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DEVELOPMENT ASSISTANCE AND

INSTITUTION BUILDING

THE IPB/US UNIVERSITY EXPERIENCE

During the past three decades USAID has initiated a large number of institution building activities with universities in the developing world. Most of these activities were maintained for periods of 6-8 years before being terminated. This period of intervention generally provided assistance in developing facilities, training staff, and initiating program changes. However, there has always been a question as to whether sufficient progress had been made by the time contracts were ended to prepare these institutions to a) continue development processes, b) respond effectively to changing national needs, and c) continually "regenerate" resources needed for program execution.

USAID/US university ties to the Institut Pertanian Bogor (IPB) spans a period of almost three decades. Three contracts were implemented with the University of Kentucky, MUCIA, and the University of Wisconsin. Each of the contracts addressed a particular phase of institution building and each phase set the stage for the next. The development of the second and third phases were able to make use of practical experience and of institution building research conducted in the late 60s. Thus, it is useful to look at 30 years of development at IPB to gain greater insights into the value of longer-term investments in institution building.

The three phases of development at IPB may be briefly described as follows.

1. Phase I - Establishing the Foundation--Accomplishments during this period were characterized by re-evaluation of programs of the colleges in terms of national needs, the development and testings of new concepts of higher agricultural education and "Indonesianization" of the academic staff. A number of new leaders had been trained, new program concepts had been introduced, and facilities had been improved. But IPB was still far from being an institution with enough maturity to develop and expand programs required to meet national needs. This point in development corresponds to the level at which many USAID institution building efforts were terminated.

2. Phase II - Building the Institution--It would be difficult to imagine a more intensive period of academic and administrative change in a university than that which took place in IPB during this phase. It was characterized by fairly sharp breaks with traditional programs, the implementation of concepts of higher agricultural education tested in the first phase, the strengthening of university administration and the initiation of consistent long-range planning.

3. Phase III - Consolidation--This third period was characterized by continued improvement in university administration and academic support systems, consolidation of programs initiated in the 70s, the strengthening of week spots in the curriculum (basic sciences), and the initiation of new programs to meet changing demands (environmental, nutritional, and rural communication sciences).

In addition to developing its own institutional capacity, IPB is making significant contributions to Indonesia's development in agriculture and education.

1. Human Resources -- The critical nature of the shortage of qualified staff to serve Indonesia's agriculture sector is indicated by the number of graduates of agricultural colleges. In 1960 there were approximately 500 graduates, by 1970 this number had grown to 3,000 and by the end of the IPB/UW contract in 1985 the number was approximately 30,000. Although this represents a phenomenal increase, the numbers are still far below those needed to serve a rural population of approximately 90 million. IPB graduates account for approximately 30 percent of this total work force and 80 percent of those with advanced degrees from Indonesian institutions (1,145 MS, 349 PhD). If the Government of Indonesia or donor agencies had sent these students abroad to complete graduate study, the total cost would have been approximately 1145 x $30,000 + 349 x $60,000 = $55,290,000 or 3 times the total grant and loan funds provided to IPB over the past 30 years!

2. Institutional Development - IPB has contributed to institutional development in a number of ways.

   a. As indicated above, they have made a major contribution through graduates who provide both administrative and technical leadership for all agricultural agencies.

   b. In higher agricultural education IPB has provided both a model and direct institutional assistance to a large number of sister institutions.

   c. IPB maintains close linkages with the Department of Agriculture and normally have 4-6 staff in positions of major responsibility in that department's research and extension divisions. The department reciprocates with staff and facilities to strengthen IPB. Many graduate research projects are done cooperatively.

3. Introduction of Technology -- IPB was one of the first institutions in Indonesia to develop strong ties to the international community and it frequently leads other institutions in the introduction of new technology. Since these technologies are taught in programs of instruction and used in programs of graduate research, they are quickly passed on to other agencies.

4. Physical and Biological Resources -- Indonesian institutions have been very effective in developing programs to improve use of the nation's agricultural resource base in increasing food production. During the past decade, Indonesia has become self-sufficient in rice. As the problems of producing sufficient quantities of this basic food have been resolved, attention has shifted to improving productivity of food crops other than rice and to problems of nutrition, family resources, and non-destructive use of natural resources. IPB has played an active role in the development of these programs. The expansion of graduate activities to address changing needs demonstrates IPB's responsiveness to emerging problems. Graduate research, often done in cooperation with other agencies, contributes to the body of knowledge of practices required to make effective long-term use of the country's agricultural resources.

In addition to a brief summary of the history of IPB and a review of its contributions to Indonesian Agricultural development, the paper which follows reviews the stage of development of IPB and sets forth the major factors in IPB's development in terms of the following institution building factors.

1. Leadership

2. Doctrine

3. Internal Structure

4. Programs

   a. Instruction
   b. Research
   c. Public Service

5. Resources

6. Linkages

   a. National
   b. International

The conclusion of the report is that IPB has reached a stage of maturity in its development which enables it to maintain dynamic programs and to contribute significantly to the continuing development of educational and agricultural sectors. The termination of USAID/IPB contracts does not signify that the long-term linkages developed between IPB, USAID, and US universities is no longer of value. IPB and the US universities are in an excellent position to provide a joint response to other development assistance problems being addressed by USAID. The challenge now is a rational answer to the question; how do we effectively maintain the institutional, professional, and personal linkages developed over the past 30 years?

DEVELOPMENT ASSISTANCE AND INSTITUTION BUILDING THE INSTITUT PERTANIAN BOGOR/U.S. UNIVERSITY EXPERIENCE

Background

During the early to mid-50's the USAID predecessor agency initiated a number of projects to develop universities in critical countries in Latin America, Africa and Asia. Agricultural productivity in these countries was low and food in short supply. It was reasoned that Land Grant universities in the USA had been highly successful in supporting the development of an efficient and productive system of agriculture in the USA and that this model would be useful for strengthening agricultural education and promoting the improvement of agricultural production in developing countries. From the mid-50's to the mid-60's a large number of US universities entered into agreements with USAID and universities in developing countries to carry out what came to be known as "institution building" activities. US and host-country universities entered into these activities with a great deal of enthusiasm and with little experience. By the time sufficient experience had been gained to provide grist for institution building studies in the late 60's and early 70's, interest in further support for institution building contracts had waned. Thus, limited application of this important work and experience was possible. Some believed that the job of building universities had been done and it was time to move on to other matters. By 1975, most of the institution building contracts had been terminated. Very few of these projects lasted for more than a decade. In view of the importance of the time element in the institution building process, it is doubtful that a level of institutional maturity was reached, in most cases, to warrant the conclusion that the job was done.

The history of the relationship which developed between USAID/US universities and the Bogor Agricultural University (The Institut Pertanian Bogor or IPB) began in much the same way as did that with other universities around the world. IPB was an important institution in a nation which had recently won its independence. It was, in fact, just beginning to find its own identity. In 1956, Dr. Tojib Hadiwidjaja, an early leader in Indonesian higher education, was selected to go to the USA on an Eisenhower Fellowship with a specific mission in mind. He wanted to study the system of higher agricultural education in America. Dr. Tojib returned with the idea that a blending of the US and European systems to fit Indonesian conditions would serve the country well. From this idea grew the "Tridarma" (three duties: instruction, research, and public service) philosophy for higher education and the concept of "guided study" to replace the continental system of education inherited from the Dutch. These concepts, with all their ramifications, were to have a major impact on IPB and higher education in Indonesia.

It is at this point at which USAID initiatated activities with IPB and US universities which were to span a period of almost 30 years of development assistance.

USAID Support to IPB

USAID support to IPB began with the University of Kentucky contract, 1957-1966, continued with the MUCIA contract, 1970-1981, and was completed with the University of Wisconsin contract, 1980-1985. These contract periods coincide with three distinct phases of development, each setting the stage for the next phase. This experience, and the outcome of almost three decades of

institution building at IPB should be of interest to those involved in the task of development, especially of the critical element of in-country human resource development.

Phase I - Establishing The Foundation

In 1957, the first Indonesian Deans were appointed to the colleges in Bogor to replace Dutch Professors whose contracts with the Indonesian government were terminating. Dr. Iskandar Titus was named Dean of the College of Veterinary Medicine and Dr. Tojib Hadiwidjaja was named Dean of Agriculture. The US government was asked to provide assistance in preparing the colleges to implement the new concepts of agriculture which had developed out of Dean Tojib's visit to the USA. The University of Kentucky (UK) was selected as the cooperating US university.

During the eight years which followed the initiation of US/Indonesian cooperation in higher agricultural education, the colleges and the UK were to pass through an unusual experience of adjustment, achievement, and trial by political ordeal. The UK sent a total of 47 staff to work with Indonesian colleagues in laying the foundation for change. At the same time, 219 Indonesian staff were sent to the US for study. Now, 25 years later, the names of UK staff are fondly remembered at IPB and stories of those first strange experiences in the US bring laughter from groups of ex-participants. Of the UK staff, those most often remembered are those who provided leadership to these cooperative activities for the longest period of time, Dr. and Mrs. Howard W. Beers. They were truly the right people for the right time. They, together with Indonesian colleagues, guided the program through the difficult years without losing sight of the course charted for IPB or the sense of its destiny.

The Indonesian government was also firmly resolved to establish higher education in the national context and in April 1961 created the Department of Higher Education and Culture (DEC). Later that year, the basic law for higher education was signed by the President. This law set forth the Tridarma philosophy of higher education and a plan for national universities to fulfill that philosophy. National universities were authorized for all provinces in 1963 and IPB was established as an autonomous university with five colleges. The name, Institut, reflected the technical, applied, professional nature of the institution at that time. It was a title which would be reconsidered as the institution addressed a broader universe of knowledge but retained on the basis of its importance in national identity.

As most of the 219 IPB staff sent abroad for study returned to assume their responsibilities, there was a growing confidence that they could and should "stand alone". Consequently, all foreign teachers were replaced with Indonesians. This, combined with the political turmoil in 1965-66, resulted in US development assistance being temporarily discontinued.

Accomplishments during this period were characterized by re-evaluation of programs of the colleges in terms of national needs, the development and testing of new concepts of higher agricultural education, and the "Indonesianization" of the academic staff. A number of new leaders had been trained, new program concepts had been introduced, and facilities had been improved. But IPB was still far from being an institution with enough maturity to develop and expand programs required to meet national needs. This point in development corresponds to the level at which many USAID institution building efforts were terminated.

Phase II - The Building Process

After stability was restored to the nation, and to the IPB campus, the need for continuing external assistance was reconsidered. IPB leadership saw the need for additional training for its staff, for continuing collaboration in institutional development, and for consultation in the further development of specific academic programs. It was agreed that these activities would not require large numbers of foreign staff on campus at any given time and would not involve them as teachers. With this background, a study was made to develop an AID project to reinitiate formal linkages between Indonesian and US universities. Dr. Tojib Hadiwidjaja was now Rector of IPB but was also Minister of Estates and then Minister of Agriculture. Thus, Dr. J. H. Hutasoit, Acting Rector, with the assistance of a young staff, had the task of rebuilding linkages with US universities.

The Midwest Universities Consortium for International Activities (MUCIA) was selected as the cooperating US institution for the new project, initiated in 1970. IPB was one of the lead institutions in the contract and Dr. John Murdock, UW, was appointed as the MUCIA Coordinator at IPB. Thus, another set of long-term personal, professional, and institutional ties was initiated to serve both IPB and the cooperating US institution.

In 1971, Dr. Ahmad Satari was elected Rector of IPB. He was able to pull together a team of Directors with advanced degree training abroad and with previous administrative experience to assist in the further development of IPB.

The IPB portion of the Higher Agricultural Education Project centered around the further development of IPB staff, and on strengthening university administration and academic programs. Several problems were of major concern

to IPB and to the system of higher agricultural education in general. First, there was a continuing need to increase the number of students graduating from agricultural universities to fill responsibilities in the nation's rapidly developing agricultural sector. Second, there was a need to broaden the scope of academic programs to address a wider range of problems. Third, there was a need to expand the output of advanced degree programs to increase Indonesian capacity for "self regeneration" at the highest level of academic endeavor.

In order to address the problems of increasing the quantity and quality of output from academic programs, IPB, with MUCIA assistance, began to systematically analyze limiting factors in the execution of academic programs and to lay long-range plans for overcoming these limitations. Staff development continued to be the most critical factor and highest priority was maintained in this area. Specific actions were also taken to reduce the amount of time required for a student following the six-year curriculum to complete the degree and to modify the curriculum to a more efficient and effective form. Thus, IPB experimented with a four-year curriculum starting in 1972, followed by an MS degree curriculum in 1975, a PhD curriculum in 1978, and a Polytechnic (Diploma) program in 1979. IPB also established a new system of recruiting students to make it easier for candidates from outlying areas to enter IPB. Increasing attention to programs of research and public service made it possible for them to develop in a more organized fashion.

It would be difficult to imagine a more intensive period of academic and administrative change in a university than that which took place in IPB during this phase. It was characterized by fairly sharp breaks with traditional programs, the <u>implementation</u> of concepts of higher agricultural education

tested in the first phase, the strengthening of university administration, and the initiation of consistent long-range planning.

Phase III - Consolidation

Dr. Andi Hakim Nasoetion was elected Rector of IPB in 1979. He and a capable team of experienced leaders set about the task of consolidating the broad range of administrative and program changes initiated in the 70's. Consideration was also being given to reinitiating the development of the Darmaga campus which had been interrupted in 1965 and the work of the IPB Planning Board was becoming more intensive. Drh. Ikin Mansjoer, MSc., was appointed as Director of the Planning Board to assist the Rector in this ambitious development program. In 1980, new government regulations for establishing a uniform system of university administration, PP05, were established. This new system strengthened the administration of research and public service activities by forming formal Institutes for Research and Public Service. Thus, the stage was set to develop new programs and to "make them work" effectively.

As the MUCIA Project came to a close, a follow-on Graduate Education Project was established in collaboration with the University of Wisconsin, a MUCIA member university which had developed strong linkages with IPB during the decade of the 70's. The Project was jointly designed by IPB and UW staff with assistance and support from Dr. Charles Green, USAID, and his staff. The Project later benefited from the capable support of Dr. Clayton Seeley and Dr. Cameron Bonner. The AID collaborative assistance contract, under Title XII, allowed the participating universities to work together in the further

development of graduate programs concerned with environmental sciences, the non-destructive utilization of natural resources, community nutrition and family resources, and in strengthening university administration.

To give UW leadership to this Project, Dr. and Mrs. John Murdock returned to the IPB campus in 1980 to work with IPB colleagues in a continuation of over 10 years of close working relationships. These long-term linkages undoubtedly contributed to the effective completion of this project in 1985.

This third period was characterized by continued improvement in university administration and academic support systems, consolidation of programs initiated in the 70's, the strengthening of weak spots in the curriculum (basic sciences), and the initiation of new programs to meet changing demands (environmental, nutritional, and rural communication sciences).

Summary of Important Institutional Changes 1960-1980

A summary of important administrative and program changes at IPB in the period 1960-1980 is outlined in Table 1.

IPB Contribution to Agricultural Development

The Indonesian system of institutions to serve agriculture began to develop under Indonesian leadership in the mid to late 50's. The country was faced with an enormous task of modifying a system which had been developed to support the production of plantation crops to one required to provide food to a large and rapidly growing population. The critical problem in developing these institutions was the shortage of qualified staff. The educational system in the country was also new and the nation was struggling with serious shortages of education and educational resources at every level.

Table 1. Schedule of Important Administrative and Program Changes at IPB, 1960-1985.*

Activity	Year					
	1960	1965	1970	1975	1980	1985
IPB Autonomy (5 colleges)						
Curriculum based on Semester						
Rector Appointed						
College of Agricultural Eng.						
1st Long-Range Development Plan						
Student Selection Process Developed						
4-year Curriculum Developed						
S_2 (MS) Curricula Developed						
2nd Long-Range Development Plan						
S_3 (PhD) Curricula Developed						
S_0 (Diploma) Curricula Developed						
PP 05 University Structure						
Institute for Research						
Institute for Public Services						
College of Basic Sciences						
Campus Master Plan to Year 2000						
Academic Plan to the Year 2000						
System of Academic Analysis						
Computerized Management Information System						

*This summary not only shows that many important actions were taken by IPB to improve its academic programs but it also demonstrates the rapid pace with which changes came about after IPB leadership was prepared to institutionalize new program concepts.

