

AGRICULTURAL POLICY ANALYSIS PROJECT, PHASE II

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PROJECT OVERVIEW

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BEST AVAILABLE

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AGRICULTURAL POLICY ANALYSIS PROJECT, PHASE II

Sponsored by the

U.S. Agency for International Development

Assisting AID Bureaus, Missions and Developing Country Governments
to Improve Food and Agricultural Policies

Prime Contractor: **Abt Associates Inc.**
Subcontractors: **Harvard Institute for International Development, Harvard University**
Food Research Institute, Stanford University
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International Food Policy Research Institute

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AID Contract No. DAN-4084-Z-00-8034-00

APAP

AGRICULTURAL POLICY ANALYSIS PROJECT **PHASE II**

OBJECTIVE: To strengthen developing country agricultural policies and their policy analysis capabilities by

- developing innovative approaches to evaluating and changing agricultural and natural resource policies;
- training economists and decision makers; and
- directly supporting A.I.D. missions and host countries.

KEY ISSUES: The top priority issues for APAP are

- reconciling long-term natural resource management with short-term growth goals; and
- promoting a broad policy reform agenda which addresses agricultural processors, marketers, exporters and input suppliers, as well as farmers.

SCOPE: Worldwide -- over 30 countries assisted to date. Also supports research and strategic planning needs of regional bureau offices in A.I.D./Washington.

FUNDING: \$22.3 million.

PERIOD: 10 years, from 1983 through 1993, in two phases. Current phase (APAP II) from 1989-1993.

PARTNERS: Abt Associates Inc. (Prime Contractor)
Stanford Food Research Institute
Harvard Institute for International Development
International Food Policy Research Institute
North Carolina State University
Abel, Daft and Early, Inc.
International Science and Technology Institute

Issues for the 1990s

APAP stands at an important crossroads after more than eight years as the premiere agricultural policy project conducted through A.I.D.'s Science and Technology Bureau. Now entering the fourth year of its second phase, APAP has a final opportunity to initiate a critical research agenda to bring the Agency into the forefront of agricultural policy analysis for the 1990s.

Sustainable agriculture issues are as critical to the 1990s as food shortages were to the 1970s, and macroeconomic crises were to the 1980s. As governments and international donors learn more about the effects of poor natural resource management and the long-run implications for agricultural growth, many policy questions are being raised:

- Are there implicit trade offs between growth and protecting the environment?
- What are the policy constraints to agribusiness development?
- How are macroeconomic and sector policies linked to production and trade incentives?

In the 1990s, natural resource use and economic liberalization are vital issues in developing and developed countries alike. Based on this central theme, APAP is focusing its attention on four critical areas:

- sustainable agriculture
- agribusiness policy
- structural adjustment
- capacity building

APAP's principal approach to these issues is to integrate a variety of vehicles for influencing agricultural policy analysis. The project conducts collaborative research, provides operational support, develops analytical tools and manages training activities worldwide.

This briefing book guides the reader through the Agricultural Policy Analysis Project by tracing the impact of past experiences, summarizing the current initiatives, and laying the foundation for the APAP marketing strategy for the remainder of the project.

Project History

APAP was originally authorized in January 1983 with contract negotiations completed in September of that year. It had a ten-year life-of-project funding level totalling \$9.2 million: \$7.4 of S&T core funds and 1.8 million in "buy-ins" from A.I.D. missions and geographic bureaus.

The first phase of the project (APAP I) implemented through a contract with Abt Associates, focused primarily on sector-specific issues in agricultural economics. APAP I funded short-term technical assistance and research efforts in five areas: identifying policy issues, using food aid for policy reform, building policy analysis capability, implementing agricultural price reforms, and expanding the private sector's role in agricultural marketing. By 1988, APAP I had serviced 26 field missions, generated literature on agricultural policy for development professionals, and conducted mid-career training workshops worldwide.

After the external evaluation in February 1988, A.I.D. amended the life-of-project funding level to \$22.3 million, raising the core funding level for the ten-year project to \$10.2 million, and buy-ins to \$12.1 million. A.I.D. also broadened the project purpose to include specific research and technical assistance linkages between agricultural and environmental and macroeconomic factors. The second phase of the project (APAP II) was awarded to Abt Associates Inc. in September, 1988.

Specifically, APAP II's research agenda focused on five areas:

- **Structural adjustment** (and its effects on agriculture)
- **International trade** (agricultural export opportunities)
- **Natural resources** (environmental consequences of agricultural decisions)
- **Capacity building** (improving host country policy analysis capability)
- **Political dynamics** (of policy reform)

During FY 1989, the first year of APAP II, interest in the project from A.I.D. field missions and bureaus exceeded designers' expectations. Instead of the expected 320 person months of buy-in level of effort over the life of the project, over 340 person months of buy-ins were committed. By September 1990, when S&T/AGR conducted its internal management review, the project had only four person months of uncommitted level of effort remaining. This review also found that a considerable share of the Phase II technical assistance, research, and training targets had been completed by the end of 1990.

Since the management review, substantial additional procurement authority has been added to the project to allow more buy-ins. The research strategy has been revised to guide the selection of collaborative research buy-ins under this new authority.

Research Strategy

Sustainable economic growth is the overall economic goal of the APAP Project. Analysis and advice on improving policies that affect agriculture and natural resources comprise the strategy for achieving that goal.

Economic growth is threatened by the degradation of the natural resource base. Due to its universal importance, sustainable agriculture is the new central theme of APAP's collaborative research program. Sustainable agricultural production has many definitions, all of which cover the following areas:¹

- Soil and water conservation;
- Cultural practices to improve soil fertility, control erosion, and maximize soil production potential;
- Integrated pest management systems;
- Indigenous uses of germplasm and the consequences of biodiversity loss and preservation;
- The consequences of converting forest and savannah lands into cattle range;
- Institutional arrangements involving education, trade, finance, and prices;
- Issues of property resource management, land tenure, and other public policies; and
- The impact of policy incentives or disincentives on the production of cash crops for export or food crops for local consumption.

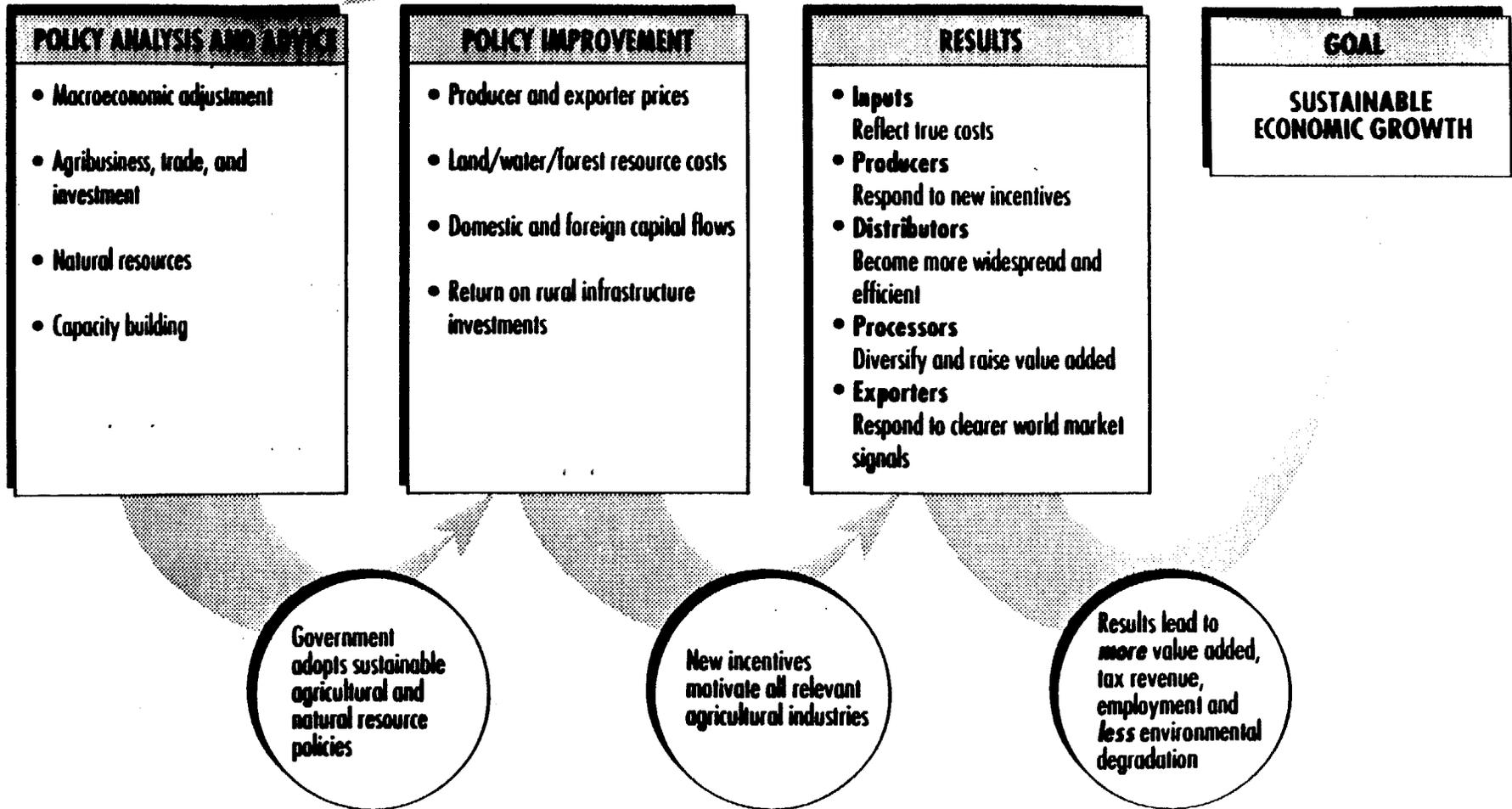
APAP collaborative research embraces all the above elements as part of agricultural sustainability, focusing on policy, rather than agronomic or social issues.

