among the members and non-members in the degree to which they benefit from membership, reflecting in large part the degree to which they utilize the services of the cooperative as well as the efficiency of their farming operations. Social, economic, political and technical factors can be hypothesized to influence this distribution. For instance, access to resources and distance from the cooperative may be major economic factors while quality of land may be a technical constraint. The specific hypotheses to be tested by Southern will be framed during the project planning period, after a review of existing literature, discussions with consultants, and informal study of the cooperative and its members. Analytical methods will also be selected at that time. Regression and factor analysis appear to hold the most promise. Data for this analysis will be derived from interviews of the members.

Four faculty members from Southern University will participate in the project, three agricultural economists and a sociologist. A research associate in agricultural economics and a graduate student in rural sociology/

sociology will also participate. The faculty members will be Dr. T. T. Williams, Director, Employment-Unemployment Institute; Dr. Leroy Davis, Chairman, Department of Agricultural Economics; Dr. Jaswant R. Jindia, Associate Professor of Agricultural Economics; and Dr. John Moland, Professor, Department of Sociology and Director, Center for Social Research.

3. Phasing and Implementation:

The grant extension will be conducted in four phases:

Planning:	March 15 - June 1, 1978
Field Work:	June 1 - August 31, 1978
Analysis and Report Preparation:	September 1, 1978 - February 28, 1979
Utilization:	March 1 - August 15, 1979

Phase I - Planning: During this phase, the small farmer organization for the case study will be selected, background materials will be collected and summarized, linkages with other institutions having experience with small farmer organizations and LDC data collection will be established, and the study methods will be specified.

Assuming that this Grant Project Statement is approved by the Deputy Administrator, a funded extension could begin approximately in mid-March, 1978. Since the planning activities are so crucial and field work would begin in the summer, it is necessary that the planning activities start prior to March. Southern University presently has an unfunded extension of its 211(d) Grant and some of the activities such as the start of a literature review for related studies of small farmer organizations and development of linkages with institutions having appropriate prior experience could begin occurring in late January. Southern realizes that conducting

these activities during the unfunded period would not imply that a funded extension of their grant would be forthcoming or commit AID to such an extension.

DSB/AGR is in the process of identifying an appropriate country. Dr. T. T. Williams was recently in Kenya as part of an evaluation team and discussed Southern's interest in analyzing a small farm organization with the Ministry of Cooperatives and USAID/Kenya personnel. In addition USAID/Liberia has recently initiated a project to develop a cooperative strategy for that country. Contacts have been initiated with both these Missions. It appears that the case study which Southern proposes to conduct would be of benefit not only to these countries but others as well.

During the first month of the funded extension (starting approximately March 15) two concurrent activities would take place: the small farmers organization will be selected and the literature review would continue.

From three or four organizations to be identified by DSB/AGR, Southern University will select one organization for study. Criteria to be utilized will include:

- the purposes, services and apparent viability of the organization and a past history of ability to overcome problems
- age of the cooperative
- host country, mission, and cooperative's willingness to participate in the study (DSB/AGR would continue the contacts with the mission to determine and foster this willingness).
- availability of data from the organization, its members, the region and country,

- feasibility of working collaboratively with host country and/or other U.S. institutions on the case study,
- language capabilities of the study team in relation to the host country,
- Southern University's prior interest and experience in the study country.

A representative of Southern University will visit each potential study cooperative until one has been selected.

Once the study organization has been selected, materials about that specific organization and the country in which it is located will be collected and studied. This will include but not be limited to:

- demographic data about the country and service region of the cooperative
- anthropological/sociological studies of the country and/or the particular ethnic group of the cooperative's membership,
- descriptions and evaluations of the institutions and organizations which impact upon the cooperative including government agencies, universities, input suppliers, etc.,
- economic studies of agriculture and other industries in the study region.

Linkages established with other groups and institutions which have had past experience with data collection and analysis in LDCs will continue. Individuals from these organizations would take part in meetings and seminars serving as consultants to the study team by providing assistance and guidance in the design of research methods, sampling and data collection techniques,

and data processing and analysis as required. Preliminary contacts have been already established with Michigan State University and ACDI among others, which have relevant expertise and experience with data collection and/or small farmer organizations. They have indicated interest and willingness to assist in the development of the study.

Two such seminars and meetings would be held during the planning phase:

1. A meeting of the study team, the appropriate consultants, and the AID project manager will be held at start of the second month of planning (April 15) to discuss further delineation and refinement of study objectives, and to begin discussions of research problems and methods. A seminar on the use of various analytical techniques such as regression, factor analysis and discriminant analysis will form part of this meeting.

Thus during the last month of planning, (May 1978) the specific methods will be delineated including data requirements, sampling methods and analytical techniques. The study team will have been preparing a paper which will present the refined study objectives and justification, a background of the country and region under study, a history and description of the cooperative, and the proposed research methods.