When IPB was formed as an autonomous university in 1963 it faced a seemingly impossible task of assisting other institutions for agricultural research, extension, and education while it was involved in its own institution building efforts. In spite of this, IPB has made major contributions in strengthening four commonly recognized factors required for agricultural development in Indonesia.

Human Resources

The critical nature of the shortage of qualified staff to serve Indonesia's agriculture sector is indicated by the number of graduates of agricultural colleges. In 1960 there were approximately 500 graduates, by 1970 this number had grown to 3,000, and by the end of the IPB/UW contract in 1985 the number was approximately 30,000. Although this represents a phenomenal increase, the numbers are still far below those needed to serve a rural population of approximately 90 million (1 grad/3000 rural population). IPB's contributions in the development of Indonesia's human resources in agriculture have been substantial.

1. They have provided a total of 9,681 graduates broken down as follows:
    a. Diploma (S_0) 927
    b. Sarjana (S_1) 7,987
    c. Magister (S_2) 646
    d. Doktor (S_3) 121
2. In the 1970's IPB developed a new system of higher education designed to increase productivity and to expand the number of degrees offered to cover the range from upper middle level technicians to high level

professional graduates. This system has now been adopted by the DEC for all of higher education. The influence of these changes on numbers of graduates from IPB shown in the following graph.

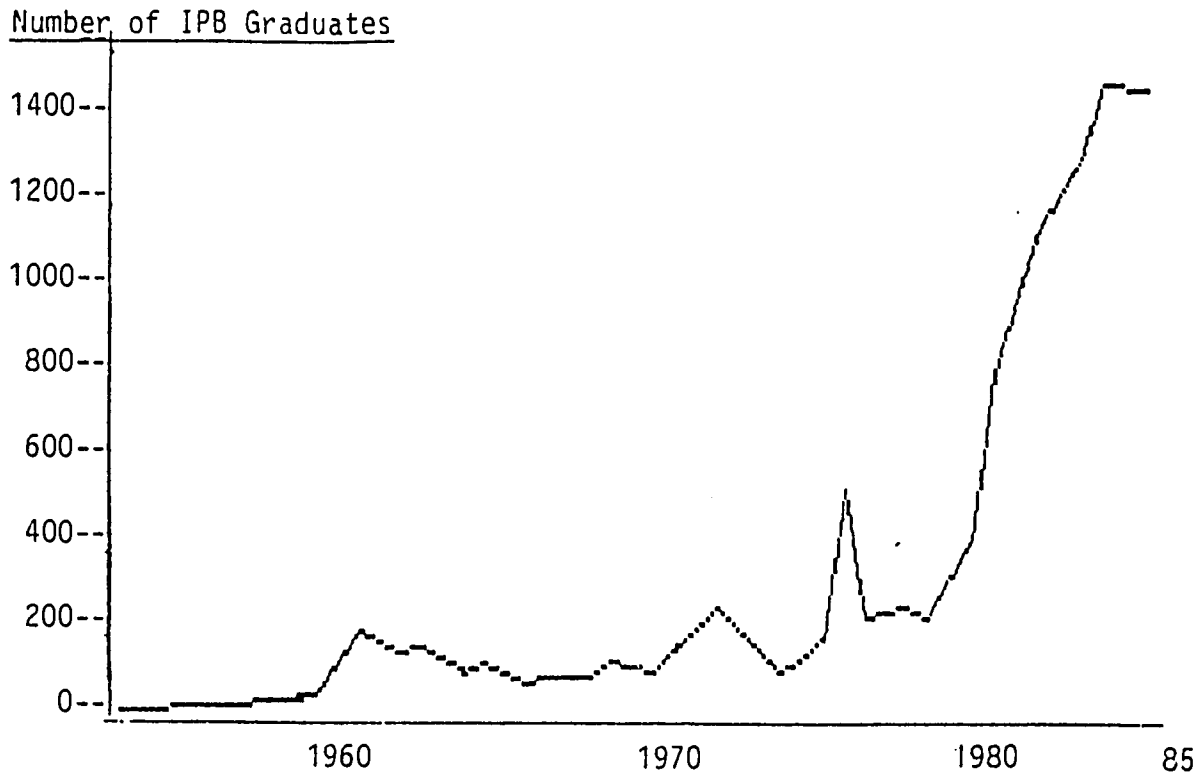

Fig. 1 Numbers of IPB Students Graduating Each Year 1952-85

3. IPB now provides approximately 20% of the undergraduates and 80% of the graduate level degrees for Indonesian agriculture. Previous to 1980, approximately 95% of its S_1 level graduates went into government service but since that date the numbers going into private industry have steadily increased. As high as 40% of S_1 graduates from some colleges now go to the private sector. The distribution of IPB's S_2 and S_3 graduates is shown in the Table 2.

Table 2. The Distribution of IPB MS and PhD Graduates by Parent Agency, 1975-1985.

Agency	Number of students	
	MS	PhD
Department of Education and Culture	712	223
Department of Agriculture	450	83
Department of Forestry	51	14
Department of Interior	36	6
Department of Health	36	5
Other Departments	30	11
Bureau of Statistics	20	-
Other Countries	16	3
Other	64	4
	1,145	349

If the government of Indonesia or donor agencies had sent these students abroad to complete graduate study, the total cost would have been approximately 1145 x $30,000 + 349 x $60,000 = $55,290,000 or 3 times the total grant and loan funds provided to IPB over the past 30 years!

Institutional Development

Building institutions to serve agriculture is a vital part of development. IPB has taken institution building seriously and has supported the development of other agricultural institutions in a number of ways.

1. As indicated above, IPB has made a major contribution through graduates who provide both administrative and technical leadership for all agricultural agencies.
2. In higher agricultural education IPB has provided both a model and direct institutional assistance to a large number of sister institutions.
    a. IPB developed and tested the present system of higher agricultural education.

b. IPB has offered direct assistance by:

1) providing professors to teach core courses needed to complete a curriculum;

2) developing credit earning activities which allow students from sister universities to take some courses at IPB but to graduate from their home university;

3) providing top level administrators to give leadership (IPB staff presently fill Rectorships at four other universities); and

4) designing outreach activities to provide institution building assistance in both administrative and academic program planning and execution.

3. IPB maintains close linkages with the Department of Agriculture and normally have 4-6 staff in positions of major responsibility in that department's research and extension divisions. The department reciprocates with staff and facilities to strengthen IPB. Many graduate research projects are done cooperatively.

Introduction of Technology

IPB was one of the first institutions in Indonesia to develop strong ties to the international community and it frequently leads other institutions in the introduction of new technology. Since these technologies are taught in programs of instruction and used in programs of graduate research, they are quickly passed on to other agencies. In recognition of this relationship support has been given to develop the following centers at IPB.

1. The Food Technology Development Center
2. The Center for Tropical Biology
3. The Center for Community Development
4. The Interuniversity Centers for Biotechnology, Life Sciences, and Food and Nutrition.
5. The Center for Computer Science

Physical and Biological Resources

Indonesian institutions have been very effective in developing programs to improve use of the nation's agricultural resource base in increasing food production. During the past decade Indonesia has become self-sufficient in rice. As the problems of producing sufficient quantities of this basic food have been resolved, attention has shifted to improving productivity of food crops other than rice and to problems of nutrition, family resources, and non-destructive use of natural resources. IPB has interacted in these programs in several ways.

1. IPB staff and students developed the first mass guidance program for rice production (BIMAS) in the mid 60's. This program, with appropriate modifications, is still carried on as a major extension activity of the Department of Agriculture. Work in food crops is supported by a strong Department of Agronomy at IPB.
2. IPB is one of the centers for food science in Indonesia and has developed graduate programs in food technology, community nutrition, and family resources.

3. IPB has developed a strong program of research in natural resource survey and land use. These programs serve various agencies including Transmigration, Public Works, and Agriculture. Advanced degree programs have been developed in the following areas.
    a. Management of Natural Resources and the Environment
    b. Watershed Development (soil and water conservation)
    c. Remote Sensing Technologies
    d. Soil Survey
4. The expansion of graduate programs demonstrates IPB's responsiveness to emerging problems in terms of programs of instruction. Graduate research, often done in cooperation with other agencies, also contributes to the growing body of knowledge of practices required to make effective long-term use of the country's agricultural resources.

Institution Building Factors in University Development

One of the problems in maintaining continuity in institution building activities may be related to the difficulty in defining the point at which an institution is mature. In a sense, institution building never stops for a viable university. It must retain a strong identity with its clientele in terms of its basic intent or reason for being and must be able to continually adjust its primary programs to serve the changing needs of its constituency. Thus, maturity of a university cannot be measured in terms of numbers of staff and students, specific levels of program development or given quantities of resources alone. Its ability to continue in a desired pattern of growth without external (to normal national linkages) assistance must also be considered.

The institution building studies of the late 60's and the early 70's have provided some very useful parameters for the institution building process. They are helpful in describing the process and provide a reasonable basis for identifying the level of maturity of an institution. This work proved useful in establishing the pattern for development of programs at IPB from 1970-1985 and were used in describing the development of the institution at the end of that period.

IPB Present Stage of Institutional Development

IPB administrators recognize that there are many improvements yet to be made in the university and that effective use can be made of continuing collaboration and support from national and international agencies. At the same time, they are confident that IPB has the degree of maturity required to effectively carry out its mission and to continue as a vital institution in Indonesia's system of higher education. Perhaps it would be best to rest the case for IPB's maturity on the following characteristics of the institution as it stands today.

1. IPB has the <u>quantity and quality of leadership</u> needed to give continuing direction to its further development and to the execution of the Tridarma.
    a. IPB has 739 staff, 340 with advanced degrees, from which to select candidates for 85 major staff positions.
    b. Those presently filling top level administrative positions have over 10 years of administrative experience and approximately 40% of IPB staff have had 10 years or more of academic experience.

2. IPB has a strong institutional philosophy of service to national development which is articulated, understood, and accepted by its own staff, its clientele, supporting agencies, and the community at large.
3. IPB has a well developed internal structure which follows the guidelines of national regulations, PP05, 1980. This structure enables IPB to effectively distribute functions and authority, execute processes of communications and decision making, and allocate resources in program execution.
4. IPB has developed a strong system for executive direction and planning and has greatly improved administrative and logistic services.
5. IPB has an advanced, strongly developed, program of instruction. All major disciplines in agriculture are offered and the basic science areas are also being greatly strengthened. The fundamental building blocks are present to assure continuing growth and expansion. The same is true with levels of instruction which cover the entire range of commonly recognized degree and non-degree programs. The size and output of the IPB program of instruction in 1985 are summarized as follows:

Level	Disciplines	Students	Graduates
S_0	6	1063	179
S_1	25	9115	1516
S_2	23	626	132
S_3	19	240	2

6. IPB's research program is set on a solid base in which its principal goal of providing research needed for national agricultural development is met through a strong graduate research program. In

1985, 1516 S_1, 132 S_2, and 32 S_3 students completed research projects. Student researchers and their advisers form a large research force for IPB. Graduate requirements to complete thesis research will continue to support and expand IPB's research program.

7. IPB's public service effort gains its strength from its growing ability to produce and transmit information to the rural community through existing extensions and rural development systems. Major IPB involvement includes student service activities which require continuing contact with the rural community and the unique approaches used in providing services to other universities. In 1985, 1,282 4th year students worked in 340 villages as a part of their program of study.

8. IPB's resources to support instruction, research, and public service have been greatly improved during the past decade. These resources are summarized as follows.

    a. 739 staff, 340 of whom hold advanced degrees,

    b. 44,707 M^2 of existing buildings,

    c. 11,000 M^2 Information Resource Center and 2,000 M^2 of office, classroom, and laboratory space in final stages of completion.

    d. 1,000 Ha of experimental fields,

    e. a wide range of specialized laboratory and other research facilities, and

    f. 11,044 students.

9. IPB's internal and external linkages are strong. It has working agreements with large number of national and international agencies. During the past 3 decades, IPB and its staff have developed many strong personal, professional and institutional ties with colleagues and institutions in many parts of the world.

Major Factors in IPB's Development

Although there were innumerable factors at work in this development process, only a few of those which are considered to be most important will be outlined below. Since this process involved continuing interaction with external agencies, attention will also be given to these relationships.

1. Leadership - Individuals charged with the direction of the institution and others who participate in its planning, structuring, and guidance.
    a. Except for a relatively short time of political conflict, the leadership of IPB was stable and enjoyed strong support from national government, university staff, and clientele groups.
    b. IPB leaders were highly motivated, mature individuals with strong concepts of the mission of the university and were willing to search out means to fulfill them.
    c. The leadership was willing to sacrifice short-term expediency of patching-up existing systems in exchange for long-term gains achieved by developing new, more appropriate systems. This required time and resources for a massive staff development program.

d. The leadership understood the importance of time in relation to development processes and were patient enough to test and evaluate concepts and programs before implementing them on a large scale.

e. IPB leaders had a sense of balance of programs and resources in relation to IPB development and to national need.

f. Though IPB leadership had a strong appreciation of the need for financial support, they were not willing to sacrifice principles of IPB development for that support.

g. IPB leaders had a healthy, balanced perspective between nationalism and the need for development assistance. They were mature enough to recognize their need for assistance and to define the limits of the assistance.

2. Doctrine - The institution's reason for being.

a. There was a strong consensus of the need for IPB to be actively involved in "nation building." The concept of the Tridarma approach to nation building was developed at IPB and was adopted as a philosophy of the national system of higher education.

b. The Tridarma philosophy was continually adjusted to give greater definition to IPB's role in service to the nation.

c. The strong concurrence of clientele groups with this philosophy, and IPB's relationship to it, has brought greater support for the institution and has enabled IPB administration to make difficult policy decisions.

3. Internal Structure - Organization to distribute functions and authority, execute processes of communications and decision making, and allocate resources in program execution.

   a. IPB administrators recognized the need to develop an internal structure which would provide support and allocate resources on each of the Tridarma.

   b. The DEC supported structural changes proposed by IPB and in 1980 introduced a system which addressed each of the Tridarma as a component part of the internal structure of the university.

4. Programs - The activities of an institution which produce outputs consistent with institutional doctrine and which effectively fulfill the expectations of the institution's clientele.

   a. Program changes at IPB were defensible in terms of the Tridarma philosophy and of national needs.

      1) The "guided study" concept was designed to expand the quality, output, level, and productivity of instruction.

      2) The research program was based on the concept that IPB's capacity to conduct high quality research was essential to improved programs of instruction and was needed to supplement the works of other agricultural research agencies in meeting national needs.

      3) The public service concept was not intended to compete with national extension systems but to support them. Also, it was not limited to direct service to agriculture but carried a strong commitment to assist in the development of other institutions of higher education.

b. The Tridarma programs of IPB have continually demonstrated their capacity to serve the nation. These services are concrete and recognizable as important contributions of the institution.

5. Resources - Program inputs required to effectively execute the primary programs of the institution.

   a. The importance of both the quantity and balance of resource allocation in the development process was recognized by IPB. First priority was given to staff development. IPB recognized that the initiation of new concepts of education, the establishment of new programs, and the development of Indonesia's capacity to become "self sufficient" in producing its own educators and scientists, depended on developing a massive external training program for its staff. As the staff component was put in place, other resources were brought into balance.

   b. As academic programs developed, administrative systems were strengthened to improve the University's ability to capture, allocate, and manage resources.

6. National Linkages - Working relationships in-country.

   a. Through strong linkages to the Department of Education and Culture, IPB has been able to receive national support to legitimize and finance its development.

b. Both formal and informal linkages with a large number of federal and private agencies' help to finance IPB programs. This support has been through funding and through sharing of staff, facilities, and other resources. IPB, in turn, has developed strong programs of instruction, research, and public service to support the further development of clientele groups.

- <u>International Linkages</u> - working relationship to external institutions/agencies.

  a. Perhaps the most important factor in the success of IPB linkages with international agencies has been its attitude toward development assistance. Since the early days with the Kentucky Team, IPB has been able to determine the line between self-sufficiency and deficiency and to maintain a reasonable balance in the use of foreign assistance to help overcome the deficiency. Some of the needs they recognized are listed below.