APAP classifies policy issues in four categories: natural resources, agribusiness, macroeconomic and structural adjustment, and capacity building. Through analysis and advice in these areas, APAP contributes to government understanding of the benefits of policy reform. As those benefits become evident, governments are more likely to adopt sustainable agricultural and natural resource management policies. The improved policies will affect producer and exporter prices; land, water, and forest resource costs; domestic and foreign capital flows; and returns on rural infrastructure investments.

A favorable policy environment provides incentives for the development and growth of agricultural industries. The result is industry behavior that sustains economic growth for each element in the agribusiness system:

¹ National Research Council, "Toward Sustainability, A Plan for Collaborative Research on Agriculture and Natural Resource Management." Washington, D.C.: National Academy Press, 1991. p. viii.

APAP Strategy



- Inputs reflect their true costs;
- Producers respond to new incentives;
- Distributors expand and become more efficient;
- Processors diversify their operations and increase value added;
- Exporters respond better to world market signals.

Together these actions result in more value added, tax revenues, and employment, and less environmental degradation. The following sections expand on each of APAP's four categories for policy research.

I. Natural Resources

Population growth along with rising incomes are placing increasing pressure on limited natural resources in developing countries. This contributes to soil loss and degradation, loss of forest cover, contamination of water, extinction of flora and fauna, and destruction of coastal zones. This degradation of the natural resource base reduces the productive capacity of the land, which is irreversible in the most severe cases. Governments need to take action to manage their natural resources before it is too late. Wrong policies have been identified as a major cause of many natural resource problems. The relationship of policies and natural resource use is not clear in many instances. APAP is committed to exploring the link between economic policies (macro and sectoral) and natural resource use, and how this connection affects sustainable agriculture production.

The APAP strategy for addressing natural resource concerns starts with policy reconnaissance; the second step is analysis and recommendations; and the third, policy dialogue. Other projects such as Implementing Policy Change (IPC) can provide assistance with policy implementation.

APAP will employ a set of tools to be used at each step of natural resource policy research. At the reconnaissance stage, the tools include policy inventories, village level analysis, and regional synthesis. An inventory identifies all policies affecting a country's natural resources and analyzes the key policies where more research or action is needed. (APAP has conducted natural resource policy inventories in Guatemala, Honduras, Belize, El Salvador, and Costa Rica.) A village level analysis identifies policies affecting natural resources in the village and the village's capacity to influence policy at higher levels. A regional synthesis identifies the issues common to all countries in a region; APAP is testing this tool in Central America.

The second step of the process is policy analysis, which concludes with recommendations on a set of actions for A.I.D. and the host government to follow. Tools used in this stage include policy papers, targeted commodity/industry specific papers, policy response guides, and PAM and GAM analysis.

Once the critical policies are identified and analyzed, and the policy alternatives defined, APAP contributes to policy dialogue, the third step. The primary tools for achieving policy dialogue are senior advisory visits, long-term technical assistance, and policy workshops.

II. Agribusiness Policy

International agricultural trade policy continues to be a major element of the APAP research agenda. Developing countries have come under increasing pressure to generate foreign exchange, as debt services consume an increasing proportion of that generated by exports. In most developing countries, agriculture continues to be the prime source of foreign exchange. Some countries are developing tourism as an alternative but the protectionist policies of industrialized nations constrain other sectors.

Development of the agribusiness sector provides an alternative means to increase the value added to the economy from agricultural output, as well as to expand markets and increase productivity. Thus, APAP is committed to expanding collaborative research on agribusiness policy issues. Following are key questions addressed by APAP:

- What are the policy constraints to agribusiness development?
- How can the policy and business climate be improved to attract investments in the agribusiness sector?
- How do policies affect the relative returns to investments in agribusiness in relation to other sectors of the economy?

--Are tax incentives for investments in agroindustries more or less than or equal to those for investments in real estate, tourism, manufacturing, and other sectors?

--Are credit resources flowing to agribusiness at the same rate that they flow to other sectors?

--Is it bureaucratically more difficult to invest in the agribusiness sector than in other sectors?

APAP is attempting to build a better information and analytical base to assess the comparative advantage of developing countries in the context of the international trade negotiations.

III. Macroeconomic Policy Analysis and Structural Adjustment

Many countries where A.I.D. works have implemented adjustment programs to stabilize their economies and set the stage for economic growth. APAP will study the effect of these programs and macroeconomic policy reforms on the agricultural sector so as to provide A.I.D. with guidance on the appropriate mix of policy reforms and project interventions.

While some policies protect and strengthen a country's natural resource endowment, others undermine it. Whether a good macroeconomic environment is all that a country needs for economic growth and development is still an issue of controversy among economists. Key questions in this debate include the following:

- How have the impacts of structural adjustment been distributed among groups of agricultural producers and consumers?
- What are the implications of these impacts have for other development goals, such as raising rural incomes; increasing food production and consumption; improving nutrition; and sustaining the agricultural resource base?
- What is the impact of structural adjustment programs on agricultural sustainability?
- What are the distributional impacts of structural adjustment programs, and their medium- to long-term development implications?

One focus of APAP's research will be to identify channels that transmit the impacts of structural adjustments to economic groups (e.g. prices, government social services, or public investment). APAP will develop techniques to measure and monitor the impact of alternative adjustment measures and identify ways to tailor ESF and PL 480 assistance to ameliorate the adverse effects.

IV. Capacity Building

Policy analysis is a dynamic process. Countries need to develop the capacity to analyze agricultural policy issues as they evolve. APAP provides information and guidance to help A.I.D. improve its efforts to build policy analysis capacity in developing country institutions. These are among the key issues:

- The role of private firms and academic institutions in agricultural policy analysis;
- The institutions and relationships that need to be built to address international trade implications of agricultural policy analysis;
- The current capacity of microcomputer based modeling and analysis to improve the timeliness, accuracy, and relevancy of policy analysis; and
- Special requirements for integrating agriculture and natural resources data and information into the policy analysis process.

The APAP approach addresses alternative institutional arrangements (public and private) for agricultural and natural resource policy analysis units, and provides guidance to missions as they design and provide support to such units.