2. A meeting of the study team, the grant project officer, and the appropriate consultants will be held in late May, just prior to the departure of the study team, to review the paper described above. A seminar on likely data collection and sampling problems would be held during this meeting.

Southern University will also participate in an A/D/C Seminar on the

role of cooperatives in the development process scheduled for March or April.

During Phase I the research associate and graduate student will work full-time on the study, Professors Moland and Jindia will devote one-half of their time to the study, and Drs. Davis and Williams will provide quarter time.

Phase II - Field Work: This will take place from June 1 to August 31, 1978. Drs. Jindia and Moland, the research associate and the graduate student will be in the country full-time throughout the period while Drs. Davis and Williams will spend approximately half-time at the study site. During this phase all data will be collected. During the first four weeks the team will familiarize themselves with the local situation, particularly, the social, political, and economic environment of the cooperative, the cooperative's purpose, structure, history, services, and facilities, and the established and proposed agricultural systems of the region. Supporting data will be located, particularly from the records of the cooperative. Discussions will be held with government workers in relevant ministries, local political leaders, agricultural and social scientists, cooperative leaders, cooperative members, and local farmers. A pilot survey of cooperative members to aid in the drawing of the control group of farmers would be carried out during these first four weeks.

At the end of this period, the study should have a strong grasp of the attitudes and external realities confronting the cooperative and its

membership. The control group region will also be selected and hiring of enumerators will be initiated.

During the following three weeks questionnaires will be designed and tested, samples will be drawn, and enumerators will be trained. One of the previously identified consultants will visit the study site to assist the team in making any required adjustments in the methodology.

For the remainder of the phase, data will be collected. It is anticipated that the three surveys will produce no less than 50 useable questionnaires each.

It is recognized that problems in data collection in the field may occur. Therefore an extension of Phase Two activities into the Fall 1978 is possible; the research associate is available to continue in-country work for a brief period should this prove necessary.

Phase III - Analysis: During the period September 1, 1978 - February 28, 1979 the data will be analyzed and reports prepared for distribution to AID and the host government. During this phase, the study team will participate at the same levels as in Phase I.

A seminar will be held in the Fall 1978 on problems encountered in data collection and the changes required to overcome these problems. Another seminar will be held in the Spring, 1979 on a topic to be decided later.

Reports to be submitted to AID will include a research report summarizing the findings for each of the two objectives and a review of the problems of conducting research in a less developed country. The latter report would be subdivided into conceptual problems, sampling problems,

data collection problems and should include a discussion of the feasibility of adapting research tools and methods designed for use in the U.S. to LDC use. In addition a report will be prepared for mission and host country use which summarizes findings and makes appropriate programmatic and policy recommendations.

Phase IV - Utilization: During the period March 1, 1979 - August 15, 1979 Southern University will focus on activities designed to foster utilization of its developed capacity. This will occur through 1) a conference which will assist in the dissemination of the research results and provide opportunities for linkages with other institutions and 2) release time for faculty so they can provide consultation and advisory services. In addition a seminar during the Summer 1979 will be held; the topic will be decided later.

1. Conference

Southern University will sponsor a conference on the role of small farmer organizations in improving the income and employment opportunities of rural people in less developed countries. This conference will draw upon the expertise resident in both foreign and American universities, donor agencies, private voluntary agencies, and governments and cooperative, of less developed countries. Its focus would be the theoretical and actual effects of such organizations on the welfare of rural people in the LDC's. The underlying assumption of such a conference would be the sharing of experiences by Southern University and other participants, particularly foreign. Southern would relate its experiences during its work in an LDC to

its domestic experience with cooperatives. Agriculturally-focused organizations will be emphasized, but others may be considered. Among the types of organizations to be considered are cooperatives, quasi-cooperatives, emerging cooperatives, informal and formal community service organizations, farmers clubs, etc.

A/D/C is currently organizing a program of research and seminars on cooperatives. Southern University staff will coordinate with A/D/C in the development of seminar and conference activities. A/D/C has been contacted and would include faculty from Southern in its program and would assist in the development of a conference.

2. Advisory and consultative services

Six man-months of faculty release time will be made available under this grant to provide consultative services to AID. The expectation is that most of the consulting work will be related to activities of small farmer groups, and rural employment problems. Nevertheless, the scope of Southern's capability is wide enough to allow participation of the faculty members where the disciplines of agricultural economics, sociology and education/human resource development might be needed. Three of the four core faculty of the case study have a month's time available. Three man-months of consultative time will be available from other faculty members. This time will be in two to four week time periods. The Agency realizes the serious consulting time constraints existing in most research/ consulting arrangement with Universities. Thus Southern will attempt to allow for shorter lead times in arranging consultation by providing flexibility to faculty schedules. The consultative work

would broaden Southern's experience and provide the Missions with technically skilled people to work in areas of LDC needs.