     1) Training abroad was needed to improve the professional capabilities of staff in scientific disciplines and to improve their general knowledge of systems of instruction, research, and public service.

     2) Personal, professional, and institutional linkages with universities abroad was important in expanding IPB's concepts of program development.

3) IPB needed technical and administrative expertise in implementing its programs. In the early stages of development, this assistance was used to fill line positions on a temporary basis. As soon as IPB staff could reasonably fill those slots, they did so. Later, visiting staff assisted in strengthening various aspects of the institution, primarily in using their experience in "how to" go about the development of specific programs. The concept of working "with and not for" (in the place of) IPB staff was used as a general guideline. Though no one ever quite knew, or really worried about, the exact line between "with" and "for", colleagues were able to work this out.

4) IPB recognized the value in having project related ties on campus and abroad to assist in the management of external resources which were foreign to the normal administrative processes of IPB. This is a factor often overlooked in the urgency of donors and national governments to force "creating the capacity at home." There is no way, short of establishing an office in every cooperating country, that an Indonesian university can manage foreign financing to effectively access resources abroad without some system of external backstopping support.

b. IPB recognized the value of establishing long-term relationships which allowed them to work with a donor agency and contractors over time. USAID and ADC are examples of these long-term relationships with donors. Linkages with UK, MUCIA, and UW are still strong.

c. IPB's concern for the social, professional, and physical well being of visiting staff cannot be questioned. Though there were some difficult time over the past 30 years. The graciousness of the Indonesian people was well represented by IPB.

d. Donors were willing to make a long-term commitment to IPB's development. ADC had a relatively small but effective program to support the development of social sciences for a period of approximately 30 years. USAID provided major support for IPB development over the same period.

e. USAID, a major long-term cooperator, was supportive in its role as donor.

   1) It was flexible enough in its funding and management of programs to allow IPB and the contractors to execute programs without undue interference.

   2) From 1970 forward, USAID supported the use of the collaborative contracting mode to permit the contractor and IPB to work together in the design, as well as the execution, of the projects. This mode of contracting gave a greater degree of continuity and flexibility for the most effective use of funds in program development.

3) USAID Project Managers and staff contributed to effective project review and evaluation processes, and were supportive in dealing with bureaucratic procedures required for program implementation.

f. The long-term contractors made strong institutional commitments to IPB's development program.

1) There was basic agreement between the cooperating universities and IPB in the concept of development.

2) The highest levels of administration of the cooperating universities were willing to make long-term commitments to the relationship.

3) The cooperating universities saw the programs as mutually beneficial. During the last 15 years of cooperation, over 95% of project staff were tenured at the cooperating university.

4) Key staff for the projects were experienced leaders who understood the institution building process in relation to IPB's goals.

5) Experienced dedicated support staff provided operational and backstopping assistance.

g. The style of project management was a flexible, highly personalized system of management by objective.

1) Project leaders set objectives but were willing to try alternative approaches when it became obvious that the approach being used was not effective.

2) The balance of program management constantly moved toward the IPB side as its administrative capacity grew. However, there was always an effort not to burden IPB administration with logistics which fell outside normal institutional management.

h. Strong personal relationships, mutual respect for colleagues, institutional loyalties, and good manners greatly benefited the successful operation of the projects.

IPB and the Future

IPB faces the future with confidence that it can reach the high goals which have been created out of the expectations of the community it serves. This confidence is based on a solid foundation of past experiences and on the recognition of existing capacity to fulfill its basic mission. IPB has considered the directions it will take in the future and has dared to outline these directions in a plan which projects changes to the year 2000.

Some of the important projections made as the basis for IPB planning are as follows.

1. The Student Body will reach 20,000 by the year 2000.
2. Curricula at S_0, S_1, and S_3 levels will be expanded to meet changing needs.
3. Research and Public Service Institutes will be improved and their programs expanded to address priority areas detailed in the plan.

4. Building resources will be expanded to provide:
   a. 196,131 M^2 of academic buildings
   b. 44,908 M^2 of support buildings
   c. 96,804 M^2 of student housing
5. Staff resources will be expanded to provide 2,162 full-time staff to execute Tridarma programs. The distribution by degree would be as follows:
   a. 40% S_1
   b. 30% S_2
   c. 30% S_3

In the 5 years since the academic plan was written, IPB's growth has exceeded the projections, thus, it is confident that it will be able to continue to meet projected growth levels. Although no one at IPB believes that expansion and improvement of program will continue without experiencing some critical problems, there is optimism that IPB is mature enough to survive difficult times.

IPB has reached a critical mass for sustained development but faces its responsibilities to the nation with a deep sense of humility and appreciation for the continuing support of the Indonesian people and that of friends from other nations.

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BOARD FOR INTERNATIONAL FOOD AND AGRICULTURAL DEVELOPMENT
INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Agency for International Development
Washington, D.C. 20523

October 15, 1986

MEMORANDUM

TO : BIFAD

FROM : R. W. Kleis

The attached documents summarize USAID Missions' and Title XII Universities' responses to Administrator McPherson's letter of May 30, 1986 soliciting comments on ten questions related to Title XII program experiences. I commend these summaries to your review and thought about where we are and needed enhancement actions.

In the weeks ahead we need to consider actions and recommendations to address concerns identified in this process. There are a few which seem clearly called for and are suggested here as action recommendations of the Board:

1. Several interrelated concerns about procurement processes and documents are identified clearly in these communications, even as many have been less formally expressed in the past. Recommendation: That a joint BIFAD Panel on Procurement Processes be established immediately to address these issues and formulate advisory recommendations for the Board and the Agency to consider. Suggested composition of the panel is four experienced Title XII university representatives, three regional bureau representatives and an AID Contracts Officer.

2. The responses indicate both directly and indirectly the need for more communication and understanding of each other and of the Title XII concept and mechanisms between AID Missions and the Title XII community:

   Recommendations:

   a. That a regular quarterly BIFAD letter to Missions be initiated to communicate Title XII information, BIFAD actions and program news of particular relevance to Mission officers.

   b. That AID be urged to implement a routine practice of campus visitations by Mission Directors and Agricultural Development Officers before assuming new country assignments and those who are continuing assignments during U. S. visitations; and that the BIFAD Staff offer to orchestrate contacts and scheduled visitations.

c. That a schedule of BIFAD visitations to Missions and country projects be implemented soon to cause two person teams (perhaps one Board member and one BIFAD Staff person) to visit two or three Missions in a particular region for two or three days each. Seven or eight such teams could visit some 15 to 20 country Missions in FY 1987. It might be continued in subsequent years for other Missions.

3. For more informed and successful selection of Title XII contractors there needs to be a better reading of proposal finalists with respect to institutional character, administrative understanding, institutional commitment and team qualifications than the paper presentations provide.
Recommendation: That AID be urged to implement a practice of campus visits by Mission and host country personnel for two to four "apparently strongest" proposals; and offer BIFAD Staff assistance in making arrangements.

4. There is need for efforts to improve performance in Title XII projects through better advance preparation.
Recommendation: That training mechanisms, implemented in the past and currently by BIFAD Staff, be expanded and routinized, particularly as related to Chiefs of Party and project management personnel.

5. Both Universities and Missions regard university policies and procedures for personnel performance evaluation and advancement to be disincentives to long-term overseas duty.
Recommendation: That the BIFAD communicate strong urging of Title XII institutions to formally address this issue as relevant to their situations and interest in Title XII programs participation.

6. Both Universities and Missions recognize the desirability for longer than two-year duty periods for continuing contracts and persons performing effectively. Mechanisms should be sought to encourage longer service periods. Personnel promotion and tenure policies of item 5 may help. Salary allowances are also relevant and one such allowance would be:
Recommendation: That AID be asked to consider allowing a non-salary bonus payment for each year beyond two of the equivalent of one-way transport of personal and household effects. This would not cost more than changing personnel each two years.

These suggested actions are all related to the six second decade targeted areas of emphasis; particularly numbers five and six. Several of these involve considerable work load for your staff and would mean either more help or doing less of other functions. We would do our best because the needs are apparent and important. I will welcome your judgement and guidance.

cc: BIFAD Staff

AGENCY FOR INTERNATIONAL DEVELOPMENT

WASHINGTON D.C. 20523

Example of letter sent to
- All AID Missions
- 35 involved Universities

THE ADMINISTRATOR

May 30, 1986

Thomas H. Ball
AID Representative
USAID/Cape Verde
Department of State
Washington, D.C. 20520

Dear Tom:

The Title XII legislation enjoining the Agency for International Development (A.I.D.) and the Land Grant Universities to work together in the areas of agricultural research, education and extension is now completing its first decade. In this ten years of collaboration between BIFAD and Title XII institutions with A.I.D., there have been many important accomplishments and, I must admit, also a share of growing pains. Currently, the U.S. universities are implementing over one hundred A.I.D.-funded projects. As we consider the agenda for the second decade of the Title XII program, I think it is important that we honestly and candidly assess our progress and the problems that require attention. With this in mind, I would appreciate your assessment of the strengths and weaknesses of the Title XII program.

Based on your experience, I would appreciate your comments and suggestions for action on as many of the following questions as you feel appropriate:

1. In what areas are Title XII universities most effective, i.e., what in your judgment is their comparative advantage? Specifically, how do universities compare with private sector firms and other non-university entities with respect to (a) providing technical assistance, (b) institution building, (c) developing training and supporting research and technology transfer program, and (d) conducting policy, sector and strategy analyses?

2. How important is tenured faculty to overall university performance in international agricultural development activities? Is staff turnover or the substitution of staff more or less of a problem with Title XII institutions than with comparable non-university

contracts? And, conversely, to what degree are vacancies and/or the rapid turnover of A.I.D. technical and project management staff a serious impediment to the effective implementation of Title XII activities?

3. How have changes in A.I.D. and federal contracting modalities made accessing university resources more difficult? What suggestions do you have in this area?

4. Why has the Technical Support to Missions (TSM) contracting modality not been used as extensively as envisioned? Is this a useful tool and should it be retained? If your response is positive, do you have suggestions with respect to expanding the TSM concept?

5. What has been your experience with Title XII collaborative contracts? Should this procedure be used more extensively in the future? If so, why? If not, why not?

6. What has been your experience regarding mission management of university contracts? From the mission standpoint, have they required more and different management attention compared with non-university contracts? From the university standpoint, has such management been effective or excessive or directed toward the wrong issues? Are there distinctions in this regard between host country and direct university contracts?

7. What are your expectations for future USAID-university contracts, from the mission standpoint, given your particular agricultural development strategy, and from the university standpoint, given the priority accorded international programs in your university and the capacity to undertake future overseas activity?

8. How has the Washington BIFAD staff served your needs and what are your suggestions with respect to improving those services?

9. What has been your experience with university consortia, multi-university contracts or single university contracts? Is one mode preferable, and if so, why?

10. In summary, based on your experience, what is it you feel that the universities do best and how do you feel A.I.D. should make maximum effectiveness of these strengths?

I am sending this same letter to all Title XII institutions with major A.I.D. contracts as well as all of A.I.D.'s field missions. I think it is important that we have a wide exchange of views. I have framed a common set of questions, but hopefully phrased as objectively as possible so that we can fully understand the full range of perceptions. Dr. E.T. York, the Chairman of BIFAD, and I have discussed on several occasions the importance of addressing directly issues that arise in the relationships between A.I.D. and Title XII institutions so as to build an even stronger framework for cooperation in the future. Your comments are very important to me in this regard. Let me thank you in advance for your thought and attention on this issue.

Sincerely,

M. Peter McPherson

Drafted: C/AID/JPielemeier;05/19/86
Redrafted: S&T/BLangmaid

Clearance: SAA/S&T/NBrady (subs)
BIFAD/RKleis (in draft)
C/AID/MDBrown

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

COUNSELOR
TO THE AGENCY

October 10, 1986

NOTE FOR THE ADMINISTRATOR

SUBJECT: Strengths and Weaknesses of The Title XII Program: Performance Has Not Matched Potential

The responses to your letters to Mission Directors and Universities were often very thoughtful and stimulating. Attachment I is an analysis of the 51 Mission responses prepared by John Pielemeier and cleared with only minor suggestions by the three regional bureaus and BIFAD. Attachment II is an analysis of the University responses prepared by Bob Kleis.

I strongly encourage you to read both papers in their entirety since the responses provided a great deal of useful feedback concerning the ten major issues raised in your letter.

My reading of the responses, frankly, leads to a conclusion that many USAID Mission Directors and USAID staff are becoming somewhat disenchanted with Title XII universities due to weaknesses in past performance. This growing disenchantment is reflected by a growing reluctance to set aside projects for Title XII universities and a desire for more private sector-Title XII competition. There also appears to be some erosion in the previously held assumption that Title XII's have a predominant capability in agriculture research, technology transfer and institution building activities. Universities, however, still feel they have predominant capability in these areas.

Why are Missions changing their views of Title XIIs? The letters repeatedly point out three major weaknesses in university performance over recent years -- weaknesses that Missions fear will be repeated in new projects.

(1) Limited university commitment

The commitment of Title XII institutions to achieving project objectives was mentioned time and again in the responses as the key element in Title XII success. Positive commitment is reflected in the willingness of university leadership to make international work attractive to faculty and to give

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development projects a reasonably high long-term priority among competing university objectives, the quality and timeliness of project backstopping, and the influence and "clout" of the campus coordinator (especially to get key faculty released for overseas assignments). This commitment is perceived to be often lacking in Title XII performance.

(2) Unexceptional Quality of Long-term Personnel

Many missions have been sorely disappointed with the quality of long-term personnel provided by Title XIIs, especially the tenured personnel. Most responses said private sector firms and the IARCs do better at providing long-term overseas personnel. It seems clear that universities have not yet found a way to make overseas assignments attractive to their best faculty. When they are provided they often stay only two years -- not enough to make their greatest possible impact especially on long-term institution-building projects.

(3) University Contracts are often more difficult to manage

In part due to lack of university commitment and the unexceptional and (sometimes poor) quality of long-term personnel, almost one-third of the responses said university contracts were more difficult to manage than non-university contracts (almost none said they were easier to manage). Most commonly noted management problems were: university reluctance to delegate authority to their field Chief of Party, inadequate financial reporting on contracts, lack of flexibility in responding to and resolving personl problems, and lack of experience in the Chief of Party and campus backstop staff.

These perceived weaknesses need to be dealt with and most Missions think they can be dealt with so that in the future they will feel more comfortable in choosing to work with a Title XII university. Most Missions recognize the marvelous resource base which exists in the U.S. university community and want to use Title XIIs. Performance has not, however, lived up to potential.

Marshall D. Brown

Attachments: I. Analysis of Mission Responses
II. Analysis of University Responses

Attachment I

STRENGTHS AND WEAKNESSES OF TITLE XII PROGRAMS: ANALYSIS OF MISSION RESPONSES

I Introduction

In May 1986, the Administrator sent letters to all Mission Directors and to selected Title XII Universities which asked for candid answers to a set of ten key questions pertaining to the strengths and weaknesses of Title XII programs. Fifty-one missions (12 in the ANE Bureau, 15 in LAC and 24 in AFR) responded, most with very thoughtful and constructive comments.

This paper analyzes the responses from the USAID Missions and attempts (a) to summarize the most common themes addressed in the responses and (b) to highlight, through the use of direct quotations, some of the more insightful comments and suggestions contained in the responses. Significant differences in the responses from the three geographic regions are noted.

Methodology: Due to the relatively open-ended nature of the questions posed in the Administrator's letter, a formal statistical analysis of the responses is not possible (and never was anticipated). Also most of the ten questions posed included several sub-questions and very few missions and universities responded specifically to all questions and sub-questions. In some cases, a head count was possible and has been included in the analysis. However, even in these cases some degree of interpretive license is inevitable in categorizing responses in a meaningful way. To minimize the possibility of interpretive bias, each of

the regional bureau agriculture office chiefs and BIFAD were given copies of the draft analysis for review. Their comments are reflected in this final version.