SUMMARY OF COLLABORATIVE RESEARCH

Completed

Adjustment and Agriculture:
Issues for the 1990's - Christensen

Macroeconomic Adjustment in
Developing Countries - Devarajan

The Changing Political
Economy of Agricultural Policy
Reform: Implications for Donors -
Grindle/Paarlberg

Food Price Stabilization:
The Indonesian Experience with
Rice - Timmer

Demand Management of Asian and Near
East Food Systems: Overview -
Goldman

Demand Management of Pakistan's Food
System 1960 - 1986 - Goldman

Demand Management in Egypt -
Christensen

Demand Management in Thailand -
Abel

Agricultural Trade's Role in Economic
Development of Malaysia, Thailand
and Indonesia - Feilberg

In Draft

Analysis of Real Exchange Rates
in Costa Rica - Grennes

Macroeconomic Policy in Costa Rica
and its Influence on Agricultural
Trade - Grennes

The Role of Coffee Exports in the
Costa Rican Economy - Grennes

Irrigation Investment in Asia:
Trends and Determinants of
Irrigation in Indonesia, Thailand,
and the Philippines - Rosegrant

Public Investments in Irrigation
in the Philippines: Factors Affecting
Cyclical Fluctuations - Rosegrant

Sources of Future Growth in Indian
Irrigated Agriculture - Rosegrant

Irrigation Investments in Sri Lanka:
Past Trends and Future Prospects -
Rosegrant

Philippines: Corn/Livestock Study -
Rosegrant

The Real Exchange Rate Conundrum:
The Case of Central America -
Grennes/Feilberg

In Progress

Natural Resources and the Policy
Analysis Matrix (PAM) - Gotsch

Demand Management in Indonesia -
Timmer and Deolilakar

Demand Management Synthesis - Goldman

Pakistan: Animal Feed Study -
Hall

Pakistan: Agricultural Productivity
Study - Hussain

Philippines: Effectives and Optimal
Sequencing of Trade and Financial
Liberlization - Yap

Philippines: Structural Adjustment
and Conditionality: Impact upon
the Agricultural Sector - Lamberte

The Implications of Agricultural
Productivity Trends for Sustainable
Growth and Development in Sub-Saharan
Africa - Block and Timmer

The Effects of Land Tenure on
Sustainable Agriculture: The
Case of Senegal and the Gambia
Shipton

Completed

**Agricultural Trade Issues: Country
and Regional Trade Patterns - Abel**

**Trade Associations and Foreign Aid -
Newman**

**The Implications of GATT for
Developing Countries - Newman**

**USAID Efforts to Promote Agricultural
Policy Reform and Institutional
Development in Developing Countries:
Lessons Learned for Design and
Implementation**

Pakistan: Cotton Study - Block

**The Failure to Institutionalize
Public Agricultural Policy Analysis
Units - Coutu**

**The Economic and Political Dynamics of
Informal Markets in Asia and the
Near East - Sanyal**

Pakistan: Edible Oil Study - Goldman

Pakistan: Capacity Building - Coutu

**Philippines: National Food Authority
Study - Abel**

**Philippines: Development of the Rice
and Corn Seed Industry - Powy**

Philippines: Sugar Reform - Nelson

In Draft

**Demand Management in India -
Deolilakar**

In Progress

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New Collaborative Research Ideas

A select number of research ideas highlight the APAP research strategy for 1992. These research topics are opportunities for missions and bureaus to collaborate with APAP core research interests. The commitment to these research ideas is strong -- APAP is prepared to support buy-in funding with core research funding. APAP's long tradition of centrally funded research teaches us that the best research answers questions for field personnel and stimulates thinking on critical issues. By working together, research serves multiple purposes. We provide insights for field application at the same time as advancing the general knowledge base.

The five APAP collaborative research topics for 1992 are:

Potential Impacts of Monetary Reform in the CFA Zone

Assessing the Policy and Business Climate for Agribusiness Investment

Agricultural Policies and the Analysis of Sustainability

Natural Resource Policy Assessments

Pricing the Use of Water

Potential Impacts of Monetary Reform in the CFA Zone

What is the Problem?

The highly overvalued CFA franc is costing franc zone (U.M.O.A.) members dearly in terms of trade and agricultural performance, to say nothing of the cost to France.

What are the Issues?

- Impacts of the overvalued currency on franc zone members' trade and agriculture (productivity, competitiveness).
- Different degrees of overvaluation among the franc zone countries.
- Readiness for change in currency value among the countries.
- Impact of devaluation on agriculture and trade performance in each country, given differing degrees of dependence on international trade.

What Alternatives Have Been Proposed?

- Uniform devaluation.
- A fixed parity that would vary by country.
- A CFA franc that is pegged to the ECU (European Currency Unit).
- A Euro-African currency zone to replace the franc zone.

What is APAP's Approach?

- Split the franc zone into two groups -- landlocked Sahelian countries that are more dependent on regional trade in food crops and livestock, and coastal countries with agricultural sectors heavily dependent on traditional export crops -- and undertaking case studies from each group.
- Use micro-level data on key agricultural commodities and different types of farm enterprises to examine the impact of devaluation on competitiveness.
- Conduct a comparative analysis of costs and benefits to the agricultural sectors of coastal and Sahelian countries under proposed alternative monetary reforms.
- Examine linkages between farm-level decisions and international markets, and the effect of monetary reform on these linkages and the performance of the agricultural sector in general.

What do You Gain?

- An understanding of the economic differences among these countries to inform the discussion of policy options.
- A basis for preparing franc zone countries for devaluation and a realignment of exchange rates.
- A clearer view of the impact of devaluation on agricultural and trade performance in these countries.
- Recommendations on approaches to offset possible negative impacts of monetary reform.

How do we Collaborate?

- APAP funds background research and synthesis/overview paper with lessons/implications/recommendations for all franc zone countries.
- Missions fund country case studies.

Assessing the Policy and Business Climate for Agribusiness Investment

What is the Problem?

Minimal investment in the agribusiness sector and undeveloped agribusiness systems.

What are the Issues?

- High postharvest losses.
- Unsustainable agricultural production systems.
- Minimal value added in the food production chain.
- Limited processing of agricultural products.
- Low productivity at the farm level.
- Inefficient marketing.
- Lack of grading and low quality of exports.
- Slow growth or no growth in the agricultural sector.
- High cost of agricultural inputs.

What Alternatives Have Been Proposed?

- Policy assessments and analysis focused on how to motivate agricultural producers, without analyzing the agribusiness system.
- Direct government investments.
- Foreign investment.

What is APAP's Approach?

- Identify key policies and other constraints that hold back agribusiness development.
- Study the incentive system to determine the relative returns to investments in various sectors of the economy. Strive to answer questions such as these:
 - How do tax incentives for investing in agribusiness compare to those for investing in real estate, tourism, manufacturing, and other sectors?
 - Do credit resources flow to agribusiness at the same rate as to other sectors?
 - Is investing in the agribusiness sector bureaucratically more difficult than investing in other sectors?
- Use local consulting firms as partners in the research.
- Recommend further actions to improve the environment for investment in agribusiness.

What do You Gain?

- An understanding of the major policy constraints that hinder investments in agribusiness.
- Identification of possible alternatives for encouraging investments in agribusiness.

How do we Collaborate?

- APAP funds part of the research cost.
- The Mission funds the remaining portion.

Agricultural Policies and the Analysis of Sustainability

What is the Problem?

Conventional economic policy analysis fails to consider the effects of economic growth on the natural resource base.

What are the Issues?

- If sustainability is an objective, comparative advantage may require a trade-off between policy reform based on traditional social prices and solutions that are environmentally sustainable. How should these trade-offs be modeled?
- Scientific data that are too detailed for most policy and program appraisals clouds analysis of physical sustainability. Moreover, the ideal longitudinal data may be unattainable at any price. How can the data problems that plague all environmental policy analysis be overcome?
- Including sustainability in the analysis makes the problem time-dependent and more complex, which in turn suggests the use of sophisticated econometric and dynamic programming techniques. But the policy analysis environment still requires immediate answers with minimal data. How far can static partial equilibrium methods go in yielding valid results for the new economic policy analysis?