C. Estimated Budget - 18 Months

Inputs:		($000)
1.	Salaries - faculty release time: 28.5 man-months	61
	Research Associate 12 mm	10
2.	Research Assistanships - 18 mm sociology (at 2,400 per 9 mm)	5
3.	Consultants	8
4.	Secretary - 12 mm at FT = 8,000 (+ 3 mm) = 2,000	10
5.	International Travel	
	Air Fares	12
	Per Diem	25
6.	Domestic Travel	
	Air Fares	6
	Per Diem	4
7.	Data Collection	10
8.	Other Research Expenses	5
9.	Library Books	1
10.	Conference	10
	Total	167

Outputs:		
1.	Education and Training	9
2.	Research	130
3.	Linkages and Networks	4
4.	Information Capacity	11
5.	Advisory and Consulting Services	13
	Total	167

VII. Complementary Actions and Management Considerations

As mentioned earlier linkages and network will be set up among other universities and institutes, both here in the U.S. and abroad. Contact has been made with Michigan State University regarding possible Southern involvement in the Off Farm Employment Project contracted out by DSB/RD. In addition, CLUSA and ACDI have expressed support for Southern activities. CLUSA expressed interest in joint activities with Southern's staff. Finally on the domestic front, Southern expects to receive a small grant from USDA to evaluate the factors contributing to the success of limited resource farmer cooperatives.

Southern's work on a case study of a small farmer type organization requires identification of possible research sites as soon as possible. The grant project officer has contacted the Regional Bureaus in an attempt to pre-select three or four countries for Southern's investigation at the very start of the grant extension. At present, tie-ins with USAID/Kenya or USAID/Liberia activities on small farmer organizations appear most promising and are being explored. A crucial assumption for the case study is that Southern in collaboration with DSB/AGR/ESP will be able to identify a suitable organization and country by mid-March. This is the most important management consideration at the moment and will require Regional Bureau and Mission assistance and coordination. In the network and linkage arrangement the grant project officer will coordinate this extension with the three other 211(d) grants to 1890 institution. Funds have been set aside from the budget for visits by Southern faculty to Washington to allow Southern to participate in project reviews and consult with Regional Bureau representatives. If the

grant is approved, two of Southern's faculty plan to participate in the Project Design and Evaluation Seminar.

The evaluation plans for this grant extension consist of an on-site evaluation 12 months after the start of the grant and an end of project summary. The on-site evaluation will consist of the grant project officer and representatives from the Regional Bureaus, particularly the Bureau where the case study has occurred and would also include an interested rural and agricultural development generalist. Information would be developed on how the grant extension has been used to sustain a viable institutional response capability. The outputs, such as case study reports and associated seminars would be used as a basis for determining achievement of the grant purpose. Throughout the grant extension DSB/AGR would also be monitoring the overall progress of the grant and assist in the seminars and meetings focusing on project design activities as well as arrange a brief in-country visit to monitor and assist in field activities.

DSB/AGR is currently managing three other 211(d) grant programs in agricultural economics. While this particular extension has a quite specific Mission and Bureau focus in terms of the case study and the linkages developed with organizations working on small farmer organizations and LDC employment problems are of primary concern, closer linkages and joint activities with the other 1890's are being developed. It appears that these grants could be more efficiently and effectively managed together. Also in the review of ESP projects by Regional Bureaus, it was concluded that this set of 211(d) projects should continue to be managed in that office.

ENVIRONMENTAL THRESHOLD DECISION

TO: AA/DSB, Mr. Sander Levin

THRU: TA/PPU

FROM: DSB/AGR, Leon F. Hesser

SUBJECT: Environmental Threshold Decision

Project Title: Rural Unemployment and Underemployment
Project #: 931-0140
Project Manager: W. Merrill
REFERENCE: Initial Environmental Examination (IEE) contained in Impact and Evaluation Form dated 1/10/78

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

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

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

_____ a. An Environmental Assessment is required; or

_____ b. An Environmental Impact Statement is required.

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

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

Approved: _____

Disapproved: _____

Date: _____

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AID 1020-24 (11-72)

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

#931-0140

Project Title & Number: Southern University 211(d) Grant Rural Unemployment and Underemployment