II. AID Field Perceptions of Title XIIs

#1. "In what areas are Title XII universities most effective, i.e., what in your judgment is their comparative advantage? Specifically, how do universities compare with private sector firms and other non-university entities with respect to (a) providing technical assistance, (b) institution building, (c) developing training and supporting research and technology transfer program, and (d) conducting sector and strategy analyses?"

Forty-one missions provided substantive responses to this question, but did not necessarily address all elements of this broad question. In addition, they often added significant caveats to their responses (e.g. universities had a comparative advantage for some types of policy/sector analyses but not for others).

- Education and training: All responses, save one, said universities had a comparative advantage in education and training. Title XII institutions are perceived to be strongest in university-to-university education activities (with the India Partnership model often cited) and in developing LDC secondary-level (certificate, diploma) training institutions. With their broad knowledge of U.S. training opportunities in U.S. universities, Title XIIs also have unique capacity in planning and implementing U.S. academic training programs, and are particularly adept at placing participants in appropriate training programs, sometimes waiving rigid admission standards.

- Research: Most responses indicated that Title XII institutions have excellent capabilities in agricultural research. One response said "Title XII universities

represent the major global resource of talent for technical activities focussed on science, research and institution building in Agriculture - a concept that has stood the test of time."

However, there were important caveats in some of the responses. About 1/3 of the African responses and 1/2 of the ANE responses rated IARCs higher or as high, especially when IARCs are already established in the geographical or climatic region. Title XIIs are felt to work best on commodity-specific research in structured, experiment station settings. They do less well in multidisciplinary research such as Farming System Research or in off-station research efforts, in part due to the compartmentalized organization of U.S. universities into academic disciplines. IARCs do better on applied research, related technology transfer and applied training activities but less well on building research institutions.

- Extension: Only a few responses discussed Title XII and extension programs, perhaps because AID is not focusing its agriculture sector efforts on building public sector extension systems. With the exception of 1/2 of the ANE responses, all of the responses gave Title XIIs high marks for extension programs with such comments as "many of the Land Grant extension concepts are very relevant and only the Title XII institutions have the experience and knowledge to adapt these concepts to the LDCs."

A few responses indicated Title XIIs were too wedded to the U.S. extension system and needed to be more flexible in designing and implementing extension systems appropriate to LDC needs. Also, the T&V (Training and

Visitation) extension system, now much in vogue, is not associated with Title XIIs in the minds of LDC agriculture specialists.

- Policy and Sector Analysis: 22 of 29 responses felt Title XIIs did not have a comparative advantage over other entities in Policy and Sector Analysis. LAC missions gave the universities proportionately higher marks. University strengths are perceived to be in data analysis and several responses noted that Title XIIs often do an excellent job in large-scale data gathering efforts and when sophisticated sampling techniques are needed. Private Sector firms and USDA are perceived to be more action-oriented, better able to translate analysis into strategy, and to "make suggestions that are 'actionable', that can be applied in a practical sense."

- Technology Transfer - 13 of 23 responses indicated that Title XII institutions had no unique capability in technology transfer activities but have about the same capacity as non-university entities or less. ANE ranked universities higher than the other regions. Title XIIs usually have the latest state-of-the-art technology, perhaps more so than others, but are felt to lack experience and originality in carrying out or communicating the actual transfer in LDC situations. One response stated that "technology transfer involves risk-taking and it may be that the element of risk-taking is more suited to the private sector."

Several missions cited examples of universities which have concentrated areas of technical expertise and have been very successful at transferring their knowledge in a wide variety of LDC settings; e.g. Kansas State in Grain Storage and Mississippi State in Seed Technology.

- Institution Building: Most responses discussed Title XII capacity at institution building as a cross-cutting theme in the context of agriculture education, research and extension projects. 17 of 29 responses felt universities have a comparative advantage in institution building in general. Title XIIs were not thought to be appropriate for institution building efforts in a central Ministry of Agriculture (where USDA is seen to be the more natural counterpart organization) or for agricultural credit and cooperative institutions.

In sum, the responses said, yes, Title XIIs have shown that they can do an excellent job at building education and research institutions if (a) the Title XII has the commitment to do the job; and (b) the Title XII provides high quality long-term personnel who can work overseas effectively.

The commitment of a Title XII institution to a project was mentioned time and again in the responses as the key element in Title XII success at institution building. Commitment is reflected in the quality and timeliness of project backstopping, the influence and "clout" of the campus coordinator (especially to get key faculty released for overseas assignments, both long and short term), and the willingness of the university leadership to make international work attractive to faculty. Sometimes the university's commitment to overseas projects is perceived to be "heavily oriented towards what the project will do for the Title XII - overhead, theses, dissertations, post-doctoral research, experience for associate professors." Positive commitment was noted, for example, in the almost 20 year relationship that Iowa State and the University of Kentucky have had with Peru

and Indonesia respectively, and in Cornell's willingness to incorporate into their university budget, "international professorships," which focused specifically on overseas activities.

One very thoughtful letter questioned whether AID and BIFAD were being naive in hoping for such a commitment from today's universities. It stated in part "...there is no university where international agriculture is the main, or even a major focus. As a result, only a few mavericks manage to build a career in international work within the U.S. university system. Occasionally, these mavericks (e.g. Hugh Popenoe, Woods Thomas, Cotton Robinson) reach positions of authori' ıd are able to influence university priorities to an extent the influence lasts only as long as the person. No single university has enough of these internationalists to take on an AID contract with its own staff - hence, the non-tenured faculty issue."

AID Missions feel success at institution building is also highly correlated with the quality of the long-term TA personnel which implementing agents can provide - a point obviously related to the issue of university commitment. Most responses said such other entities such as private sector firms and IARCs do <u>better</u> than Title XIIs at providing long-term overseas personnel. Universities are too often unable to provide senior scientists to work overseas and when they do, they stay only two years. As one response put it "the price may be too high to ask of an academic who is on the cutting edge of his profession." "From the point of view of the University department or school, releasing key faculty for overseas work is of marginal value to their academic reputation."

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Private sector firms provide long-term personnel who generally have more prior overseas experience, and are more pragmatic and singularly focussed on achieving project goals, have better foreign language skills, are more culturally adaptable and stay longer. One response, reflecting the comments of several letters, stated "often university faculty, while excelling in disciplinary research as individuals, have difficulty in the advisory role, which requires communications skills, diplomacy, adaptability and patience in addition to technical research skills. These skills are oftentime lacking in tenured faculty whose years of experience have been limited to the U.S. campus and to narrowly-defined, disciplinary research in the traditional experiment station setting."

AID Missions felt Title XIIs did a better job providing short-term TA since universities have on hand "highly qualified experts in almost any field" and this expertise has usually been available, although not always at short notice.

#2. <u>How important is tenured faculty to overall university performance in international agricultural development activities? Is staff turnover or the substitution of staff more or less of a problem with Title XII institutions than with comparable non-university contracts? And, conversely, to what degree are vacancies and/or the rapid turnover of A.I.D. technical and project management staff a serious impediment to the effective implementation of Title XII activities?"</u>

There is no simple answer to this question and responses are decidedly mixed. 18 of 38 substantive responses to this question said tenure was very critical to project success, 12 said it was not at all or not very important and 8 said it was

somewhat or sometimes critical (i.e. for the Chief of Party). AFR responses were agnostic on the subject with responses equally divided. Some of the more common themes were:

- Tenure is critical for the Chief of Party (COP) and often for some other team members (e.g. to provide legitimacy for building in-country degree programs and commanding greater respect and cooperation from host country counterparts).

- Provision of tenured faculty is a mark of the university's commitment to a project. They are key to providing continuity for long-term efforts. The COP and campus project coordinator must be tenured and have the capacity to deal with department heads, Deans and other university officials on the basis of mutual professional respect in order to get the home office support needed.

- For all positions, tenure is less critical than quality. The experience of many missions is that universities too often offer tenured staff who are either at the very early or very late stages of their career and of little immediate use to their department - in essence, AID gets those that are expendable.

- Missions believe this is not surprising since most universities have not yet developed personnel policies to encourage their "best and brightest" mid-career faculty to work overseas. If such faculty cannot be placed overseas on a consistent basis, one response said, "Title XII is no different from your ordinary body shop."

- For many project TA positions, missions believe tenure is "irrelevant." "The right individual is more important than tenure." "Non-tenured faculty or TA hired off the street are often more experienced with overseas work and more effective than tenured faculty." "Insistence on tenure often leads to getting people not eager to take the risks associated with new professional challenges in difficult cultural and work environments."

- Title XIIs could provide better quality staff (tenured or not) through improved long-range planning and screening of candidates.

- Rapid turnover of Title XII staff appears to be a greater problem (a) in Africa and Latin America than in Asia and the Near East, and (b) for tenured rather than non-tenured personnel.

  Except for tenured staff, the turnover problem is no different than for other non-university contractors.

<u>Is the turnover of AID staff viewed as a problem by Missions?</u>

- Except for Asia which claims its staff stays 4-5 years, the answer is generally "yes," although many missions feel the problem is being dealt with as the average tour of a USDH is getting longer. "Current promotional patterns encourage officers to be mobile, accepting new and greater responsibilities, not sustained efforts in the same portfolio of projects over a long period."

- Most feel this problem does not affect Title XII projects any differently than it affects other projects.

- FSNs often provide continuity as USDH project officers change but "FSNs are not always conversant with the wide range of AID management issues and concerns as are USDH."

#3. How have changes in A.I.D. and federal contracting modalities made accessing university resources more difficult? What suggestions do you have in this area?"

Most missions who responded to this question felt that recent changes in contracting regulations did not have an adverse affect on new mission projects. While these changes embodied in the new Federal Acquisition Regulations (FAR) strongly encourage open competition and require more justification for Title XII setasides, most missions felt the changes are in the field's interest. Clearly many missions are uncomfortable with Title XII setasides. From their point of view, if the universities have a comparative advantage in certain areas such as agriculture research, they feel the competitive "contract selection process will give the same result as a setaside with only a marginal addition of time." Most feel that increased competition between Title XII and private firms is healthy and will result in fewer Title XII projects that are inadequately staffed and managed. As one mission put it: "We strongly feel that universities can successfully compete with well prepared proposals and will, in the long run, fare far better than relying on preferred procurement arrangements."

A minority of respondents felt the tighter contracting regulations are inappropriate or being implemented too rigorously. For example, one said, "Universities have not been able to compete effectively with private firms for mission contracts ... they rarely win even when included in the competitive range...Universities rarely achieve the proficiency (at preparing competitive proposals) required by the process to

compete effectively." Another said, "waivers to restrict bidding to universities are being scrupulously studied and contested by AID contract officers...this appears in contrast to about 5 years ago when AID field personnel definitely felt there was Agency encouragement to use universities is certain types of projects."

Most missions, however, do feel that the new regulations negatively affect their ability to extend a university contract or award a Phase II contract to a university that successfully implemented Phase I. One stated, "Any contract extension over $100,000 needs to be formally competed. This process can introduce personnel instability in a TA team and requires a significant amount of mission work and time. Previously we were able to advertise our intent to extend and amend a contract before executing a contract extension amendment, that seems to me a more reasonable approach." For Phase II projects "contracting regulations make it impossible to select the same university without full competition. This is costly and time consuming, especially in the light of AID and Title XII policy of providing long term (10-15 years) assistance to agriculture research and extension. The regulations should allow for the award of a medium term contract that can be extended for some longer period (say 20 years) if the contractor has proven to be successful in AID's judgment." Another said, "It appears to be more difficult to contract for new activities with universities currently or previously involved in a given country, causing a serious loss of expertise gained from previous activities. Allowing a heavier weight for previous in-country experience in the evaluation process could help overcome the problem."

In sum, most missions feel that full competition for new projects is beneficial to AID, but that greater flexibility is needed to obtain sole source waivers for contract extensions and Phase II projects.

4. Why has the Technical Support to Missions (TSM) contracting modality not been used as extensively as envisioned? Is this a useful tool and should it be retained? If your response is positive, do you have suggestions with respect to expanding the TSM concept?

Of the 40 missions responding:

- 7 said TSMs were very useful
- 18 said they were somewhat useful, had some problems but should be retained
- 6 said they were not at all useful or needed
- 9 indicated no experience with TSMs.

LAC missions had the most positive view of TSMs. All 11 who had experience with TSMs felt they were very useful (5) or somewhat useful (6). ANE was most negative with 3 of 8 missions with experience saying they were not useful or needed and the other 5 indicating they were "somewhat useful." 4 ANE missions or 1/3 of those responding said they had no experience with TSMs. AFR responses fell in the middle with most saying TSMs were somewhat useful.

Reasons why missions had not used TSMs extensively fell into three major categories:

(1) the most common reason was that private sector IQCs could provide better quality short term technical services across a broader spectrum of needs, faster and with minimal contractual difficulty. In essence most missions appeared to view TSMs as a university analog to IQCs which wasn't yet working as well as the tried and true IQCs. Very few mentioned the longer-term advantages that TSMs can provide of developing county-specific expertise in a particular university.

(2) Many missions, particularly in Africa, normally called on institutional contractors (often universities) already working on project implementation in-country to provide short-term services. These projects are apparently broad enough so that practically any short-term requirements in the agricultural sector can be provided conveniently through existing contract mechanisms. These missions see little need for a separate TSM mechanism.

(3) The pool of resources TSMs offer is too limited. A single university with a TSM cannot provide from its staff alone the broad range of services missions require but the TSM university is generally reluctant to look outside the university to hire talent like a body shop. University skills may also be thin. For example, if the experienced entomologist the mission wants is not available quickly (many missions mentioned teaching schedules as a major problem in getting timely assistance) many universities are unlikely to have available another entomologist knowledgeable to the particular country and/or problem. An established IQC with a roster of specialists would be able to deliver the needed services.

Several responses recommended that TSMs (or IQCs) be increasingly developed with university consortia. In fact, most of the TSMs mention positively in the responses (MUCIA - Eastern Caribbean; SECID - REDSO/WCA) are with consortia or with State-wide university systems such as SUNY, which utilize talent from the numerous universities in the system. These consortia apparently function as efficiently as IQCs. For example, REDSO/WCA stated that its TSM with SECID has "proven to be a very timely means of fielding professors from the entire field of agriculture, on short notice, to perform a variety of important tasks for REDSO's client posts."

Most missions felt TSMs were useful and should be retained; however a number cautioned that their positive recommendation was premised on the assumption that missions would maintain the freedom of choice in choosing among several modes (IQCs, PSCs, institutional contractors working in-country) for procuring technical services.

#5. <u>What has been your experience with Title XII collaborative contracts? Should this procedure be used more extensively in the future? If so, why? If not, why not?</u>

missions' experience with collaborative contracting has been quite diverse - with quite strong, almost ideological, feelings on the subject.

- 9 responses are quite positive. These missions have had very positive experience often citing all of the attributes AID and BIFAD hoped to see in the collaborative contract mode. As one Mission put it: "Title XII collaborative contracts are the only way to go. Not only does the modality assure that the implementing agent is in agreement with the design agent, it also promotes a stronger commitment on the part of the design team to prepare a project with realistic objectives and promotes a stronger commitment on the part of the university in gearing up its administrative support structure for project implementation. This in turn shortens the extraordinary time lag which normally occurs between the design/approval process and the bidding/contracting/implementation process."

Missions perceive that the collaborative contracting process leads to an increased commitment on the part of universities, a stronger long term TA team, stronger interinstitutional

relationships between the university and the host country institution, and better backstopping. Collaborative contracting may be most appropriate for agriculture education projects as these were most prominently mentioned as success stories.

Three missions felt the collaborative contracting mode should be expanded for use even when universities were not involved - for private sector or non-profit institutions.

Twelve responses felt the collaborative contracting approach worked well in certain limited circumstances and were more guarded in their praise.

Prerequisites for success seemed to be:

- USAID objectives must be clearly stated and correspond with university goals and objectives. This may be more difficult than in the past since PIDs are now shorter, less detailed documents. RFPs for PP design and eventual project implementation must be carefully thought through by the Mission prior to issuance.

- a majority of the university's PP design team will be made available for the long-term project implementation team.

- USAID and host country project objectives are consistent.

Eight responses gave the collaborative contracting approach poor marks and either said they would not use this mode or implied the same by saying nothing positive about collaborative contacting. Several missions disagreed with the basic concept, feeling that allowing a university to design its own project was a conflict of interest and resulted in projects designed

more in the interest of the university than the host country. Weakness in project design skills among university personnel was also commonly cited as a serious flaw in this approach.