What Alternatives Have Been Proposed?

To date, approaches to the problem of sustainability have tended to fall into two camps:

- Analysis of physical systems by ecologists and environmentalists. Emphasis has been on sustaining the physical characteristics of the natural resources in the system.
- Analysis of complex production systems using sophisticated econometric, simulation and dynamic programming techniques. Emphasis has been on developing and understanding complex systems using modeling tools relatively unconstrained by time and resources.

What is APAP's Approach?

- Explore the possibilities for simplifying both data requirements and analytical methods.
- Conduct a series of pilot studies that expand the budgeting tools that traditionally focus on price to incorporate a sustainable physical input-output table. Data that should be available for the studies include the following:
 - Budgets for the relevant commodities at private and social prices. Ideally, traditional PAMs should have been calculated already. At a minimum, the relevant studies of costs and returns should be in hand.
 - The environmental issues should be readily discernible. Some scientific information should be available on which to judge the sustainability of an agriculture system.
- Focus the analysis on the reconciliation of traditional comparative advantage calculations with the sustainability criteria.

What do You Gain?

- A policy analysis tool that incorporates sustainability issues into economic analysis.

How do we Collaborate?

- APAP funds part of the research cost.
- The Mission funds the other part of the research.

Natural Resource Policy Assessment

What is the Problem?

Current agricultural practices are unsustainable over the long run because they destroy and degrade the natural resource base.

What are the Issues?

- Present policies that encourage destruction of natural resources.
- Lack of knowledge to determine which policies affecting the natural resource base are the most critical.
- Inadequate knowledge with which to make policy choices.
- Confusion about what policies sustain economic growth over the medium and the long run.

What Alternatives Have Been Proposed?

- Work at the watershed level.
- Design and development of specific projects.
- Focus on specific policy issues.

What is APAP's Approach?

- Identify key policies affecting the natural resource base and agricultural sector.
- Analyze key policies.
- Work with local consultants who know the local conditions in detail.
- Identify key issues for further study.
- Recommend policy alternatives in cases where sufficient information is available.

What do You Gain?

- A policy agenda of key issues affecting natural resources.
- A focus on the key issues that need further study.
- Knowledge gained from APAP's experience in conducting similar studies in Guatemala, Honduras, Belize, Costa Rica, and El Salvador.

How do we Collaborate?

- APAP funds part of the research cost.
- The Mission funds the remaining portion.

Pricing the Use of Water

What is the Problem?

Water availability is declining while soil erosion and degradation are accelerating.

What are the Issues?

- Indiscriminate water consumption by farmers, power supply companies, industries, and humans.
- Failure to use water in its most economically efficient alternative.
- Inadequate funding for watershed management.
- Poor watershed management.

What Alternatives Have Been Proposed?

- Government subsidies to manage the watershed.
- Stumpage tax to recover part of timber costs and fund reforestation programs.

What is APAP's Approach?

- Study ways to fund watershed management and capital investment through water use fees.
- Estimate funding required to adequately manage a watershed, including capital for a sustainable supply of water.
- Estimate a water fee level that would generate sufficient funds for watershed management.
- Study institutional alternatives for watershed management.

What do You Gain?

- An operational watershed management strategy that would sustain water availability without government budgetary subsidies.

How do we Collaborate?

- APAP funds part of the research cost.
- The Mission funds the remaining portion.

Operational Support

Through APAP's research and training activities, we are developing new approaches and methodologies for conducting effective policy dialogue. It is critical that we implement them so that they contribute to both the improvement of on-going activities and the development of new projects and programs undertakings. The project has an opportunity to influence current as well as future agricultural policy analysis, undertaking policy project design, evaluation, special studies, and capacity building and implementation.

Design

APAP's work in Niger has contributed to the development of two policy projects: An APAP team worked on the design of the Agricultural Sector Development Grant, Phase II, which experts consider the premiere sustainable agriculture project in West Africa. In addition, the APAP/Niger relationship has assisted in the development of monitoring indicators to measure the impact of agricultural policy reforms. This in turn, contributed to development of the Mission's Policy Analysis and Monitoring Project.

In APAP's current effort to design the Eastern Caribbean Agricultural Project for RDO/C, the design team is relying on experiences from policy studies in other settings. The natural resource policy inventories conducted in Central America and several sectoral policy analyses provide a strong foundation for the team to design a project which seeks to institutionalize a regional policy analysis group that can execute the policy agenda.

Evaluation

Post-project evaluation is only one component in the project cycle. Careful monitoring throughout the life of a project is critical to allow for shifting interests and foci. APAP views its participation in evaluation as an important mechanism for sharing lessons learned, injecting new ideas while the project is ongoing, and influencing the design of future policy projects.

As a result of APAP's evaluation of the Ecuador's Agriculture Sector Reorientation Project, a number of reforms were put into place. Although sometimes controversial, evaluations can help a team identify the pressing issues and potential mid-course adjustments to improve a project. In Cameroon, an APAP team is currently evaluating the Agricultural Policy and Planning (CAPP) project. Using a methodology which takes account of institutional and political factors, the evaluation will serve as a vehicle for injecting new ideas in the CAPP project implementation.

Special Policy Studies

APAP can also help improve policy dialogue. A policy study can serve as a starting point for opening discussions on a particular topic. In the case of Honduras, a study of the potential for privatization of a seed plant led to negotiations between government policymakers and seed plant

employees. When last contacted, the Government of Honduras was moving ahead with policy changes to allow the seed industry to implement an Employee Stock Ownership Plan (ESOP). Similarly, the natural resource policy inventories conducted in five Central American countries have revealed the intricacies of policies which affect natural resources and agriculture. The inventories have opened channels of communication which previously did not exist.

Capacity Building and Policy Implementation

Through long-term and short-term activities, APAP technical support assists in developing the capacity to conduct policy analysis and to promote policy dialogue and improved policy implementation. APAP works with host-country research institutes and private sector firms to build analytic capacity and to utilize improved methodological tools. In Pakistan the APAP Resident Advisor has played an important role in promoting policy dialogue relating to A.I.D. benchmarks and has worked closely with a local firm to conduct studies on agricultural productivity and edible oil policies. The analytic capacity that has been developed and promoted within the private sector will be sustained even after the project concludes.

In Yemen: Policy Debate on Price/Trade Restrictions

An APAP II report that demonstrated how price and trade restrictions reduce national income and retard overall economic growth "has been instrumental in widening and enriching the policy debate in the Yemen Arab Republic," USAID/Sanaa officials said in a cable to the A.I.D. Project Officer. "It will be helpful in our dialogue with senior government officials," USAID added.

Technical personnel in other donor organizations as well as USAID personnel and consultants were intensely interested in the report completed in June 1989, which concluded that economic progress could be substantial if outlays for infrastructure and social services were increased and price and trade restrictions phased out.

"The study will serve as a benchmark for years to come," the USAID cable said. In addition, it will be used in planning additional data collection efforts and farm management studies required to refine the analysis, according to USAID. In fact, A.I.D. included the entire executive summary of the report in a project paper for a study on farming practices for a productivity project in Yemen.

As a result of the anticipated decline in oil revenues, as well as in foreign donations and worker remittances, agriculture will become Yemen's dominant economic base, according to the report. (Oil reserves, while they have significant potential, are expected to last only 15 years at the current rate of extraction.) Thus, the country's future economic performance depends heavily on the way it invests its oil and other revenue to increase agricultural productivity. The report cited limited water supplies, fragmented landholdings, inadequate supporting infrastructure, and macroeconomic and trade policies that inhibit growth as the principal constraints to agricultural development.

The APAP team explored the effects of agricultural import restrictions on pricing structure and comparative advantage in Yemen's agriculture. Nominal and effective protection coefficients indicate that domestic prices are well above import parity for all commodities, the team said. The overall gap is so large in certain cases that the domestic price is seven to eight times higher than its international price equivalent. The researchers found that Yemen has comparative advantage in fruits, vegetables, and poultry; no comparative advantage in coffee; and a clear comparative disadvantage in cereals.