Life of Project:
From FY 72 to FY 79
Total U. S. Funding $67,000*
Date Prepared: 1/10/78
*(167,000 for extension period)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
Program or Sector Goal: The broader objective to which this project contributes:	Measures of Goal Achievement:		Assumptions for achieving goal targets:
Project Purpose: To further develop the institution's response capability and multidisciplinary capacity to assist LDCs (with emphasis on the problems of rural unemployment and underemployment and the impacts of small farmer organizations on these problems) while facilitating greater utilization of the capacity developed.	Conditions that will indicate purpose has been achieved: End of project status. 1. A small, but competent group of faculty members in agricultural economics, economics and sociology, with experience in working collaboratively with LDC professionals on rural unemployment and underemployment problems. 2. Increased utilization of core staff by AID, LDCs and/or other donors.	1. Annual reports, Project Appraisal reports (PAR's), on-site review reports 2. Annual reports, PAR's, regional bureau documentation. 3. Information from USAID's served.	Assumptions for achieving purpose: 1. (a) There is a continuing need for the competence and expertise being developed at Southern University. (b) Core staff remains committed to and interested in working collaboratively on LDC problems. 2. Regional Bureaus will identify opportunities to utilize Southern Univ. core staff.
Outputs: 1. Expanded knowledge on problems concerning rural unemployment and underemployment and role of small farmer organizations on these problems. 2. Strengthened educational and training capacity as it relates to agricultural/rural development. 3. Advisory and consultation capacity. 4. Increased information capacity. 5. Linkages and networks developed.	Magnitude of Outputs: 1. Case Study of a Small Farmer Organization in a selected LDC. 2. One Research Associate and one Graduate Student Supported by the grant. 3. 6 MM available for advisory and consultation services. 4. a) Approximately 30 additional library acquisitions related to international development. b) 1 conference, 5 seminars held. 5. Stronger linkages developed with 1890 and 1862 universities and cooperative organizations.	1&2 Annual reports, PAR's, research papers and theses. 3. Annual reports, field trip reports and consultations with Regional Bureau personnel. 4. (a) Library acquisition lists. (b) Southern University monographs on conference and seminar proceedings. 5. Annual reports, PAR's, linkage agreements, Mission correspondence.	Assumptions for achieving outputs: 1.(a) information needed for case study is accessible. 2. Research Associate and graduate students can be recruited who are interested in LDC problems. 3. Core staff remaining interested in providing advisory/consultative services. 4. Facilities are sufficient for increasing information capacity. 5. Sufficient interest in forming linkages and networks exists in domestic and LDC institutions.
Inputs: Southern 1. Computer, teaching, library office, administrative and accounting facilities. AID 2. Financial Support 3. Project Management (IGP/AGR) involvement. 4. Regional Bureau involvement.	Implementation Target (Type and Quantity) 1. Present facilities adequate. 2. $167,000 over 18 months. 3. Approximately 2 MMs/yr. 4. Approximately 10 work-days/yr.	1. Annual reports. 2. PIO/T's and other AID records. 3. PAR's, correspondence with Southern University. 4. PAR's, memo's, cables and other correspondence with regional bureaus and missions.	Assumptions for providing inputs: 1. Facilities will be available at Southern. 2. Grantee could not develop its capacity without financial support. 3. Guidance and direction needs to be given to grantee's program. 4. Regional bureaus and missions need to be involved in decisions affecting their respective LDC's.

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IMPACT IDENTIFICATION AND EVALUATION FORM

Impact Areas and Sub-areas 1/	Impact Identification and Evaluation 2/
A. LAND USE	
1. Changing the character of the land through:	
a. Increasing the population	N
b. Extracting natural resources	N
c. Land clearing	N
d. Changing soil character	N
2. Altering natural defenses	N
3. Foreclosing important uses	N
4. Jeopardizing man or his works	N
5. Other factors	
_____	N
_____	N
B. WATER QUALITY	
1. Physical state of water	N
2. Chemical and biological states	N
3. Ecological balance	N
4. Other factors	
_____	N
_____	

1/ See Explanatory Notes for this form.

2/ Use the following symbols:
N - No environmental impact
L - Little environmental impact
M - Moderate environmental impact
H - High environmental impact
U - Unknown environmental impact

August 1976

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C. ATMOSPHERIC

1. Air additives ---------- N
2. Air pollution ---------- N
3. Noise pollution ---------- N
4. Other factors

_____ _____

_____ _____

D. NATURAL RESOURCES

1. Diversion, altered use of water ---------- N
2. Irreversible, inefficient commitments ---------- N
3. Other factors

_____ _____

_____ _____

E. CULTURAL

1. Altering physical symbols ---------- N
2. Dilution of cultural traditions ---------- N
3. Other factors

_____ N

_____ _____

F. SOCIOECONOMIC

1. Changes in economic/employment patterns ---------- L
2. Changes in population ---------- L
3. Changes in cultural patterns ---------- L
4. Other factors

_____ _____

_____ _____

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G. HEALTH

1. Changing a natural environment ———— N
2. Eliminating an ecosystem element ———— N
3. Other factors

_____ N

_____

H. GENERAL

1. International impacts ———— N
2. Controversial impacts ———— N
3. Larger program impacts ———— N
4. Other factors

_____ N

_____

I. OTHER POSSIBLE IMPACTS (not listed above)

_____ N

_____

_____

See attached Discussion of Impacts.