There were some interesting variations in the responses. 10 of 13 AFR responses were very positive or indicated mixed experience. 5 of 11 ANE responses were strongly negative. No LAC responses were negative but several indicated no experience with the mode or demonstrated lack of knowledge about the concept - discussing their experience with CRSPs (Collaborative Research Support Programs) rather than with collaborative contracting.

#6. What has been your experience regarding Mission management of university contracts? From the Mission standpoint, have they required more and different management attention compared with non-university contracts? From the university standpoint, has such management been effective or excessive or directed toward the wrong issues? Are there distinctions in this regard between host country and direct university contracts?

Of 37 substantive mission responses to this question:

- 12 or almost 1/3 indicated that university contracts were more difficult to manage than non-university contracts.

- 3 indicated university contracts were easier to manage.

- 22 said there were no net differences in mission management requirements.

There were no significant regional differences in the responses.

Five missions discussed distinctions between host country and direct university contracts. Only two (both Asia missions) preferred host country contracts while the other three strongly favored direct AID contracts.

The most noted management problems associated with university contracts were the following:

(1) Universities tend to delegate less authority to their field-based Chief-of-Party than do private firms (for example, to sign contract amendments, change scopes of work, make in-country expenditures).

(2) Contract financial information is more difficult to obtain by the mission. Missions attribute this to (a) use of the Federal Reserve Letter of Credit payment mechanism for university contracts which provides "a paucity of financial details;" (b) less cost-consciousness on the part of universities than by profit-making private firms; (c) less university experience with AID financial regulations and requirements.

(3) Universities tend to be less flexible in responding to and resolving personnel problems and "non-routine problems." They also are often slower to take on the administrative duties associated with "setting up shop" at the start of a new project than more experienced private firms.

(4) Universities sometimes are less responsive to Mission and project needs which USAIDs attribute to the multiplicity of masters (university management, State legislatures, the host country and the USAID mission), which university contractors must serve.

(5) Finally, as discussed in Question #2, a critical factor is the quality and experience of the university Chief of Party and the quality of the campus backstop staff which carry most of the administrative and contract management burden. When universities have had a good deal of experience with AID projects and field an experienced, competent Chief-of-Party, they usually require much less Mission management.

#7. What are your expectations for future USAID-University contracts, from the Mission standpoint, given your particular agricultural development strategy, and from the University standpoint, given the priority accorded international programs in your University and the capacity to undertake future overseas activity?

Many responses to the question of future USAID-University contracts were quite vague, perhaps purposely so (several missions neglected to respond to this question). Of those who did respond clearly, 7 of 10 ANE missions indicated they expected to do less with Universities. All of the 7 AFR missions that gave clear responses said they would do the same level or more contracting with Universities. 3 of 7 LAC missions said they would do more; 3 said they would do less.

Several missions said they would prefer open competition for projects traditionally reserved for Universities. As one African Mission put it "there is definitely a trend to look beyond the universities for project implementation, even for those projects which traditionally would have been earmarked for the university route, i.e., research, extension and training.... There is equal lobbying from the PVO community, 8-A firms, small business and the private sector in general."

Two missions, El Salvador and Bolivia, said it was their impression that Universities were not interested in carrying out long-term projects in their countries.

The reasons for fewer future university contracts include (a) reduced number of new starts, and (b) increased focus on agribusiness and private sector-related agriculture projects.

A sense of the variety of responses may be gained from the following precis of a few randomly selected Mission responses.

Precis of Responses

El Salvador: Primarily needs short-term people. Universities have not shown interest in carrying out long-term projects in El Salvador in the past.

Egypt: Expects to continue present high level. Ag Credit project will be open to University participation.

Costa Rica: Shifting to private sector development projects; whether universities are used will depend on how much they can contribute to this.

Honduras: Hopes to get a long-term agriculture education project started.

The Philippines: Nationalism may necessitate more reliance on short-term university specialists.

Bangladesh: Hopes to renew an older Ag University institution-building effort. Would certainly seek Title XII assistance to design and implement.

ROCAP: Hopes to expand direct use of more Title XII Universities by host country and regional institutions.

Yemen: Overcommitted to Title XII projects, especially collaborative mode, but in the future will still have Title XII as principal effort.

Niger: Expects to concentrate largely on research; will insist on good quality, long-term personnel, regardless of time required; will pay for French language training.

Cameroon: Possible Title XII contracts for ag extension and ag policy analysis/economic planning projects.

Ecuador: No future Title XII contracts expected.

Burma: Would like universities to bid on upcoming crop production project. Not planning setaside.

Indonesia: No new initiative in ag/rural development sectors over next 2 years. Thus do not see a major new role for Title XII universities beyond what presently exists.

Zimbabwe: May want to involve university personnel in policy agenda and faculty of agriculture programs.

Eastern Caribbean: Will be phasing down, "expect to call on S&T centers of excellence."

Belize: No future Title XII contracts expected.

Nepal: Has had a high proportion of portfolio in university contracts; likely to decrease; is seeing more universities coming in as sub-contractors. Planning one setaside (Forestry Institute), 2 other projects on which universities can bid.

Sri Lanka: Will not be initiating any long-term research or educational institution-building projects, so no setasides; may be role for universities but on a competitive basis.

Pakistan: Fully expects to be involved with universities; feels that universities "can easily win their share of the awards with well prepared proposals."

Thailand: Sees future primarily in "obtaining individuals from various institutions on an as needed basis."

#8 How has the Washington BIFAD staff served your needs and what are your suggestions with respect to improving those services?

Thirty-two missions responded to this question with no significant regional differences:

- 13 indicated BIFAD had been very useful
- 9 said BIFAD had been somewhat useful or had mixed experience
- 2 said BIFAD was not useful to AID
- 8 said they had no contact or experience with BIFAD.

BIFAD staff was most commonly complimented for:

- facilitating decisions in the use of Title XII services
- facilitating the preparation of RFTPs and clarifying opposing views in contract negotiations
- knowing its institutions and having good access to decision-makers within them
- providing services when called upon.

Suggestions

A number of missions said they lacked familiarity with the personnel and services available from the Washington BIFAD office and how they were accessed. Others indicated their only contacts with BIFAD (except for its newsletter, in some cases) had been initiated by the Mission and encouraged more field visits by BIFAD staff (to identify potential Title XII projects and review ongoing projects). Clearly, despite its many years of existence, BIFAD can do more to publicize its services among AID field staff.

A rather general perception was that BIFAD spent "too much time touting Title XII" and trying to forcefeed missions with Title XII institutions and too little time assisting universities in improving performance - which should lead to more contracts based on merit. BIFAD was encouraged to "assist universities in improving skills in developing proposals, negotiating contracts and improving contract management" - three areas of major weaknesses often cited in responses to earlier questions. BIFAD should "assume a somewhat tougher professional relationship with Title XII institutions ...and be more than a recruitment office for Title XII institutions."

Other suggestions included:

- evaluate the characteristics of successful Title XII projects to determine why they have succeeded
- encourage universities to improve personnel policies and procedures to remove disincentives to key staff working on long-term overseas assignments
- ensure a better "fit" of Title XII institutions to the job at hand and develop common expectations between the USAID Mission and the university.

- assume greater responsibility over an invigorated JCC program
- allow greater Mission participation in the selection of Title XII institutions and their personnel.

#9 What has been your experience with university consortia, multi-university contracts or single university contracts? Is one mode preferable, and if so, why?

Twenty-five missions provided substantive responses to this question. Given its very open nature there is no meaningful way to aggregate the responses statistically, however, some key mission perceptions emerge very clearly.

Single University Contracts:

- are easiest to manage and tend to engender greater university commitment to success. A single university tends to be more flexible in tailoring services to a specific program than a consortium;

- are generally appropriate for smaller, less complex projects;

- are usually carried out by the larger universities (with contracting expertise, a greater pool of tenured faculty which can be devoted to overseas programs, etc.).

University Consortia Contracts:

- offer smaller schools a chance to participate in overseas development;
- are essential for large and complex projects due to the need for a broader resource base to draw upon (ex., for French speakers);

- are more costly due to additional management layering;
- lack the desired university commitment ("are simply administered by a contracts office without any real sense of [university] involvement") and less effective in the long-term objective of building university capacity;
- need strong central management and "unity of command" to override conflicting interests among the participating universities, avoid turf battles and adjudicate effectively among the university when necessary;
- may be inherently more difficult to manage because of differing personnel and procurement policies among the universities. On the other hand, consortia management can build up and apply expertise on AID contracting and other regulations more readily than a multiplicity of single universities;
- seem to be improving their performance as inter-institutional differences are ironed out through experience and the need for strong leadership by a lead university is recognized.

Multi-University Contracts:

Most responses did not differentiate between consortia and multi-university contracts. Those that did focused on the need for clear lines of authority and responsibility among prime and sub-contractors. The trend for universities to work jointly with private firms was viewed very positively especially when the private firm was responsible for contract management and the universities could focus on the technical elements of the scope of work.

#10. In summary, based on your experience, what is it you feel that universities do best and how do you feel AID should make maximum effectiveness of these strengths?

Answers to this question largely reiterated points made earlier in the Mission responses, although some Mission Directors provided quite thoughtful summary statements or made more sweeping suggestions which were not felt to be appropriate in addressing the earlier questions ad seriatum.

Commonly stated comments were:

- U.S. universities are an important and sometimes unique resource that have played and should continue to play a very important role in U.S. efforts to encourage agricultural development in the 3rd World.

- However, universities, like all institutions, must adapt to a changing development environment, must be responsive to modifications in AID and host country development strategies and priorities, must shore up their operational weaknesses, and must increasingly compete with (or collaborate with) non-university entities who provide similar services.

- Universities have not resolved the connundrum of how to encourage their best tenured staff to take long-term overseas assignments in the face of competing career interests and institutional requirements.

- AID should explore ways to facilitate university involvement overseas through longer-term contract commitments, and innovative funding mechanisms to maintain full-time international program staff at universities.

- AID must assist the universities in overcoming their managerial and administrative shortcomings.

Some of the more unique field recommendations should also be noted.

- Establish an Institute of International Agriculture (to which universities could affiliate) with a tenuring system for individuals who want to pursue a career in international agriculture. The Institute might also administer the CRSPs and be contracting entity for bilateral projects. [Swaziland]

- Select universities, with BIFAD support, should create a separate track for their personnel who desire to pursue careers overseas. These personnel (who would not be considered for tenure) would be totally relieved of teaching, research and other university requirements for tenured faculty and should be graded and rewarded solely on their performance in aiding projects reach their objectives (the University of Arizona at Tucson is apparently trying a version of this). [Lesotho]

- "Limit the definition of Title XII projects to the University teaching/faculty development type... more in keeping with the present day role of the land grant universities in the States." [Swaziland]

- "Discussions could be initiated between the Agency and Title XII institutions with the objective of coordinating country specific studies with graduate degree programs. Such a program would strengthen the Agency/Title XII association, allow U.S. universities to broaden their

areas of concentration beyond state or regional interests and provide an economic source of highly trained technical assistance to missions and host countries." [Thailand]

- "Even though assistance to agricultural higher education is currently out of fashion, it would be useful to throughly evaluate A.I.D.'s historic experience in developing and improving LDC agricultural education, especially through formal linkages with U.S. universities. These programs have been characterized as trickle down with slow impact. In retrospect there is reason to believe that agricultural higher education programs have formed the basis for sustained agricultural growth and in the long run have been essential for the success of many LDCs now emerging from food deficit problems. If this observation holds, AID is missing an opportunity to assist in sustained agricultural growth in many countries. Re-establishing agricultural higher education as an important element of AID's development strategy would provide the natural opportunity for linking Title XII university programs with USAID programs. Universities have a clear competitive advantage in the area of LDC university development. They have done an excellent job in the past and can be expected to do so in the future." [Egypt]

CLEARANCE:
ANE/TR/ARD:Purves/Rice (draft)
LAC/DR/RD:Joslyn (draft)
AFR/TR/ARD:Prussner (Draft)
BIFAD:R.W.Kleis (subs)

ATTACHMENT II

Summary of University Responses on
Strengths and Weaknesses of Title XII Programs
After Ten Years of Experience

The Administrators letter of May 30 soliciting comments went to 35 involved Title XII Universities. The most common responses within the ten categories of querries are summarized in the following paragraphs.

1. Areas where Universities are most effective? (Comparative advantage)

   - Title XII Universities are inherently strongest in institution building, human resource development (both formal and informal education), research and technology dissemination and interlinkages thereof.

   - Universities offer large pools of expertise, institutional continuity, prestige, objectivity, versatility and support resources such as libraries, linguistics, scientific facilities and organizational linkages as compared to private sector firms.

   - While not claiming unique capabilities in program management, they do consider the notion of lack of management expertise and effectiveness to be invalid. Indeed there were citations of private firm common recruitment of not only technical expertise but management talent from Universities.

   - Universities recognized private sector capability and competitiveness in responding to short term staffing needs, staffing establishment positions, policy and sector analyses, non-institutional development project management, and some forms of technical assistance.

   - Considerable acceptance of the appropriatness of greater use of "blended capabilities" or joint undertakings between universities and private firms for projects needing the best of both. Clear idenity of a principle contractor and accountable entity is important.

2. How important is involvement of tenured faculty?

   - Very important for project leadership and a majority of team; to provide experience, commitment, institutional loyalty and continuity of relationships and

accountability. (Tenured - most commonly considered as permanent affiliation or "tenure line" whether yet on tenure or not)

- There is general perception that university faculty promotion and tenure policies and/or procedures reflect strong disincentives to long term overseas assignments.

- Recognition that the senior faculty experience pool will continue to decline unless junior and new individuals with interest but without experience are blended into project staffing.

- There are needs for recruiting special staffing capabilities from outside or from sister universities; to bring the most appropriate capabilities to the project.

- Universities attitudes generally are to engage projects that fit their institutional character, faculty expertise, long term interest and the enhancement of institutional function.

- Increased continuity of staffing is regarded as important in Title XII projects as well as for private firms and AID. It is not regarded as a unique problem to universities.

- Contracting entity (university) knows staff best and has project performance responsibility and therefore should not be second guessed on staffing by Host Country or AID Officers. Citations were provided of staff selection of "off-the street" or lesser qualified than primary nominees of contracting university.

3. <u>Effects of contracting modalities changes?</u>

- Concern that AID seems to have lost sight of the rationale of Title XII and for using the Standard University Contract or the Collaborative Assistance Mode Contract in an over reaction to private sector firms lobbying efforts.

- Perceived bias against Title XII procurement set-aside for projects clearly fitting criteria for such.

- Shift of contracting authority to Missions cause problems of communication, understanding, processing

time and use of appropriate mode. Mission officers often have inadequate, outdated or otherwise wrong understandings of Title XII and universities involved.

- The generally agreed desirability of long term institutional commitment and relationships is denied by "full and open competition" of universities competing with private firms which lack the structural capability for such. Re-competing second and third phases of a multi-phase project is also inconsistent with voiced incouragment of long term commitment, continuity of staffing and sustained relationships.

- The pillar of private sector development in LDCs appears to have been skewed toward U.S. private sector involvement; and then to private consulting entities without any internal expertise pool. Commonly, such "firms" recruit almost totally from universities or "off the street" without the question of permenant staff being raised. The involvement of AID annuitants is commonly cited.

- Suggestions:

  - Urge Mission Directors (and/or ADOs, RDOs) to spend 2-5 days on an involved university campus.

  - Seek mechanisms of improved communication with Mission officers.

  - Promote University/Private firm collaboration when appropriate to project needs.

  - Clarify meaning of Private Enterprise pillar within agency units.

  - Restore the favor and usage of SU and CAM Contracts with Missions leadership and Bureaus.

  - Implement mechanisms of continuity of successful contractors in phased projects.

  - A program to place AID personnel for two to four weeks at several different universities. (A professional development program).

4. <u>Why TSMs not more used?</u>

   - Universities (few) involved have favorable experiences; other universities generally interested.

- Missions have in some cases indicated lack of familiarity with this mechanism (a communications need); in other instances Missions have indicated a desire for broader field to draw on (this tends to assume the appearance of an "old boys club").