In Central America: Natural Resource Policy Inventories

APAP II has pioneered the development of a rapid appraisal technique called the natural resource policy inventory, a tool for informing decision makers about the vital role policies play in creating and solving natural resource and environmental problems. The inventories help determine which policies should have priority for reform, given their impact on the environment.

In 1990, APAP conducted inventories in Belize, Costa Rica, El Salvador, Guatemala, and Honduras, which outlined the relationships between the major forces in economic development and environmental policies and outcomes. The inventories also provide a basis for monitoring changes in the policy environment.

The governments of these countries have expressed strong interest in the inventories, members of the study teams said at a seminar on their findings held April 24, 1991, at A.I.D. in Washington, D.C. They said the teams have been invited to make presentations on their findings in the various countries. The inventories have sparked policy dialogue between USAID Missions and national governments. "A great deal of enthusiasm has been expressed, even with the limited findings we have to date," said Bill Levine, APAP Project Director.

To conduct an inventory, a team is assembled that includes representatives of host country environmental and research organizations. The team identifies regional, macro, sector, and subsector policies and the international, public, and quasi-government institutions, NGOs, private businesses, and universities that design and implement policies. Then the impacts of the policies on natural resources and short- and long-term economic growth are assessed. Finally, research priorities and alternative policies are proposed.

The inventory focuses on key problem areas such as sustainable agriculture (land use, soil fertility, pesticide application), production from natural forests (deforestation and forest management), watershed and coastal zone management (water use and quality), and wildlands and biodiversity (endangered species protection, land use).

The challenge is not just to examine existing policies but to assess what is missing, according to George Johnston, senior natural resource economist for APAP. "What we know affects the policy agenda and what we don't know affects the research agenda," he said at the A.I.D. seminar.

For example, the inventory explores the Honduras Government's historic ownership of most of the nation's natural resources, including land, water, and trees. The Government's inability to control the use of these resources, however, is partly to blame for the growing rates of renewable resource depletion and pollution, even though regulations prohibit such activities.

In Honduras: Employees Buy Seed Plants in Privatization Plan

The Government of Honduras was "greatly satisfied" with an APAP II model plan to privatize its seed processing program, according to USAID/Tegucigalpa. The report and subsequent implementation of the plan have produced concrete results: The employees are taking over the seed plants and equipment through an Employee Stock Ownership Plan (ESOP).

"Employees of the seed unit and [Government] officials are very enthusiastic about privatizing the seed plans and are moving fast to make it happen," USAID officials said in their performance assessment. In this rare example of a 100 percent leveraged employee buyout, the Government is providing the credit that permits the employees to acquire the assets; they will pay off the debt from future profits.

Some 60 employees of the two seed processing plants and technicians who work with the seed program in the Ministry of Natural Resources have formed their own company-- Compañia de Semillas S.A. or SEMSA--which will initially lease the plants and equipment from the Ministry. They have also signed contracts with small-scale farmers who will supply them with certified basic grain seeds for processing. To launch operations, the employees will contribute 50 percent of their government severance pay as part of the new company's working capital.

In presentations to government leaders, the APAP team emphasized to government leaders that the ESOP gives rank-and-file employees significant shares of stock. In the past, Government efforts to privatize state-owned firms produced mixed results. Labor unions and other groups have opposed privatization after watching government assets being sold to wealthy Hondurans and foreigners.

The use of pre-tax future profits to make the purchase is a key element of the ESOP, according to Joseph Recinos, the consultant who designed the ESOP for APAP. Most traditional privatization programs require potential purchasers to pay cash up front, a condition that in effect excludes rank-and-file employees from stock ownership or gives them only a token position. Another unusual feature of the ESOP was the Government's acceptance of SEMSA's rent for the buildings and equipment as amortization payments toward purchase of the assets.

A key ESOP strategy to help employees develop a vested interest in productivity involves monthly and annual bonuses. Employees do not necessarily develop that concern through the long-term benefits of stock ownership alone, Recinos said.

The feasibility study for the project predicted that SEMSA has a good chance of competing successfully with small- and medium-sized producers in the Honduran basic grain market.

In Honduras: Report Aids Programming and Policy Analysis

A recent APAP II report exploring the potential impact of proposed economic and agricultural sector policy reforms in Honduras has been extremely useful in fulfilling USAID/Tegucigalpa programming and analytical needs, according to Mission officials.

It was the last in a series of studies that APAP II conducted to help advise the administration of Honduran President Callejas as it developed a domestic plan of action. The report also examined the potential for improving measurement of the impact of the reforms.

In recent years, Honduras' economic policies have inadvertently undermined agricultural performance, according to the report. In an effort to arrest the decline, the Callejas administration, which took office in January 1990, initiated a package of structural reforms. The major international donors proposed additional policy changes in Honduras that would deepen those reforms and improve rural income by increasing productivity and producer prices.

Rubén Núñez of Abt Associates Inc., who received consistently high ratings for his performance in conducting the study, estimated growth for each major commodity produced in Honduras based on assumptions involving implementation of the proposed reforms. The moderate and most realistic growth scenario, in which improvements in farmers' technological capacity would complement policy reforms, showed that growth of agricultural value added in 1978 U.S. dollars would range between 2 and 6.4 percent per year from 1992 to 1998, while the value of exports would grow between 4.4 percent and 13.5 percent per year.

If the proposed reforms are undertaken, Honduras should be able to double its export of nontraditional products within the next few years, especially shrimp and palm oil, the report said.

While conducting the study, APAP II encountered discrepancies in statistics that have hindered analysis of the impact of the proposed reforms and interfered with monitoring of the agricultural economy. In line with key recommendations in the APAP II report, the Government is making plans to eliminate the discrepancies by consolidating the different methods of collecting agricultural data and devoting more resources to generating reliable data.

The Central Bank has already corrected one problem as a result of a recommendation in the study. The Bank was using the international prices for a type of shrimp that was larger than the one Honduras actually exports, which exaggerated national export figures and complicated the analysis of national economic policies. The correct price is now being used for shrimp, which is one of the country's fastest growing nontraditional exports.

POLICY PROJECT SUPPORT

Policy Project Design

Completed

ROCAP I: Regional Environmental and Natural Resource Management Project Paper

GUATEMALA: Agricultural Capacity Building Concept Paper

NIGER: Agricultural Sector Development Grant II PAAD Design

NIGER: Design of a policy reform impact assessment methodology

NIGER: Policy Analysis and Monitoring Design

NIGER: Assessment of Program Impacts - Design of API Indicators

LAC BUREAU: Strategy for Agriculture and Natural Resources

In Progress

BARBADOS: Eastern Caribbean Agricultural Policy (ECAP) Project Design

JAMAICA: Development of Environmental Management Organization (DEMO) Project Design

Policy Project Evaluation

Completed

EGYPT: Agricultural Price Performance Evaluation

ECUADOR: Agriculture Sector Reorientation Project Mid-term Evaluation

ZAIRE: Agricultural Policy and Planning Project Evaluation

CAMEROON: National Cereals Research and Extension Project, Phase II Evaluation

MOROCCO: Mid-term Evaluation of the Planning, Economics and Statistics for Agriculture Project