Project Appraisal Report (PAR)
(For the period July 1, 1975 - June 30, 1976)

Project Title: Rural Unemployment and Underemployment - A 211 (d) Grant in Agricultural Economics

Grantee: Southern University

Contract No: AID/csd-3414

Project No: 931-11-140-140

Contents

I. PAR Face Sheet
II. Narrative
III. Comprehensive Review Team Report

AID 1020-25 (10-70)

REPORT U-440

PROJECT APPRAISAL REPORT (PAR)

PAGE 1

1. PROJECT NO.	2. PAR FOR PERIOD:	3. COUNTRY	4. PAR SERIAL NO.
931-11-140-140	July 1975 TO June 1976	Worldwide	

5. PROJECT TITLE Rural Unemployment and Underemployment: A 211 (d) Grant to Increase Competence in the Economics of Agricultural Development in Less Developed Countries

6. PROJECT DURATION: Began FY 72 Ends FY 77	7. DATE LATEST PROP June, 1972	8. DATE LATEST PIP	9. DATE PRIOR PAR December, 1975

10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: $ 500,000	b. Current FY Estimated Budget: $ - 0 -	c. Estimated Budget to completion After Current FY: $ - 0 -

11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME	b. CONTRACT, PASA OR VOL. AG. NO.
Southern University	AID/csd-3414

I. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION (X) AGENT	AID/W	HOST	B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
S.U.			The attached report substitutes for a regular PAR covering the period from 7/1/75 to 6/30/76 inclusive.	
X			Develop a work plan mutually agreeable to the University and TA/AGR (with input from the technical offices in the Africa Bureau) for the remaining period under the present grant.	May, 1976
	X		Assist grantee in identifying opportunities in AID, LDC's etc. to utilize the capacity generated by the grant.	Sept. 1976
	X		Hold another review to determine progress Southern has made towards grant objectives and most appropriate utilization of the University's capacity.	January, 1977

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D. REPLANNING REQUIRES REVISED OR NEW: ☐ PROP ☐ PIP ☐ PRO AG ☐ PIO/T ☐ PIO/C ☐ PIO/P

E. DATE OF MISSION REVIEW

PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE	MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE
Alfred Harding Oct 5/19/76	Leon F. Hesser

II. Narrative

This Project Appraisal Report (PAR) substitutes for a regular PAR covering the period July 1, 1975 to June 30, 1976 inclusive. The project, a 211 (d) grant in agricultural economics, was awarded to Southern University in 1972. The grant is designed to enable the college to increase competence and strengthen its capacity to assist AID, LDCs and other international donors in the general areas of agricultural and rural development. More specifically, the grant provides Southern University with some of the resources needed to contribute to the resolution of problems affecting the unemployed and underemployed in rural areas, particularly as applicable to similar problems in developing countries.

A Comprehensive Review of the grant program was held on-site at the Baton Rouge campus of Southern University March 25 and 26, 1976. A five-man team comprised of senior AID officials, as well as outside experts, had the difficult task of assessing and evaluating the performance of Southern University under the grant. The team was also charged with the responsibility of formulating conclusions and recommendations which the sponsoring technical office (TA/AGR) could utilize in any subsequent decisions pertaining to the grant, and submitting this information in a formal report (See Part III of this PAR - Comprehensive Review Team Report).

The review team was furnished with an issues paper developed by TA/AGR, which was the focal point for the discussions. They also received other background information on the grant program at Southern University, such as the most recent PAR, a mid-grant review conducted by TA/AGR/ESP, and the final grant agreement between AID and the University as well as a special briefing session on this grant program and the program at Virginia State College. The issues centered around progress (or lack of it) made by Southern University in the following general areas:

a. Staff Development

b. Curriculum Development

c. Research

d. Collaborative/Cooperative Efforts with U.S. and LDC institutions

e. Efforts to seek and attract funding from other sources

f. Utilization of the capacity generated by the grant

The review team concluded the following with regard to the grant program at Southern:

a. Capacity in economics/agricultural economics had increased and could be attributed to the grant.

b. However, the grant program had not focused on the problems of rural unemployment and underemployment as agreed upon by AID and the University. Moreover, the research work under the grant has concentrated on the small farmer and economic development in Louisiana, and not the adaptability, transferability and testing of hypotheses related to the domestic research work directly in developing countries exhibiting similar characteristics (also called for in the grant).

c. Utilization of the capacity generated by the grant at Southern appears to be a problem - mainly because the grant program has concentrated on institution building and not developing response capabilities to assist AID, LDCs and other international donors. Thus, very few faculty members have had the opportunity to work collaboratively with institutions and AID missions in developing countries which helps to increase competence.

On the basis of these and other findings, the review team has recommended against an extension of the grant to Southern University beyond its present expiration date. The team has also recommended that Southern prepare a work plan mutually agreed upon by AID for the final year's activities, and that Southern, with assistance from TA/AGR, identify opportunities within AID and LDC's to utilize the capacity generated by the grant. TA/AGR believes it is in AID's best interests to reassess the progress Southern University has made towards fulfilling the grant objectives before making any decision regarding this grant. It is important to note that the emphasis of 211(d) grants changed — from building institutional capacity to developing response capabilities — after Southern University was awarded its grant. Equally important is the fact that there was very little management of this and other 211(d) grants in the late 60's and early 70's. Therefore, Southern University and other institutions with grants got very little information and assistance from AID in structuring and administering their programs. For these reasons, TA/AGR plans to hold a similar review in January, 1977 for the purpose of determining the most appropriate utilization of Southern's capacity.