- Universities might well assume a more pro-active role in developing Mission interest.

- Longer term contract and planning horizon would increase effectiveness.

5. Collaborative Assistance Contracts experience and usage recommendations?

- unanimous agreement that concept is good, should be more used and should be cast in long planning horizon of ten years or more for institution building projects.

- The concept of involvement in planning and design by the subsequent implementing contractor has much logic, efficiency, and appeal to more senior stronger faculty.

- This mode appears to be diminishing in usage contrary to expressed support. In some instances it has reverted to Standard Contract mode pattern after initial implementation contract and even been recompeted in subsequent phases contrary to the CAM concept. This latter appears to result from "procurement process inflexibility."

6. Experience regarding Mission management of contracts?

- Experiences varied and quite favorable --- recognizing staffing squeeze and project loads.

- General concern for AID staffing turnover and shifts of concepts; levels of understanding and commitment to ongoing contracts objectives.

- Some Missions tend to: (1) focus on short term results, (2) display commitment to process mechanics, losing sight of basic goal and (3) exercise excessive micro-management and technical judgements including personnel selection.

- Universities desire a partnership relationship in which the University and USAID sustain communication on

project execution and each functions to further commonly perceived objectives.

- Univeristy experiences of Host Country contracts are less positive and suggest greatly complicated management relationships without offsetting advantages. USAIDs do not recognize a significantly different role for HCCs, further adding to the complications for the contractor. (eg sequential bureaucratic time delays in processes even when all three parties are in accord.)

7. Expectations for future USAID/University contracts?

- All respondents have had strengthening grants and have or anticipate program support grants for enhanced program support capability.

- More extensively involved universities project a sustained level of AID contract activity; less extensively involved universities project an expanded involvement.

- Most universities seek geographic focus and involvements matched to their general technical strength. They visualize more collaborative participation as projects become fewer and larger.

- Longer term contracts and post contract association mechanisms are desired.

- The universities have developed a much increased experience base, administrative commitment, faculty interest and integration of global dimension into institutional missions and policies.

8. BIFAD Staff functions?

A. Broad appreciation of roles served for:

- Information dissemination.
- Orchestration of Title XII institutional involvement.
- Workshops, special studies, reports, publications.
- Development of Title XII mechanisms.
- Interface with AID for Title XII community.
- Access assistance, etc.
- Development education efforts.
- Performance enhancement assistance.

B. Suggestions or problems (most by one or two respondents)

- University administrators orientation.
- Assignment preparation workshops for faculty (expand).
- Pooling and dissemination of project experiences.
- Orchestrate groupings of universities for specific large undertakings.
- Politicized procurement process.
- More and earlier pending project advisories.
- Establish a joint Title XII, private sector advisory group.
- Increased credibility with universities through higher percentage of IPA staff.

9. Experience with Consortia, Multi-Univerity or single-University contracting?

- All respondents are associated with consortia of varying types and sizes. All are positive in their experience and/or anticipated usage.

- Most feel consortia mode will be appropriate for increasing percentage of (larger) projects. Most suggest need for flexibility to form special ad hoc aggregations for some special nature projects. All "standing" consortia have this flexibility.

- Consortia offer (1) enlarged pool of resources (2) greater staffing flexibility (3) broadened portfolio of projects and service opportunities (4) more efficient and effective proposal development, evaluation, management experience, "intelligence gathering," and mutual support and (5) participation opportunities for smaller, less experienced institutions.

- There are preferences for single institution contracting for small projects of good fit to institutional character and expertise.

- Object to AID exclusion of consortia from some contracts.

- Important to clearly define administrative responsibility and roles in consortia contracts with special role of lead University on behalf of the Consortium (including the post contract linkage and association).

10. Summary of Title XII University strengths and utilization suggestions

A. Commonly stated (unanimous) judgements of university strengths are:

- Institution building (broader than education).
- Human resource development, technology generation and technology transfer.
- Continuity and permanence.
- History of interfacing with Private Sector.
- Campus support mechanisms.
- Broad pool of expertise.

B. Suggestions for more effective usage

- Involvement in needs assessment and planning (pre-contract stage).
- Longer term projects and planning horizons.
- Sustained funding mechanisms for institutional planning and support.
- Overcome AID mis-perceptions of universities; eg U.S. Land-Grant structure translocation concept (long since passed) and academic image based upon old and perhaps non-Land Grant undergraduate experience.
- Develop mechanism or format of collaboration between Universities and Private firms.
- Reaffirm and strengthen Title XII partnership concept and the special mechanisms (CRSPs, TSMs, JCCs, MOUs PGSs, Collaborative Assistance mode, etc.).

BIFAD:RWKleis:bls:9/8/86:#5435A

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M E M O R A N D U M

TO: Bob Kleis, Executive Director, BIFAD

FROM: Harold R. Matteson, Chariperson, BIFAD Budget Panel

DATE: October 13, 1986

SUBJ: Report on FY88 Budget

Enclosed is the report of the BIFAD Budget Panel on the FY88 budget for the Agency for International Development (AID).

We look forward to discussing the contents of this report and responding to any questions the BIFAD may have regarding the AID FY88 budget at their October 28-29 meeting.

HRM/lrg

Enclosure

14

RECOMMENDATIONS

of the

BOARD FOR INTERNATIONAL FOOD AND AGRICULTURAL DEVELOPMENT

Apportionment of Funds

Agency for International Development

Fiscal Year 1987

-75

RECOMMENDATIONS

of the

BOARD FOR INTERNATIONAL FOOD AND AGRICULTURAL DEVELOPMENT

Apportionment of Funds

Agency for International Development

Fiscal Year 1987

Under the Title XII Amendment to the Foreign Assistance Act of 1961, the Board for International Food and Agricultural Development (BIFAD) has the responsibility of making recommendations to the Administrator of the Agency for International Development (AID) on the apportionment of funds authorized for the conduct of the U.S. Bilateral Agricultural Development Assistance Program.[1]

SUMMARY

This document contains three sections. The first presents a review of key issues in economic development, and concludes with the following major points:

1. Assistance to agriculture can directly affect more people and more potential for economic growth than can assistance to any other sector in poor countries.
2. Agricultural development is the only way to sustain the short-term benefits from donor programs in nutrition, child survival, and family planning; and agricultural development is the only way most poor countries can generate the economic base to support such programs themselves.
3. Sustained agricultural development in many countries will require donor support (a) to strengthen national agricultural research and (b) to improve policy analysis and administration. In support of these activities, donor support will be needed (c) to invest in human capital and (d) to strengthen institutions of higher learning as well as institutions for research, extension, and policy analysis.
4. Many poor countries need to improve their economic policies, and donor support is needed to train policy analysts and strengthen institutions responsible for data collection and policy analysis.

The second section analyzes six aspects of the foreign assistance budget and offers the following recommendations:

1. The BIFAD recommends that AID substantially increase its request for bilateral Development Assistance. There should be a return to the proportional relationship that existed in 1981 between the Development Assistance account and the security accounts.
2. The BIFAD recommends reversing the relative decline of the Agriculture (ARDN) account as a percentage of all functional accounts, and increasing that account in real terms. The 53% to 56% levels that existed throughout the late 1970's and early 1980's should be considered as minimum levels which it would be highly desirable to surpass.
3. The BIFAD recommends decreasing allocations to short-term projects with short-term payoffs and increasing allocations to long-term projects to strengthen institutions of agricultural research, education, extension, data collection, and policy analysis.
4. The BIFAD recommends that AID provide strong support to centrally funded research, insulating these programs from further cuts and restoring funds lost in recent cuts to Collaborative Research Support Projects (CRSPs) in order to allow for their further growth. As any CRSP concludes its programs, funds made available should be used for new CRSPs addressing priority research and critical constraints.

5. The BIFAD recommends restoration of the disproportionate cuts in the Office of Research and University Relations so it can fully implement Program Support Grants, Matching Support Grants, and Smaller Institution Linkage Grants.
6. The BIFAD recommends that AID reduce its emphasis on capital transfers as an inducement for policy reform and instead concentrate its limited resources on technical assistance and research to strengthen indigenous capacity to conduct policy analysis as a basis for reform.

The general conclusion of the BIFAD is that AID should focus its efforts on building indigenous capacity in developing countries. Therefore the BIFAD recommends that AID investments in agricultural development be limited exclusively to

1. assuring that each AID host country has the following:
   a. a <u>set of agricultural education institutions</u> capable of providing the number, kind, and quality of agriculturalists essential to acceleration in the rate of development of its agricultural sector;
   b. an <u>affordable national agricultural research system</u> fully capable of providing its agricultural sector with least-cost, output-increasing production, processing and distribution technology and associated technical, economic, social and realted decision-making information;
   c. <u>effective and efficient outreach mechanisms</u> for providing farmers with a continuous flow of adoptable, improved technology, and associated information;

d. a national institutional capacity to collect data and conduct analysis on macro and micro public policy issues and to provide policy-makers with information on the probable outcomes of alternative public policy decisions; and

e. a set of private, private/public, and public firms and/or organizations to provide farmers with essential off-farm production inputs and services as well as off-farm transport, storage, processing and marketing services for their products; and

2. stimulating the generation of new agricultural technology through centrally funded support of CRSPs, IARCs, PSGs, and similar programs.

DEVELOPMENT STRATEGIES

This section reviews the importance of agriculture in the Third World, both directly and indirectly, and it discusses the key role of institution-strengthening in agricultural development.

1. Agriculture is the Dominant Sector in Developing Countries

Agriculture is the dominant sector in most developing nations. It typically provides more jobs, generates more income, and earns more foreign exchange than any other sector in the Third World. The overwhelming importance of agriculture is most extreme in the poorest countries, including most of sub-Saharan Africa. Because of agriculture's dominance, development assistance aimed at agriculture can directly affect the largest segments of the population and the greatest potentials for economic growth.

2. Agricultural Development is Critical to Improvements in Health, Nutrition, and Family Planning

In addition to the direct benefits of higher income and more food, agricultural development also has major indirect benefits for other sectors and programs. Higher incomes and greater food availability are obviously the only way to sustain the short-term effects of child survival and nutrition programs. As Bruce Johnston[2] and John Mellor[3] [1984, p. 567] note, "nutritional inadequacies seem inseparable from broader issues of poverty," and, they continue, sustained nutritional improvements require accelerated agricultural growth and an employment-oriented development strategy.

Furthermore, agricultural development may be the only means of generating enough government revenue to allow LDCs to take over health and nutrition programs themselves rather than always relying on development assistance. Carl Eicher[4] and John Staatz[5] [1984, p.21] state that:

> Although investment in health, nutrition, education, and housing can contribute importantly to the welfare of the poor and to the rate of economic growth, the experience of the basic needs approach suggests that low-income countries also need to emphasize building the economic base to finance these investments.

And, of course, that "economic base" can only be derived from agriculture in most poor countries.

Agricultural development is also intimately related to slower population growth. The leading factor associated with decreased fertility throughout history has been increased personal income. As incomes rise, families can improve their nutrition, child survival increases, and new opportunities arise for spending income. These and related factors decrease the need and desire for large families.

In summary, development efforts focused on agriculture can directly affect the major LDC population groups and sources of income, but in addition, agricultural development is essential for sustained improvements in nutrition and health and for slowing population growth. This leads to the critical question: What are the key elements of development assistance for agriculture?

3. Institution Strengthening is Critical to Agricultural Development

Based on a review of development experiences and research, Eicher and Staatz [1984, p. 22] conclude that four components must be emphasized in agricultural development, the first of which is[6,7]

> strengthening of institutions in low-income countries for agricultural research, administration, policy analysis, and training;

and they stress that this requires

> "expansion of the human capital base of Third World Countries."

Eicher and Staatz [Ibid] expand their discussion of institution-strengthening as follows:

> One of the clearest lessons of the 1960's and 1970's is that agricultural and rural development require strong local institutions and well-trained individuals. International research centers and expatriate advisers are at best complements to, not substitutes for, domestic research systems and policy analysts.

In a forthcoming monograph, Bruce Johnston sounds a similar theme when he lists eight priorities for AID development assistance. The first priority listed is development of national agricultural research systems. The second is investment in human capital and institutions of higher learning to support agricultural research, policy analysis, and management.

The conclusions of these analysts are wholly consistent with two of the four[8] basic programmatic components in The Strategic Plan of the Agency for International Development (p. iv):

> Institutional Development and Training
>
> Technology: Research, Development, and Transfer.

The AID Policy Paper on Food and Agricultural Development (1982, pp. 4,5) elaborates on these basic components:

> Particularly vital to the establishment of self-reliant, sustainable food and agricultural systems are national institutions that give a country the capacity (1) to generate and apply a

> continuing stream of innovations designed to increase agricultural productivity and incomes; and (2) to evaluate and adapt technologies transferred from developed countries and international institutions.
>
> A.I.D. will therefore give special emphasis with a sufficiently long-term commitment, to helping countries develop the institutional capacity for food and agricultural planning and policy analysis; basic and adaptive research, education and training; and disseminating improved technology and related information in a cost-effective manner.

As AID states, an assistance program aimed at these priority areas must have a long time-frame. Eicher [1984, pp. 25, 29] considers 15 years as the minimum planning horizon for Africa, and he cautions that, "unless donors shift their emphasis from short-run to long-run strategic responses to deep seated problems such as the development of indigenous scientific capacity, aid will not achieve its potential." Similarly, a recent OTA report on the Sahel [1986, p.9] is critical of AID programs because they are "often directed toward short-term physical objectives rather than longer-term development goals."

The importance of such long-run, institution building programs was recently emphasized by the House Appropriations Subcommittee on Foreign Operations. Their report on the FY 1987 foreign aid appropriation includes the following statement:

> It is the intent of this Committee that AID maintain adequate funding for activities basic to the agricultural development goals of the agency, such as agricultural training, research, technical assistance and Third World institution building.

4. Agricultural Development Requires Appropriate Policies

Appropriate economic, fiscal, monetary and other policies are needed to provide incentives for farmers, to stimulate investment in agriculture and related industries, and to maintain a suitable international trade position. Policy issues are addressed by the International Monetary Fund, the World Bank, and AID. The common strategy has been to use promises of more loans and other capital transfers as a "carrot" to induce policy reform and "structural adjustment."

AID has encouraged "policy dialogue," backed by smaller carrots then used by the IMF or World Bank. Given limited AID resources, the long-term effects of this leverage strategy are open to question. Indeed, the AID strategy may be counterproductive. When funds are used for these capital transfers, less money and attention are devoted to helping countries develop the indigenous institutional capability to improve their policies. AID can be more helpful by training more policy analysts, by improving the data collection systems that provide the information needed for analysis, and by strengthening the national institutions that have responsibility for data collection and policy analysis.

5. Summary

In summary, the following points warrant emphasis:

1. Assistance to agriculture can directly affect more people and more potential for economic growth than can assistance to any other sector in poor countries.

2. Agricultural development is the only way to sustain the short-term benefits from donor programs in nutrition, child survival, and family planning; and agricultural development is the only way most poor countries can generate the economic base to support such programs themselves.
3. Sustained agricultural development in many countries will require donor support (a) to strengthen national agricultural research and (b) to improve policy analysis and administration. In support of these activities, donor support will be needed (c) to invest in human capital and (d) to strengthen institutions of higher learning as well as institutions for research, extension, and policy analysis.
4. Many poor countries need to improve their economic and other policies. Donor support is needed to train policy analyists and strengthen institutions responsible for data collection and policy analysis.

The United States has a comparative advantage in providing foreign aid that responds to the above points. We are the world leader in agricultural research and training, and we have a proud tradition of using these skills to help developing countries. The Title XII legislation is a mandate for USAID and the university community to carry this tradition into the future.

BUDGET ANALYSIS AND RECOMMENDATIONS

How does the United States assist the Third World and how are the above priorities reflected in the AID budget? This section deals with these questions by first analyzing the total U.S. foreign assistance budget and then considering details of the AID budget.