In Progress

CAMEROON: Agricultural Policy and Planning Project Evaluation

MOZAMBIQUE: Private Sector Support Program Evaluation

Special Policy Studies

Completed

YEMEN: Agricultural Price and Incentives Study

**HONDURAS: Honduran Seed Industry
Strengthening Study**

HONDURAS: Agrarian Reform Study

**GUINEA: Agricultural Sector
Assessment**

**GUATEMALA: Food Security and Agricultural
Diversification Study**

NIGER: Rice and Cotton Policy Study

**AFRICA BUREAU: Cash Crop Competitiveness
Study**

**ROCAP: Guatemala Natural Resource Policy
Inventory**

**ROCAP: Belize Natural Resource Policy
Inventory**

**ROCAP: Honduras Natural Resource Policy
Inventory**

**ROCAP: El Salvador Natural Resource
Policy Inventory**

**ROCAP: Costa Rica Natural Resource
Policy Inventory**

HONDURAS: Agricultural Price Controls

**HONDURAS: Analysis of Economic Impacts
of Proposed Agricultural Sector Policy
Reforms and Program Interventions**

In Progress

**NIGER: Agribusiness and Marketing
Constraints and Opportunities**

**NIGER: Assessment of Agricultural Data
Bases**

**ROCAP: Synthesis of Natural Resource
Policy Inventories**

**EL SALVADOR: Assessment of Recent Policy
Changes on Agriculture**

Capacity Building and Policy Implementation

Completed

HONDURAS: Computer Modeling Methods

HONDURAS: Development of a Seed
Privatization Plan

PAKISTAN: Use of Producer and Consumer
Subsidy Equivalents

PHILIPPINES: Short-term Commodity Model

In Progress

PHILIPPINES: Technical Support to the
Department of Agriculture, Planning Unit

PAKISTAN: Technical Support to USAID and
Government of Pakistan in agricultural
policy analysis

PAKISTAN: Agricultural Policy Benchmark
Development

PHILIPPINES: CGE Modeling Analysis

SUMMARY OF APAP II TECHNICAL ASSISTANCE

	<u>SHORT-TERM</u>	<u>LONGER-TERM</u>
AFRICA	Cameroon 1 Niger 1 Guinea Zaire AFR Bureau Mozambique	Niger 2
LATIN AMERICA AND THE CARIBBEAN	Ecuador Honduras 1 Guatemala 1 Guatemala 2 ROCAP 1 LAC/DR	ROCAP 2 ROCAP 3
ASIA AND NEAR EAST	Egypt Yemen Morocco	ANE Pakistan Philippines
Total Number of Missions served to date:		16
Additional missions scheduled to be served:		4
Total Number of Missions to date utilizing APAP II:		20
Number of Technical Assistance Assignments (Multiple assignments in a single country)		
Fully completed:		28
On going:		7
Total Number of Technical Assistance Assignments:		35
Pre	01-Nov	

Methods and Guidelines

APAP's strategy involves producing technical papers on analysis methodologies and user manuals for a range of policy analysis methods. All APAP methods are designed for use on a personal computer. They incorporate sustainability issues such as the long run effects of policies on the natural resource base. Some methods are as simple as using a spreadsheet framework to assess the impact of macroeconomic and agricultural sector policy reform. Others, such as optimization tools, are more comprehensive. Computer tools have been developed and used for policy dialogue: a short-term rice projection model and a Computable General Equilibrium (CGE) model in the Philippines have improved analysis in that country. The latest computer tools developed under APAP include:

- The Policy Analysis Matrix (Agricultural Price Policy)
- Learning Spreadsheets: Analyzing Aggregate Data
- Market Level Analysis Multi-Market Models
- Optimization in Agricultural Policy Analysis (Using GAMS software)
- Budgeting Approaches to Environmental Policy Analysis
- Cost-Benefit Analysis of Soil Conservation

APAP has a unique opportunity to synthesize experiences of policy analysis across a wide range of countries and various A.I.D. projects and programs. A study conducted in the first two years of the project provides an overview of A.I.D.'s experience in agricultural policy analysis projects. Based on lessons of our technical assistance, collaborative research, and training experiences, we are currently developing guidelines for A.I.D. officers, that highlight the critical issues to be addressed in developing and managing agricultural policy projects. For example, many in the donor community are asking how to reconcile macroeconomic growth with sustainable agriculture. The guidelines will also address operational issues faced by A.I.D. representatives in the field and in Washington.

SUMMARY OF METHODS AND GUIDELINES

Methods Development/Computer Tools

Completed

Learning Spreadsheets -
Analyzing Aggregate Data
Computer Exercises: Volume I
by Naylor and Gotsch

The Policy Analysis Matrix (PAM)
Computer Exercises: Volume II
by Naylor and Gotsch

Optimization in Agricultural
Policy Analysis: Micro Level
Modeling using GAMS
Computer Exercises: Volume III
by Gotsch

Agricultural Policy Analysis
Using Market Level Models
Computer Exercises: Volume IV
by Bivings and Gotsch

A Rice, Corn, and Livestock Sector
Model for Analysis of Agricultural
Policies in the Philippines
by Bouis

Short-term Rice Projection Model
for the Philippines by Dawe and
Azarcon

In Progress

Using the Policy Analysis Matrix (PAM)
to Address Environmental and Natural Resource
Issues by Cory and Monke

Use of Cost-Benefit Analysis
and the Policy Analysis Matrix (PAM)
to Examine Environmental and
Natural Resource Problems by Pagiola

Cost-Benefit Analysis of Soil
Conservation by Pagiola

Natural Resources and the Multi-
Market Model by Gotsch

Budgeting Approaches to Environmental
Policy Analysis by Gotsch

Modeling Interactions between
Agriculture and Industry in Philippines
Development - a CGE Model by Gaspay

Commodity Price Model for Pakistan
by Goldman

Guidelines Development

Completed

Macroeconomic Adjustment in
Developing Countries by
Devarajan and Rodrik

Monitoring the Impact of
Policy Reforms by Peterson

Indicators for Measuring the Impact
of Policy Reform in Niger
by Kristjanson

In Progress

Agricultural Policy Analysis
Guidelines for Agricultural
Development Officers by
Nunez et. al.

Training

The APAP training strategy entails three types of training: skills oriented workshops; microcomputer workshops; and training of trainers courses. APAP conducts and promotes a number of mission supported training activities, as well as U.S. based training.

Skills Oriented Training

HIID has held its Africa Regional Workshop on Food and Agriculture Policy Analysis at Edgerton University in Kenya for the past two years. The five-week workshop, attended by an average of 25 participants, focuses on agriculture commodity policy analysis and demand and supply side policy issues. Similarly, HIID has adapted its food policy courses for presentation in Pakistan and the Philippines. Building on its extensive training experience, HIID hosted a six-week workshop on Macroeconomic Adjustment and Food/Agriculture Policy Interactions in summer 1991. The training raised such questions as: What are the feasible options in the design of policy? and What factors influence the choice and implementation of adjustment policies?

Microcomputer Workshops

FRI has taken the lead in microcomputer training. Since 1989, FRI has offered a course featuring materials on the Policy Analysis Matrix (PAM) and the General Algebraic Modeling System (GAMS). An average of 15 participants have attended the course each year. A series of manuals and readings were developed for the course. The key elements of the course are 1) utilization of the PAM focusing on natural resource and environmental policies; 2) optimization focus on water as a scarce resource and an extension to multi-period modeling; and 3) explicit incorporation of externalities in multi-markets. The basic microcomputer course was adapted and presented to officials in the Department of Agriculture in the Philippines in summer 1991.

Training of Trainers Courses

Our training of trainers initiative focuses on transferring APAP training methodologies and course content to regional training institutes. We are striving to develop lasting, sustainable training programs to offer agricultural policy courses long after APAP ends. Working with a regional institute increases the likelihood that quality policy analysis will be sustained, both financially and intellectually.

APAP has been able to develop a unique relationship with Taiwan's Council of Agriculture. Abt and FRI are discussing the training of five Taiwanese economists at the Policy Analysis Course at FRI in the summer of 1992. The following year those economists would work with APAP staff to adapt the course to reflect issues pertinent to Taiwan, and working with APAP staff, they would conduct the course at the Land Reform Institute outside of Taipei.

At a later stage, APAP staff would oversee the Taiwanese as they conduct the training on their own. Through this effort, APAP is sharing its methodology and training expertise, spreading our impact on agricultural policy analysis beyond traditional A.I.D. networks.

In addition, discussions are underway with the African Development Bank and various Central American organizations.

In Mexico: Dissemination of Techniques

A recent letter from a Mexican agricultural economist who took APAP II training at Stanford University's Food Research Institute (FRI) provides evidence of the far-reaching effects of one course.

Arturo Puente Gonzalez, Mexico's finance and investment director for agriculture, has introduced the Mexican Ministry of Agriculture to the agricultural policy analysis techniques and strategies that he learned in APAP II training.