COMPREHENSIVE REVIEW
AGRICULTURAL ECONOMICS 211(d) GRANT
SOUTHERN UNIVERSITY
MARCH 25-26, 1976

Review Team:

Mr. Thomas Eliot, TAB Grants Coordinator, Chairman

Dr. Gary Taylor, USDA/ERS

Mr. Jiryis Oweis, AID/AA/IDC

Mr. Sheldon Cole, AFR/DS

Mr. Donald Goodwin, Consultant

Mr. Alfred Harding, TAB/AGR/ESP, Grant Project Officer

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I INTRODUCTION

Southern University received a 211(d) Institutional Grant for $500,000 for a five year period, July 1, 1972 - June 30, 1977. The Agency for International Development, in an effort to support and encourage the development of university capacity in agricultural economics and economics, made six (6) grants, four (4) in 1970 to Michigan State University, Cornell University, Iowa State University and University of Minnesota and two (2) in 1972, one each to Virginia State College and Southern University. It is important to note that the latter grants are to minority institutions, as AID placed special emphasis on upgrading these schools for increased participation of minority institutions and their graduates in international economic development programs.

The grant to Southern University gives particular thrust to strengthening and increasing its capacity in economics/agricultural economics to enhance its capabilities to contribute to the resolution of problems of rural unemployment and underemployment in developing countries.

This comprehensive review was undertaken in the fourth year of the grant as called for in the Agency's Policy Determination #62 of October 30, 1974. The report of an earlier grant review conducted in April, 1975 by the TAB Project Officer, a Project Appraisal Report dated December, 1975, a copy of the Final Grant Proposal, a listing of issues posed by the Project Office, and issue responses by the grantee were made available to the Review Team.

The Team conducted its review on the campus of Southern University on March 25 and 26, 1976. University President, Dr. Jesse

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Stone, the Honorable Lionel Johnson, Chairman of the Board of Supervisors, and other senior officials and faculty members met with the team both formally and informally. They presented information and insights into the programs of the University which focuses on the problems of the farmers in the poorest parishes (counties) of Louisiana. Information was given on programs of nutrition, population, rural sociology, agricultural extension, and community development - all impacting upon the areas of economics and agricultural economics. Background information was also given on the AID funded contract to Southern University to assist in the establishment of a Department of Agricultural Economics in the National Advanced School of Agriculture, Yaounde, Cameroon.

The discussions were frank and candid. The Team was most appreciative of the responsiveness, interest and hospitality of the university leaders and discussants.

II OVERALL DISCUSSION ON FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

A. GRANT'S OBJECTIVES AND CONSIDERATIONS

The specific objective of the grant, as stated in the Final Proposal submitted by Southern University to AID on December 1, 1971, which became the basis for the Institutional Grant, was "to improve competence in Agricultural Economics and Economics, to analyze and contribute to resolving problems of rural unemployment and underemployment." Activities to achieve this objective included:

1. Increasing the quality and quantity of the agricultural economics and economics faculty.
2. Creating greater opportunities for agricultural economists to work cooperatively on applicable domestically and inter-

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nationally-related research.

3. Enabling students and scholars to engage in research and training in LDCs, thus enriching their experience and their appreciation for the problems of the poor and adding to their knowledge of how to deal with them.

4. Providing opportunities and incentives to develop courses, revise existing ones, and improve the teaching materials available, so as to include a greater international orientation.

5. Improving and expanding the library resources.

6. Drawing on outside lecturers and consultants to enrich the University's program.

No specific, quantifiable or qualitatively verifiable indicators of progress towards the objectives were specified by the grantee nor AID, and thus it became the task of the Review Team to make its assessment based upon what might reasonably have been expected given its understanding of 1) the situation at the time of the grant, 2) the expectations of AID and the grantee, 3) the results which have occurred, and 4) the plans for the remaining period of the grant. The Team's findings, conclusions and recommendations are drawn from the intensive discussions which took place at Southern University, and from the materials which were placed at its disposal. The issues [illegible] by the grantee are at Appendix C. A list of the University [illegible] at Appendix A, and for the agenda for the review, see [illegible]

[illegible] to determine if the objectives will

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supporting resources and other matters. These are discussed below.

B. STAFF DEVELOPMENT

At the beginning of the grant, the University had one faculty member in agricultural economics who had served in a developing country as a Fulbright Scholar. He remains on the faculty as Administrative Assistant to the President and Director of the 211(d) Grant. He also is Adjunct Professor to Cornell University and is an active participant and consultant on cooperatives.