1. How has the United States foreign assistance budget responded to the growing needs of the developing world in the 1980s? Foreign assistance funds under the U.S. Development Assistance (DA) account have not grown at all in real (constant dollar) terms from 1981 to the 1987 administration request. In stark contrast, U.S. security assistance has increased by 60% (100% in current dollars) in the same period. The bilateral Development Assistance (DA) account totaled $1.276 billion in 1981 and the 1987 administration request is $1.627 billion, which represents no real growth. For the same period, security assistance (the Economic Support Fund, Military Assistance Programs, and the Foreign Military Credit Sales Program) was $5.296 billion in 1981 and $10.751 billion in the 1987 request. While recognizing that some fraction of the ESF account is allocated to development activities, the relative proportions of development assistance and security assistance today show a significant shift away from development assistance. (See appendix). Thus the United States has not increased real development assistance in the face of growing world needs.

Recommendation 1.--The BIFAD recommends that AID substantially increase its request for bilateral Development Assistance. There should be a return to the proportional relationship that existed in 1981 between the Development Assistance account and the security accounts.

2. Within the Development Assistance budget that AID requests (or receives), how does the allocation of funds reflect the priorities discussed in the first section of this paper? One answer can be obtained by considering how the Development Assistance (DA) budget is allocated among its major component "Functional" accounts, which include: (a) Agriculture, Rural Development, and Nutrition (ARDN), (b) Population Planning, (c) Health, (d) Education, (e) Science and Technology; and others. Perhaps the most striking feature here is the recent decline of the Agriculture (ARDN) account in dollars and as a percent of the total. From 1977 to 1984 it was consistently between 53% and 56% of the total. In FY 1984 it was $723 million and 53 percent of all functional accounts. However by FY 1986 the ARDN account was estimated at $677 million and 46 percent of all functional accounts. The FY 87 request is $709 million which is only 44% of the total.[10] Thus, contrary to the needs of developing countries, the USAID budget allocation to agriculture has been falling both absolutely and in percentage terms.

Recommendation 2.--The BIFAD recommends reversing the relative decline of the Agriculture (ARDN) account as a fraction of all functional accounts, and increasing that account in real terms. The 53% to 56% levels that existed throughout the late 1970's and early 1980's should be considered as minimum levels which it would be highly desirable to surpass.

3. To what extent is AID using its budget to strengthen national institutions for agricultural research, policy analysis, extension, and education? While data on this are not easy to obtain, a disturbing pattern can be seen. There appears to be a reversal of an earlier trend to expand funding for all institution-strengthening projects. Between 1980 and 1985 there was an increase in AID obligations to such projects. In contrast, funding for new agricultural institution-strengthening projects from FY 1985 to FY 1988 is scheduled to decline in both absolute and percentage terms. (See appendix) Also, projected expenditures do not reflect the Agency's recently stated objective of building faculties of agriculture in Africa. Thus the trend of new project funding is not consistent with AID's policy of strengthening institutions in developing nations.

> Recommendation 3.--The BIFAD recommends decreasing allocations to short-term projects with short-term payoffs and increasing allocations to long-term projects to strengthen institutions of agricultural research, education, extension, data collection, and policy analysis.[11]
>
> A particularly urgent component of this recommendation is that AID should allocate funds to implement its own stated objective of building faculties of agriculture in Africa.

4. How does the AID budget support agricultural research? The Bureau of Science and Technology (S&T) funds short- and long-term research programs and technical assistance to missions in agriculture, fisheries, forestry, and natural resources. The S&T Office of Agriculture supports AID's principle thrust in research, utilizing Title XII and other universities, the U.S. Department of Agriculture, other government agencies, and the private sector.

The purpose of these investments is to develop and keep abreast of relevant scientific knowledge and improved technology and to provide scientific assistance to missions.

Included in these activities are 8 Collaborative Research Support Programs (CRSPs), which involve 38 U.S. universities and other institutions working with 63 institutions in 32 countries. The main focus of the CRSPs is research, but, in addition, they make a significant contribution to strengthening national research institutions through collaborative programs in participating countries. In fact, the "Guidelines for the Collaborative Research Support Programs" (1983, p.7) state that:

> The intent is not only to find solutions to constraints through research, but to also simultaneously develop greater research institutional capability in the developing countries where CRSP activities are located.

Central funding is also provided to the International Agricultural Research Centers (IARCs).

Unfortunately, budget constraints have forced the termination or reduction of important centrally funded activities. The possibility of undertaking new research initiatives in priority areas (e.g., biotechnology) has been severely limited. The operating budgets of the existing CRSPs were reduced by 18% in FY 86 (although the level of support for the IARCs remained about the same.) Further reduction in centrally funded research, especially the CRSPs, will seriously weaken AID's scientific capability in agriculture and related fields.

Maintaining this capability is essential for effective assistance to agriculture in developing nations. Centrally funded programs are the only means AID has of developing and accessing scientific information and

technology that is relevant to those constraints to agricultural development that cut across some spectrum of AID's host countries. Centrally funded programs also offer AID the primary means of protecting its own and others' investments in the IARCs by focusing research on key constraints to generating new technologies. Furthermore, by helping build indigenous capacity, the CRSPs are increasing the ability of developing nations to screen, adapt, and extend the output of IARCs. Finally, centrally funded programs are AID's primary means of providing scientific and technical assistance responses to critical issues faced by its Missions in the field.

> Recommendation 4.--The BIFAD recommends that AID provide strong support to centrally funded research, insulating these programs from further cuts and restoring funds lost in recent cuts to Collaborative Research Support Programs (CRSPs) in order to allow for their further growth. As any CRSP concludes its programs, funds made available should be used for new CRSPs addressing priority research and critical constraints.

5. How does AID expand and mobilize U.S. university expertise to assist in international development? Program Support Grants (PSGs)[12] to U.S. Land Grant Universities are intended in large part to provide long-term support to maintain and strengthen U.S. capacity to build agricultural research and training institutions in LDC's. The PSGs and the aforementioned CRSPs are directly responsive to the Title XII legislation. Furthermore, the PSGs are matched 100% by state funds and the CRSPs are matched 25%. Thus every dollar spent by AID generates additional funding for these activities. Support for these programs has already been cut disproportionately more than other AID programs.

Recommendation 5.--The BIFAD recommends reconstitution of the disproportionate cuts in the Office of Research and University Relations so it can fully implement Program Support Grants, Matching Support Grants, and Smaller Institution Linkage Grants.

6. How can AID best use its resources to assist reform of economic, fiscal, and monetary policies in developing countries? Current AID strategy emphasizes capital transfers as a "carrot" to induce reform. There should be a shift away from capital transfers to greater reliance on technical assistance to build national policy-making capacity.

Recommendation 6.--The BIFAD recommends that AID reduce its emphasizes on capital transfers as an inducement for policy reform and instead concentrate its limited resources on technical assistance and research to strengthen indigenous capacity to conduct policy analysis as a basis for reform.

CONCLUSION

The U.S. foreign assistance budget is likely to be under increasing pressure as deficit reduction efforts intensify. Thus, it behooves AID to focus its development efforts as tightly and efficiently as possible on activities that offer long-lasting, high payoff. Furthermore, AID should focus on those activities in which the U.S. has a proven comparative advantage to offer effective assistance.

Therefore, because of the increasingly tight budget situation; and based on a review of the AID budget, of the types of activities that have long-term benefits in developing nations, and of the U.S. comparative advantage in development assistance, the BIFAD recommends that AID investments in agricultural development be limited exclusively to

1. assuring that each AID host country has the following:
   a. a set of agricultural education institutions capable of providing the number, kind, and quality of agriculturalists essential to acceleration in the rate of development of its agricultural sector;
   b. an affordable national agricultural research system fully capable of providing its agricultural sector with least-cost, output-increasing production, processing and distribution technology and associated technical, economic, social and realted decision-making information;

c. effective and efficient outreach mechanisms for providing farmers with a continuous flow of adoptable, improved technology, and associated information;

d. a national institutional capacity to collect data and conduct analysis on macro and micro public policy issues and to provide policy-makers with information on the probable outcomes of alternative public policy decisions; and

e. a set of private, private/public, and public firms and/or organizations to provide farmers with essential off-farm production inputs and services as well as off-farm transport, storage, processing and marketing services for their products; and

2. stimulating the generation of new agricultural technology through centrally funded support of CRSPs, IARCs, PSGs, and similar programs.

FOOTNOTES

[1]Foreign Assistance Act of 1961, as amended; Title XII, Section 298, (c), (6).

[2]Bruce Johnston of Stanford University is one of the leading experts on economic development strategies, with special expertise in Asia and Africa.

[3]John Mellor is the Director General of the International Food Policy Research Institute, part of the CGIAR system.

[4]Carl Eicher is considered by many as the leading analyst of African agricultural development.

[5]John Staatz is an Assistant Professor at Michigan State University.

[6]The other three deal with the importance of macroeconomic considerations, international trade, and interdisciplinary approaches to solving problems.

[7]Emphasis added.

[8]The other two are "policy dialogue" and "reliance on the private sector and market forces."

[9]This is the analysis presented by the Senate Committee on Appropriations, September 16, 1986.

[10]For FY 1987 the House Appropriations Subcommittee is recommending only $620 million. House action on Agriculture is especially striking in contrast to its action on other accounts. Compared to the FY 1986 Gramm-Rudman-Hollings levels, the House proposes to cut Agriculture by 7.5%, Health and Child Survival (combined) by only 2.1% and to increase the Population account by 9.1%. In addition to Agriculture, the other big loser in the House was Education, declining 9.2% from FY 1986 GRH. This pattern of cuts seems to contradict the "intent of the Committee" cited earlier.

[11]The AID Sector Strategy for Agriculture (1983, pp. 3,4) stresses the need for strengthening <u>national</u> institutions:

> High priority will be given to strengthening institutions that give a developing country the capacity to (1) generate and apply a continuing stream of innovations . . . and (2) evaluate and adapt technologies . . . .

[11](Cont.) [At the] County level . . . AID will help to develop strong institutional capacities to identify priority research needs; to train researchers, extension agents, and teachers; to adapt modern technology to local conditions; and to interact with and deliver that appropriate technology to farmers.

And the Sector Strategy (p. 5) states that a primary resource for implementing such institution strengthening programs will be the Title XII universities.

[12]And Matching Support Grants.

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APPENDIX - SUPPORTING TABLES

I. Foreign Assistance and Related Programs Appropriations, FY 1978-FY 1987

II. Comparison of Development and Security Assistance, FY 1981 - FY 1987

III. Number and Estimated Total Cost of New Projects in the Agriculture Sector Proposed for Initiation 1985 through 1988 in Terms of Institution-Building Content*

- A. A.I.D. Total
- B. Graphic Representation
- C. Africa Bureau
- D. Asia and Near East Bureau
- E. Latin America and Caribbean Bureau
- F. Science and Technology Bureau

IV. Number and Estimated Total Cost of New Projects in the Agriculture Sector Proposed for Initiation 1985 through 1988 by A.I.D. functional sub-categories most closely related to Title XII Emphases*

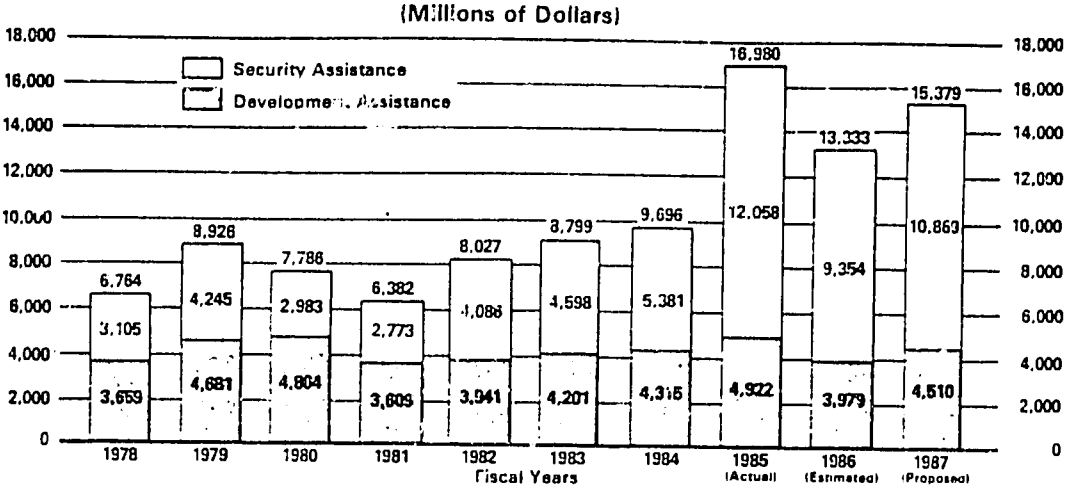
- A. A.I.D. Total
- B. Africa Bureau
- C. Asia and Near East Bureau
- D. Latin America and Caribbean Bureau
- E. Science and Technology Bureau

* NOTE: The dollar amounts shown on these tables are not directly related to annual obligation, appropriation or budget request levels. Rather the figures reflect the total estimated life-of-project funding for each new project in the year of its initial implementation (i.e., the amounts shown under FY 1986 for example include the total amount estimated to be required not only in FY 1986 but in all succeeding years to fund the projects initiated in FY 1986 through completion).

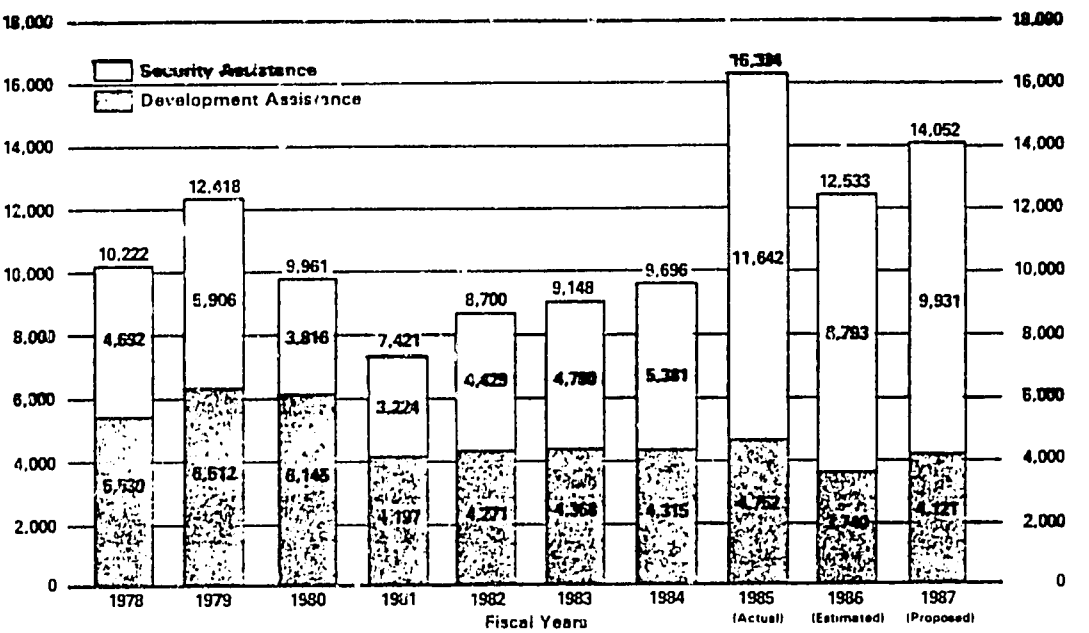
For FY 1987 and FY 1988 the amounts represent the estimated total costs for new projects recommended by the A.I.D. bureaus for initiation in those two years subject to funding availabilities within the appropriation level and final budget request level respectively.

Table I

Foreign Assistance and Related Programs Appropriations
FY 1973 — FY 1987
(Millions of Dollars)



Foreign Assistance and Related Programs Appropriations
In Constant Dollars[1]
FY 1978 — FY 1987
(Millions of Dollars)



1 1984 dollars

Notes:

Security Assistance consists of Military Assistance Program Grants, International Military Education and Training, Foreign Military Credit Sales, Indochina Postwar Reconstruction, Security Supporting Assistance, Economic Support Fund, Peacekeeping Operations, Middle East Special Requirements Fund, Relocation of Facilities in Israel, Sinai Support Mission, and Anti-terrorism Assistance.

Development Assistance consists of Functional Development Assistance, International Organizations and Programs, International Financial Institutions, American Schools and Hospitals Abroad, International Disaster Assistance, Migration and Refugee Assistance, Peace Corps, Foreign Service Retirement Fund, International Narcotics Control, Contingency Fund and other assistance programs.