Gonzalez developed a proposal for using the Policy Analysis Matrix (PAM), a technique taught in APAP training, to evaluate the effects of trade liberalization on Mexico's principal agricultural regions and to design research and extension policies that support commodities which have a comparative advantage.

The PAM is a matrix of information about agricultural policies and factor market imperfections generated by comparing commodity budgets calculated at financial and economic prices.

In February 1991, Gonzalez' proposal went to Mexican Under Secretary of Agriculture and Hydraulic Resources Gustavo Gordillo, who became so interested that he decided to include the PAM strategy in his work program, Gonzalez said in a letter to Carl Gotsch, coordinator for the FRI training.

The Ministry of Agriculture is currently developing a plan to implement this strategy, Gonzalez said. In addition, Ministry officials have held meetings to discuss the scope and limitations of the strategy and to develop PAMs for different areas of the country.

Gonzalez has also organized conferences in several regions of Mexico to demonstrate the PAM. In a course on project evaluation at the Economics Center in Mexico, Gonzalez teaches how to use the PAM to identify worthy projects. He plans to incorporate the PAM superproject methodology in future courses. Moreover, he plans to send his assistant, Marco Antonio Galindo Olguin, to the 1991 agricultural economics training at FRI.

In addition to using PAM spreadsheets and micro-computers to examine the source and incidence of various policy interventions, students in the FRI introductory course learn the use of optimization techniques and commodity market approaches to policy analysis. The advanced course builds on the earlier curriculum but also explores application of optimization methods and the use of General Algebraic Modeling Systems software to analyze the impact of alternative agricultural policies.

Sharing APAP Findings

Research and new methodologies can accomplish nothing if the findings are not disseminated. APAP has developed a strategy for disseminating new ideas, findings, and recommendations developed under the project, and we promote each APAP product as actively as possible. APAP has formed an editorial advisory board to review and comment on the technical relevance of our reports and to suggest possible strategies to disseminate the findings.

The APAP dissemination strategy includes *Newsbriefs* and *Technotes*, which are biannual publications of the project. *Newsbriefs* offers a quick overview of the types of technical assistance the project is providing and describes upcoming training and conferences, and the progress of core and collaborative research. *Technotes* provides synopses of technical efforts and highlights issues and concepts which APAP is addressing. APAP also closely coordinates dissemination with other core-funded projects and A.I.D. offices by providing articles and information for publications such as STAR and various CDIE publications.

Publications are disseminated to a wide audience. Technical reports, research reports, and software manuals are mailed out upon request. APAP Publication lists are readily available.

The APAP Seminar Series provides opportunities for APAP's principal researchers to share their findings with A.I.D. representatives from a number of geographic and technical bureaus. Held at the State Department, seminars in the past year have included:

- Implications of GATT on Developing Countries
- Macro versus Sectoral Policy
- Natural Resource Policy Inventories
- A Decade of A.I.D. Experience in Policy Reform: Institutional Capacity Building

The series has been very popular; announcements are mailed to over 200 A.I.D. and private sector contacts with an average of 40 people attending each presentation.

In addition, APAP staff make presentations of their work at professional conferences. Most recently, an APAP staff member presented the Policy Analysis Matrix at a conference hosted by the International Fertilizer Development Center (IFDC). The discussion included a case study featuring an APAP paper on the competitiveness of cash crops in selected African countries.

AGRICULTURAL POLICY ANALYSIS PROJECT, PHASE II

Under contract to the Agency for International Development. Bureau for Science and Technology, Office of Agriculture

SEMINAR SERIES

Schedule of Events

All Seminars are held from 2:00 - 4:00 pm in Room 1105, State Department Building

October 16, 1991

A Decade of A.I.D. Experience in Agricultural Policy Reform

Featuring: John Tilney, Abt Associates Inc. and Arthur J. Coutu, North Carolina State University (NCSU)

November 13, 1991

Demand Management Policies in Asia

Featuring: Dr. Richard Goldman, HIID, Dr. Cheryl Christensen, USDA, Dr. Martin Abel, Abel, Daft and Earley

December 18, 1991

Liberating the Power of the Informal Sector. Problems and Prospects in Asia

Featuring: Dr. Bish Sanyal, Massachusetts Institute of Technology (MIT)

January 15, 1992

Future Directions for Irrigation Investment Policy in Asia

Featuring: Drs. Mark Rosegrant and Mark Svenson, International Food Policy Research Institute (IFPRI)

February 12, 1992

Agricultural Policy Analysis Tools: APAP Developments

Featuring: Dr. Carl Gotsch, Food Research Institute (FRI), Stanford University

To be followed by a two day workshop on recently developed analytical tools which incorporate the Policy Analysis Matrix (PAM) with Natural Resource Management. For details on the time, location and reservations, please call Jo Anne Yeager, Abt Associates Inc. (301) 913-0500.

The APAP II Seminar Series will continue through the Spring and Fall. Future seminar topics will include:

Agriculture and Structural Adjustment: How is Agriculture Affected?

Strengthening Developing Countries' Animal Feed Industries: Case Studies from the Philippines and Pakistan

Program Monitoring and the Quality of Agricultural Data: Niger, Cameroon, and Honduras

Natural Resource Policy Inventories: Description vs. Analysis?

Agribusiness Policy - What is the role of the government?

AGRICULTURAL POLICY ANALYSIS PROJECT, PHASE II

Under contract to the Agency for International Development, Bureau for Science and Technology, Office of Agriculture

1991 SEMINAR SERIES

Schedule of Events

All Seminars are held from 2.00 - 4.00 pm in Room 1105, State Department Building

- February 20, 1991* Third World Stakes in Trade Negotiations: Recent World Developments, Issues and Implications for A.I.D.
Featuring: Dr. Mark Newman, Abt Associates Inc.
Director of Agribusiness and Trade Research
- March 20, 1991* Macroeconomic versus Sectoral Adjustment
Featuring: Dr. Shanta Devarajan, Harvard Institute
for International Development (HIID) and Dr. Cheryl
Christensen, U.S. Department of Agriculture (USDA)
- April 24, 1991* Natural Resource Implications of Public Policies -- Lessons Learned
Featuring: Drs. George Johnston, Theresa Bradley,
and Ruben Nunez, Abt Associates Inc.
- May 22, 1991* Institutionalizing the Agricultural Policy Analysis Experience
Featuring: Dr. Arthur J. Coudu, North Carolina State
University (NCU)
- June - August* Summer Break
- September 18, 1991* Future Directions for Irrigation Investment Policy in Asia
Featuring: Dr. Mark Rosegrant, International Food
Policy Research Institute (IFPRI)
- September 25, 1991* Agricultural Policy Analysis Tools: APAP Developments
Featuring: Dr. Carl Gotach, Food Research Institute (FRI),
Stanford University
- To be followed by a two day workshop on policy analysis
tools such as the Policy Analysis Matrix (PAM) and the
General Algebraic Modeling System (GAMS). September
26th and 27th.
- October 16, 1991* A Decade of A.I.D. Experience in Agricultural Policy Reform
Featuring: John Tilney, Abt Associates Inc.
- November 13, 1991* Demand Management Policies in Asia
Featuring: Drs. Peter Timmer, Richard Goldman,
and Anil Dehokar, HIID, Dr. Cheryl Christensen, USDA
and Dr. Martin Abel, Abel, Dalt and Earley
- December 18, 1991* Liberating the Power of the Informal Sector, Problems and Prospects
in Asia
Featuring: Dr. Bish Sanyal, Massachusetts Institute
of Technology (MIT)

AGRICULTURAL POLICY ANALYSIS PROJECT, PHASE II

Under contract to the Agency for International Development, Bureau for Science and Technology, Office of Agriculture
Project Office