Two additional Ph.D. agricultural economics faculty members were added to the staff as a result of the grant. One serves as director of the 211(d) research activities, teaches, and is in most respects, the technical director of the grant. The second is now on detail to Cameroon under an AID-Southern University Contract and has been replaced in the meantime at Southern University by a Masters Degree graduate. None of the recent faculty has acquired tenure and is eligible for tenure considerations until after the fifth year of service. It is presently expected, however, that both will later acquire it.

Two graduates of the University's undergraduate program in agricultural economics and economics have gone to other universities for advanced degree training (at least partially financed by the 211(d) Grant) and are expected to return to Southern University upon completion of their studies.

As part of the faculty development plan to increase its capacity in agricultural economics and economics, the University contemplated a rotation of faculty between the campus and the Contract Team in Cameroon. As indicated above, an Agricultural Economics professor

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from the campus is now in Cameroon, where he serves as the contract team leader. It is the Team's understanding that that contract will terminate in June of this year, and, if so, the team leader will return to the stateside campus. It is not clear that the other contract team members will join the campus faculty.

Funds from the 211(d) Grant were used to support advanced degree training for members of the Southern University faculty. Fifteen (15) faculty members have received support from the grant. The total faculty employed full-time in the Colleges of Business and Agriculture, where they teach courses in Economics or Agricultural Economics in 1975-76 is 14, the highest number yet; the number has ranged between 13 in 1970 and 9 in 1974-75.

The real picture of faculty capacity, however, should not and cannot be determined by numbers solely in economics and agricultural economics. More than thirty faculty members from such disciplines as sociology, agriculture, business, and education have been involved in programs and activities sponsored or undertaken in conjunction with the 211(d) Grant. Thus, the Team concludes that the total faculty involvement potentially in international economic development, has increased as a result of the grant. The number and professional capacity of the faculty in agricultural economics has expanded, but not yet significantly enough to be drawn upon extensively, nor for long term assignments by AID, other donors and LDCs.

C. RESEARCH

The research program that was discussed by the several University participants (agricultural economics, economics, sociology, agricultural extension, nutrition) is focused upon the small farmer.

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A sociology research project is examining community development in rural areas and rural leadership; agricultural economics projects are looking at small farm credit, small farm financing and marketing. Other research projects are addressing acquisition of land, housing, recreation and crawfish. The research is mainly carried out by the faculty members, in some cases as part of their advanced degree training. There is close cooperation with the University's agricultural extension program. (Agricultural extension funds have been made available for a university agricultural extension program now involving 28 parishes with 38 agents.) The Cooperative State Research Service provides "hard money" for the University's rural research program, which is broad and multidisciplinary in nature. All of these features are attractive for AID and LDC considerations.

There are, however, serious questions, which were raised during the Review Team's assessment. First, the research is not really focused upon rural unemployment and under-employment as called for in the grant. Thus, at present, if AID is expecting and awaiting meaningful research results from Southern University on rural employment, it is not yet in process. As this matter was discussed, it seemed possible that some immediate re-arranging of research activities could begin to be made to accommodate the type of research that could be more useful in the employment area.

A second question has to do with the extent appropriate offices of AID are familiar with Southern University's emphasis on the small farm financing and marketing, on the leadership roles and on community development undertakings. The AID Technical Project Office and the Office of Rural Development should certainly explore together what might best be done by the University in its research which can be of

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most use to AID, other donors and LDCs.

The third question on research has to do with the relevancy of the University's present and proposed research to developing countries. One might reasonably have expected that the domestic research would be closely integrated with research endeavors in Cameroon, since the University had established a linkage through its AID contract there. Except for the fact that a faculty member from the agricultural economics department is now in Cameroon and presumably continues his research interest, there has been no integrated nor carefully structured research involving both the domestic thrust and the work which is transpiring under the University's contract project overseas. Even though four undergraduate students visited the Cameroon project, they were not engaged in significant research. There were undoubtedly numerous complications which would have had to have been addressed and overcome in order to have established an integrated domestic/foreign research program, whether the Cameroon contract and contacts were involved to a greater degree or arrangements made with other countries and other institutions. Regardless, the domestic research which probably needs to be tested and validated in LDCs has not been so tested and likely will not be under present circumstances and projections.

The grant does not call for specific research. Work plans formulated by the University and agreed to by AID could have been helpful in outlining research objectives and expectations. The Review Team suggests that, though it is late in the grant period, it is not too late to start on research work plans drawing extensively upon AID's perception of needs of small farmers in developing countries.

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D. CURRICULA

As indicated above, Southern University has only an undergraduate program in economics and agricultural economics. Through support of faculty research, travel, seminars and attendance at conferences, some of the courses have been enriched with an international economic development dimension. Two new courses, Economic Development and Growth and International Economics have been established. Courses in agricultural economics have been increased from 9 to 14.

Exploratory discussions have been held on establishing a graduate-level program in agricultural economics and economics. Such a program would enhance Southern University's capacity in research and increase its overall competency; yet such a step is faced with significant obstacles not the least of which is acceptance by the appropriate State officials. The head of the Contract Team in Cameroon has recently urged that the graduate program be set up as soon as possible. Others agree with him. Yet the budgetary factors as well as accreditation processes remain formidable.