PUBLICATIONS LIST

TECHNICAL REPORTS

- Abel, Martin, Theresa Bradley, Ahmed Abo-Rawash, Azza Emara, and Adnan Nassar. **Egypt: An Evaluation of Prices of Major Agricultural Commodities in Relation to World Prices.** Washington, DC: Abt Associates Inc. and Abel, Daft and Earley, APAP II Technical Report No. 101. April 1989.
- Coutu, A. J., George Johnston, Howard Ray, Jaime Carrera and Julio Chang. **Ecuador: Evaluation of the Agricultural Sector Reorientation Project.** Washington, DC: Abt Associates Inc. and Raleigh, NC: North Carolina State University, APAP II Technical Report No. 102. March 1989.
- Bucknall, James, and Harvey Gutman. **Zaire: Final Report of the Evaluation of the Agricultural Policy and Planning Project.** Washington, DC: International Science and Technology Institute, Inc., APAP II Technical Report No. 103. April 1989.
- Tweeten, Luther, Bechir Rassas, and Thomas Earley. **Yemen Arab Republic: Farm Prices and Incentives.** Washington, DC: Abt Associates Inc., APAP II Technical Report No. 104. June 1989.
- Peterson, E. Wesley, F. Niger: **Monitoring the Effect of Policy Reform.** * Washington, DC: Abt Associates Inc., APAP II Technical Report No. 105. October 1989.
- Rassas, Bechir, and Thierry Loutte. **Niger: Rice and Cotton Policy.** * Washington, DC: International Science and Technology Institute, Inc., APAP II Technical Report No. 106. April 1990.
- Stryker, J. Dirck, Jeffrey C. Metzler, Katherine E. Baird, and Charles J.D. Stathacos. **Guinea: Agricultural Sector Assessment.** * Washington, DC: Associates for International Resources and Development and Abt Associates Inc., APAP II Technical Report No. 107. May 1990.
- Bradley, Theresa, M. Basterrochea, Eduardo Villagran, and Luis A. Castaneda. **Guatemala Natural Resource Policy Inventory. Vols. I-III.** Washington, DC: Asociacion de Investigacion y Estudios Sociales and Abt Associates Inc., APAP II Technical Report No. 108. April 1990.
- Kristjansson, Patricia, Mark Newman, Cheryl Christensen, and Martin Abel. **Export Crop Competitiveness: Strategies for Sub-Saharan Africa. Vols. I-II.** Washington, DC: Abt Associates Inc. and Abel, Daft and Earley, APAP II Technical Report No. 109. June 1990.
- Bradley, Theresa, and Fred Mangum. **Belize Natural Resource Policy Inventory.** Washington, DC: Abt Associates Inc. and Belize City: The Belize Center for Environmental Studies, APAP II Technical Report No. 110. October 1990.

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Abel, Daft & Earley, 1410 King Street, Alexandria, VA 22314 • (703) 733-9090

- Johnston, George, and Jose Flores. **Honduras Natural Resource Policy Inventory. Vols. I-II.** Washington, DC: Abt Associates Inc. and the Tegucigalpa, Honduras: Honduras Ecological Association, APAP II Technical Report No. 111. May 1990.
- Bradley, Theresa, Dennis McCaffrey, et al. **Costa Rica Natural Resource Policy Inventory. Vols. I-III.** Washington, DC: Abt Associates Inc. and San José, Costa Rica: The Tropical Science Center, APAP II Technical Report No. 112. October 1990.
- Núñez, Ruben, Francisco Serrano, et al. **El Salvador Natural Resource Policy Inventory. Vols. I-II.** Washington, DC: Abt Associates Inc. and San Salvador, El Salvador: The Salvadoran Ecological Foundation Eco-Activo 20-30, APAP II Technical Report No. 113. August 1990.
- McCandless, George T. and Evan Tanner. **Honduras: Agricultural Price Controls. **** Washington, DC: International Science and Technology Institute, Inc., APAP II Technical Report No. 114. January 1991.
- Fitch, James B. **Honduras: Requirements for Improving Data Collection and Analysis to Support Agricultural Policy. **** Washington, DC: International Science and Technology Institute, Inc., APAP II Technical Report No. 115. December 1990.
- Johnson, D. Gale, Alberto Valdes, and Dennis McCaffrey. **LAC Bureau: Agriculture and Natural Resources Background and Options.** Washington, DC: Abt Associates Inc., APAP II Technical Report No. 116. February 1991.
- Núñez, Rubén. **Honduras: Quantifying the Economic Impact of Policy Reforms in Agriculture. **** Washington, DC: Abt Associates Inc., APAP II Technical Report No. 117. February 1991.
- Recinos, Joseph and Enrique Castellon. **Honduras: The Democratization of the State Owned Seed Processing Facilities of Honduras through an Employee Stock Ownership Plan (ESOP). ***** Washington, DC: Abt Associates Inc., APAP II Technical Report No. 118. May 1991.
- Ouedraogo, Ismael. **Niger: Synthesis of NEPRP Findings and Recommendations: An Agricultural Marketing and Agribusiness Agenda.** Washington, DC: Abt Associates Inc. APAP II Technical Report No. 119. June 1991.
- Ouedraogo, Ismael. **Niger: The Impact of Government Policies on Onion Production and Marketing in the Tahoua Region.** Washington, DC: Abt Associates Inc. APAP II Technical Report No. 120. July 1991.
- Block, Steven. **The Cotton Economy of Pakistan.** Washington, DC: Abt Associates, Inc. APAP II Technical Report No. 121. September 1991.

COLLABORATIVE RESEARCH

Political Dynamics

- Paarberg, Robert L., and Merilee S. Grindle. **The Changing Political Economy of Agricultural Policy Reform: Implications for Donors.** Cambridge, MA: Harvard Institute for International Development, APAP II Collaborative Research Report No. 306. September, 1991.

Structural Adjustment

- Devarajan, Shantayanan, and Dani Rodrik. **Macroeconomic Adjustment in Developing Countries.** Cambridge, MA: Harvard Institute for International Development, APAP II Collaborative Research Report No. 303. July 1990.
- Christensen, Cheryl. **Adjustment and Agriculture: Issues for the 1990's.** Washington DC: Abt Associates Inc., APAP II Collaborative Research Report No. 304. April 1990.
- Timmer, Peter, and David Dawe. **Food Price Stabilization: The Indonesian Experience with Rice.** Cambridge, MA: Harvard Institute for International Development, APAP II Collaborative Research Report No. 313. January 1990.
- Goldman, Richard H., Malcolm Hall, and Agha Imran Hamid. **Edible Oils Policy Study.** Cambridge, MA: Harvard Institute for International Development, APAP II Collaborative Research Report No. 324. May 1991.
- Poey, Frederico, and Marypaz Perez. **Philippines: The Development of the Rice and Corn Seed Industry.** Washington, DC: Abt Associates Inc., APAP II Collaborative Research Report No. 312. June 1991.

Demand Management Series

- Goldman, Richard H. **Demand Management of Asian and Near East Food System: An Introductory Overview.** Cambridge, MA: Harvard Institute for International Development, APAP II Collaborative Research Report No. 307. Forthcoming.
- Goldman, Richard H. **Demand Management of Pakistan's Food System 1960-1986.** Cambridge, MA: Harvard Institute for International Development, APAP II Collaborative Research Report No. 308. Forthcoming.
- Abel, Martin, and Thomas Earley. **Demand Management of Thailand's Food System.** Alexandria, VA: Abel, Daft and Earley, APAP II Collaborative Research Report No. 309. Forthcoming.
- Christensen, Cheryl. **Demand Management in Egypt.** Washington, DC: Abt Associates Inc., APAP II Collaborative Research Report No. 311. Forthcoming.
- Deolalikar, Anil. **Food Demand Management in India.** Cambridge, MA: Harvard Institute for International Development, APAP II Collaborative Research Report No. 319. Forthcoming.

International Trade

- Abel M., Earley T. **The Role of Agricultural Trade in the Economic Development of Malaysia, Thailand, and Indonesia.** Alexandria, VA: Abel, Daft and Earley, APAP II Collaborative Research Report No. 300. April 1990.
- Josing, Tim, and Dina Umali. **Agricultural Trade Issues in Asia and the Near East: Country and Regional Trade Patterns.** Stanford, CA: Food Research Institute, APAP II Collaborative Research Report No. 301. July 1990.
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