E. STUDENTS

Southern University's student body is over 12,000 with more than 9500 on the Baton Rouge campus. (The University's other campuses are in New Orleans and Shreveport). Students majoring in agricultural economics have increased from 10 in 1970 to 55 in 1975-76, with a high of 60 in 1974-75. In economics, the increase has been from 15 in 1970 to 35 in 1975-76. These majors select from such courses as Resource Economics, Economic Development, Rural and Urban Development, Managerial Economics, and Applied Statistics and Operation Research.

Three students were selected for the AID/AFR Bureau Cooperative

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Work Study Program. Two graduates of Southern University are enrolled for graduate studies at Wisconsin and Michigan State. These points indicate that the calibre of the instruction and the students is high and competitive.

The 211(d) grant funds have been used to stimulate interest in agricultural economics and economics through the use of scholarships. Ten students are currently on scholarships. The undergraduate scholarships are for a year at a time and are subject to high level academic performance. 211(d) funds have also supported the two graduate students in their first year at Wisconsin and Michigan State.

F. SUPPORTING RESOURCES AND OTHER CONSIDERATIONS

The library's resources have been expanded with books and periodicals in economic development as a result of the grant. Faculty travel, on-campus conferences on international economic development, faculty seminars, and visiting professors and consultancies have all been means to increase the awareness of the University and the community of the internationally-oriented programs of the University.

The University has no basic management unit primarily concerned with the development of the capacity called for in the grant. While there was plenty of evidence of cooperation among the several colleges and departments and among faculty members, there was less evidence that there presently exists an integrated program to accomplish the grant objectives. The observation has already been made about the lack of an integrated research program addressing international in addition to domestic problems. Observations also are made about the apparent inadequate interaction between the contract and the grant activities. It was not clear whether anyone had a responsibility for

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coordination between the contract and grant.

AID possibly could have been more aggressive in calling for specific targets and work plans which, in turn, might have brought improved response and cohesiveness. It is somewhat late to remedy, unless the remaining months of the grant are used as a period to bring about modifications and changes which would better serve AID and hopefully the institution. These points are not to suggest that a significant amount of progress has not already been made. Our findings and conclusions support the accomplishments. Our recommendations are made to support an intensive effort of refinement and change, focused directly and explicitly on the stated purpose of the grant, which could provide a base for some form for AID's continued relationships with Southern University.

III SUMMARY OF FINDINGS AND CONCLUSIONS

A. Southern University has strengthened its capacity in economic development teaching and research during the past four years. However, most of this increased capacity has not gained any overseas expertise which helps to increase competence.

B. The focus of Southern University's activities in agricultural economics and economics has been on domestic economic development problems relative to the small farmer in Louisiana. This focus has not yet had an international dimension, and the findings of current and further research would need to be validated in order to judge their applicability to LDCs.

C. The research program has not given particular attention to the problems of the rural unemployed and under-employed, and unless research activities are promptly and intensively undertaken, a major

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part of the grant objective cannot be realized.

D. The faculty personnel, who have competence and capabilities in economic development, are neither prepared nor available for utilization by AID and other donors and LDCs except for short term consultancies by individual faculty members. The use of multidisciplinary teams drawn from more than one source, but with Southern University's participation, might be a means to draw upon this competence.

E. The remaining period of the grant should be used by the grantee to re-focus and sharpen some of its activities and to allow more potentially interested offices of AID to become knowledgeable about the domestic and the emerging international capabilities of Southern University. Hopefully, during this period different and more effective relationships and arrangements could be established.

IV RECOMMENDATIONS

A. Every effort should be made by the sponsoring AID Technical Office and Southern University to prepare specific outputs which relate to the original grant objectives and work plans to achieve them for the final year of the grant. During this interchange, which should take place within the next two months, Southern University personnel should participate in one of AID's project design and evaluation courses, visit with the several potential client offices of AID and other donor agencies to learn at firsthand the plans, programs, projects and their status in functional and geographic areas of mutual interest.

B. AID offices, especially the Office of International Training, Bureau for Africa, and Office of Rural Development should visit the

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Southern University campus and review with the faculty there the focus and AID-utilization potentials of the interdisciplinary programs directed to the rural areas of Louisiana.

C. The Review Team recommends against an extension of the 211(d) Grant beyond its present termination date. It believes, however, that Southern University has programs, research and faculty competence which is steadily increasing and which probably can be brought to bear upon international economic development. The Team recommends, therefore, that after a period of six months during which recommendations A and B are pursued, another team from AID, sponsored by TAB, review the progress that has been made and recommend other means, such as a Cooperative Agreement, specific research contracts, expanded participant training grants, or even, conceivably, a grant extension in the utilization mode for a continued relationship with Southern University.

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MARCH 25, 1976

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