Development Assistance includes appropriations of callable capital for the Multilateral Development Banks: FY 1978 - $822 million, FY 1979 - $883 million, FY 1980 - $1,783 million. No funds were appropriated for callable capital in FY 1981 to FY 1986. Data exclude IMF Supplementary Financing Facility.

Detail may not add to totals due to rounding.

Source: U.S. Senate, 99th Congress, 2d Session, Report 99-443, Calendar No. 914, "Foreign Assistance and Related Programs Approprations Bill, 1987," September 16, 1986.

Table II

COMPARISON OF DEVELOPMENT AND SECURITY ASSISTANCE
1981 - 1987
($ billions)

	DEVELOPMENT ASSISTANCE 1/	SECURITY ASSISTANCE					DA as % of
		ESF	MAP	IMET	FMS	TOTAL	TOTAL SA
1981	1.276	2.100	.150	.027	3.046	5.323	24%
1982	1.389	2.919	.265	.044	3.884	7.102	20%
1983	1.397	2.962	.413	.047	5.107	8.529	16%
1984	1.718	3.146	.699	.052	5.716	9.613	18%
1985	2.079	3.247	.805	.056	4.948	11.056	19%
1986	1.600	4.661	.748	.052	4.967	10.428	15%
1987 (Request)	1.627	4.094	1.046	.069	5.611	10.820	15%

1/ Includes program funds under functional and Sahel accounts for bi-lateral assistance only

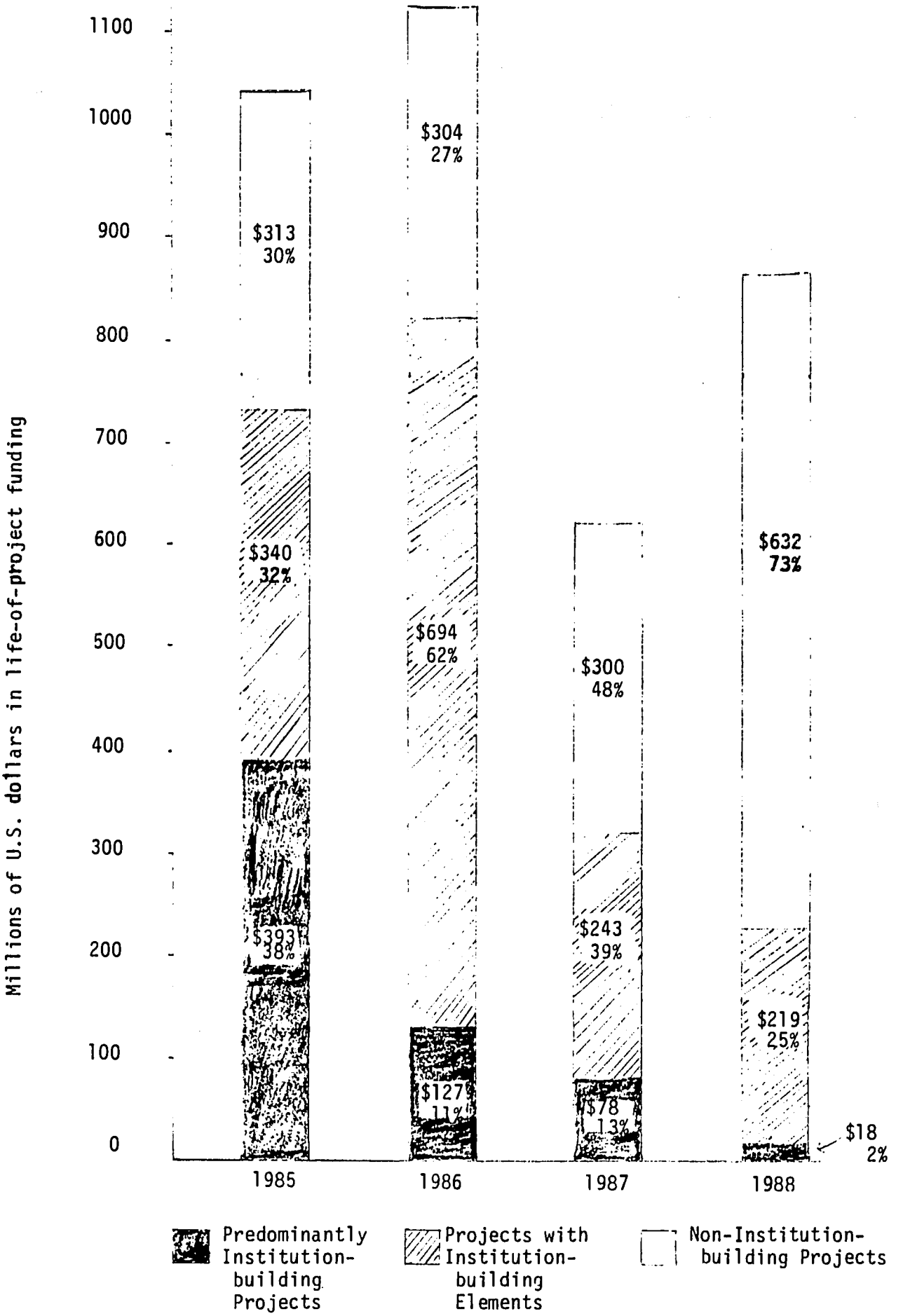
Table III A

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
IN TERMS OF INSTITUTION-BUILDING CONTENT

A.I.D. TOTAL

	1985 Amount	1985 Number	1986 Amount	1986 Number	1987 Amount	1987 Number	1988 Amount	1988 Number
TOTAL NEW PROJECTS	7732721	(270)	6771581	(227)	4240096	(140)	3453338	(114)
I. TOTAL AGRICULTURE PROJECTS (DA, ESF and SH)	1045709	(90)	1124833	(76)	620917	(51)	868938	(44)
% of TOTAL	14%		17%		15%		25%	
A. PUBLIC SECTOR	989767	(72)	981491	(61)	463597	(37)	729438	(34)
1. Predominantly Institution-Building Projects	393317	(72)	126885	(15)	78013	(10)	18000	(3)
% of TOTAL	5%		2%		2%		0.5%	
% of AGRIC PROJECTS	38%		11%		13%		2%	
2. All Projects w/Institution-Building Elements	716618	(36)	726259	(29)	228997	(18)	140238	(10)
% of TOTAL	9%		11%		5%		4%	
% of AGRIC PROJECTS	69%		65%		37%		16%	
3. Non-Institution-Building Projects	273149	(37)	255232	(32)	234600	(19)	589200	(24)
B. PRIVATE SECTOR	55942	(18)	143342	(15)	157320	(12)	139500	(10)
1. All Projects w/Institution-Building Elements	16221	(10)	94320	(9)	92000	(6)	97000	(7)
2. Non-Institution-Building Projects	39721	(8)	49022	(6)	65320	(6)	42500	(3)
II. ALL NON-AGRICULTURAL PROJECTS	6687012	(180)	5646748	(151)	3619179	(89)	2584400	(70)

Table III B



GRAPHIC REPRESENTATION OF INSTITUTION-BUILDING PROJECTS AS A TOTAL OF ALL PROPOSED NEW AGRICULTURAL PROJECTS, 1985-1988

Table III C

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
IN TERMS OF INSTITUTION-BUILDING CONTENT

AFRICA BUREAU

	1985		1986		1987		1988	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
TOTAL NEW PROJECTS	837768	(73)	600030	(58)	492535	(45)	372000	(33)
I. TOTAL AGRICULTURE PROJECTS (DA, ESF and SH)	329236	(35)	188855	(24)	178413	(21)	122500	(16)
% of TOTAL	39%		31%		36%		33%	
A. PUBLIC SECTOR	328655	(34)	188855	(24)	127413	(18)	108000	(14)
1. Predominantly Institution-Building Projects	142220	(10)	87785	(11)	64513	(8)	15000	(2)
% of TOTAL	17%		15%		13%		4%	
% of AGRIC PROJECTS	43%		46%		36%		13%	
2. All Projects w/Institution-Building Elements	142220	(10)	157785	(13)	64513	(8)	28000	(3)
% of TOTAL	17%		26%		13%		8%	
% of AGRIC PROJECTS	43%		84%		36%		23%	
3. Non-Institution-Building Projects	186435	(24)	31070	(11)	62900	(10)	80000	(11)
B. PRIVATE SECTOR	581	(1)	-0-		51000	(3)	14500	(2)
1. All Projects w/Institution-Building Elements	-0-	(0)	-0-		30000	(1)	7000	(1)
2. Non-Institution-Building Projects	581	(1)	-0-		21000	(2)	7500	(1)
II. ALL NON-AGRICULTURAL PROJECTS	508532	(38)	411175	(34)	314122	(24)	249500	(17)

Table III D

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
IN TERMS OF INSTITUTION-BUILDING CONTENT

ANE BUREAU

	1985		1986		1987		1988	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
TOTAL NEW PROJECTS	4338000	(54)	4231852	(63)	3018454	(42)	3061638	(42)
I. TOTAL AGRICULTURE PROJECTS (DA, ESF and SH)	411547	(17)	639096	(21)	258304	(13)	477238	(10)
% of TOTAL	9%		15%		9%		16%	
A. PUBLIC SECTOR	411547	(17)	623296	(19)	216484	(11)	477238	(10)
1. Predominantly Institution-Building Projects	166687	(3)	38600	(3)	3500	(1)	-0-	(0)
% of TOTAL	4%		0.9%		0.01%		0%	
% of AGRIC PROJECTS	41%		6%		1%		0%	
2. All Projects w/Institution-Building Elements	398397	(14)	531074	(13)	104484	(7)	67238	(4)
% of TOTAL	9%		13%		3%		2%	
% of AGRIC PROJECTS	97%		83%		40%		14%	
3. Non-Institution-Building Projects	13150	(3)	92222	(6)	112000	(4)	410000	(6)
B. PRIVATE SECTOR	-0-	(0)	15800	(2)	41820	(2)	-0-	(0)
1. All Projects w/Institution-Building Elements	-0-	(0)	1650	(1)	28500	(1)	-0-	(0)
2. Non-Institution-Building Projects	-0-	(0)	14150	(1)	13320	(1)	-0-	(0)
II. ALL NON-AGRICULTURAL PROJECTS	3926453	(37)	3592756	(42)	2760150	(29)	2584400	(32)

Table III E

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
IN TERMS OF INSTITUTION-BUILDING CONTENT

LAC BUREAU

	1985		1986		1987		1988	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
TOTAL NEW PROJECTS	2109736	(113)	1853944	(94)	639907	(48)	644150	(32)
I. TOTAL AGRICULTURE PROJECTS (DA, ESF and SH)	253798	(29)	245227	(23)	177200	(14)	202000	(13)
% of TOTAL	12%		13%		28%		32%	
A. PUBLIC SECTOR	198437	(12)	117685	(10)	112700	(7)	77000	(5)
1. Predominantly Institution-Building Projects	84410	(4)	500	(1)	10000	(1)	2000	(1)
% of TOTAL	4%		.03%		2%		0.3%	
% of AGRIC PROJECTS	33%		0.2%		6%		1%	
2. All Projects w/Institution-Building Elements	167201	(9)	37400	(3)	60000	(3)	45000	(3)
% of TOTAL	8%		2%		9%		7%	
% of AGRIC PROJECTS	66%		15%		34%		23%	
3. Non-Institution-Building Projects	31236	(3)	80285	(7)	52700	(4)	32000	(2)
B. PRIVATE SECTOR	55361	(17)	127542	(13)	64500	(7)	125000	(8)
1. All Projects w/Institution-Building Elements	16221	(10)	92670	(8)	33500	(4)	90000	(6)
2. Non-Institution-Building Projects	39140	(7)	34872	(5)	31000	(3)	35000	(2)
II. ALL NON-AGRICULTURAL PROJECTS	1855938	(84)	1608717	(71)	462707	(34)	442150	(19)

Table III F

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
IN TERMS OF INSTITUTION-BUILDING CONTENT

S & T BUREAU

	1985		1986		1987		1988	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
TOTAL NEW PROJECTS	447217	(30)	85755	(12)	69200	(3)	71700	(7)
I. TOTAL AGRICULTURE PROJECTS (DA, ESF and SH)	51128	(9)	51655	(8)	7000	(1)	67200	(5)
% of TOTAL	11%		60%		8%		94%	
A. PUBLIC SECTOR	51128	(9)	51655	(8)	7000	(1)	67200	(5)
1. Predominantly Institution-Building Projects	-0-	(0)	-0-		-0-		-0-	
% of TOTAL	0%		0%		0%		0%	
% of AGRC Projects								
2. All Projects w/Institution-Building Elements	8800	(2)	-0-		-0-		-0-	
% of TOTAL	2%		0%		0%		0%	
% of AGRC Projects	17%		0%		0%		0%	
3. Non-Institution-Building Projects	42328	(7)	51655	(8)	7000	(1)	67200	(5)
B. PRIVATE SECTOR	-0-		-0-		-0-		-0-	
1. All Projects w/Institution-Building Elements	-0-		-0-		-0-		-0-	
2. Non-Institution-Building Projects	-0-		-0-		-0-		-0-	
II. ALL NON-AGRICULTURAL PROJECTS	396089	(21)	34100	(4)	82200	(2)	4500	(2)

Table IV A

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
by A.I.D. functional sub-categories
most closely related to Title XII Emphases

A.I.D. TOTAL
(life project funding, $000)

	1985		1986		1987		1988	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
TOTAL NEW PROJECTS	7732721	(270)	6771581	(227)	4240096	(140)	3453338	(114)
I. TOTAL AGRICULTURE PROJECTS (DA,SH and ESF)	1045709	(90)	1124833	(76)	620917	(51)	868938	(44)
% of TOTAL	14%		17%		15%		25%	
A. SELECTED FUNCTIONAL SUB-CATEGORIES								
FNPA - Planning/Policy-AGRIC.	42100	(4)	55557	(6)	17513	(4)	7400	(2)
FNPN - Planning/Policy-Nutri.	-0-	-	-0-	-	7000	(1)	-0-	-
FNDR - Agr. Technology-Research U.S. Institutions	10150	(2)	34450	(4)	-0-		-0-	-
FNDS - Agr. Technology-LDC Research	111320	(7)	44400	(4)	47000	(4)	12000	(2)
FNTE - Education & Training	98470	(9)	9500	(4)	21000	(2)	-0-	-
FNEX - Extension	21355	(6)	64485	(4)				
FNIL - Local Institutions	30811	(3)	22000	(5)	3500	(1)	20000	(2)
Sub-Total	314206	(30)	230392	(27)	96013	(12)	39400	(6)
% of TOTAL	4%		3%		2%		1%	
% of AGRIC Projects	30%		20%		15%		5%	
B. ALL OTHER AGRICULTURE	731503	(60)	894441	(49)	524904	(39)	829538	(38)
II. ALL NON-AGRICULTURAL PROJECTS	6687012	(180)	5646748	(151)	3619179	(89)	2584400	(70)

Table IV B

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
by A.I.D. functional sub-categories
most closely related to Title XII Emphases

AFRICA BUREAU
(life of project funding, $000)

	1985		1986		1987		1988	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
TOTAL NEW PROJECTS	837768	(73)	600030	(58)	492535	(45)	372000	(33)
I. TOTAL AGRICULTURE PROJECTS (DA, SH and ESF)	329236	(35)	188855	(24)	178413	(21)	122500	(16)
% of TOTAL	39%		31%		36%		33%	
A. SELECTED SUB-CATEGORIES								
FNPA - Planning/Policy AGR.	26100	(1)	24000	(3)	17513	(4)	5000	(1)
FNPN - Planning/Policy-Nutri.	-0-		-0-		-0-		-0-	
FNDR - Agr. Technology-Research by U.S. Inst.	-0-		15000	(1)	-0-		-0-	
FNDS - Agr. Technology-LDC Research	90520	(4)	18800	(2)	37000	(3)	-0-	
FNTE-Education & Training	23750	(3)	2000	(1)	10000	(1)	-0	
FNEX - Extension	3700	(2)	20485	(2)	-0-		-0-	
FNIL - Local Institutions	15000	(1)	7500	(2)	-0-		-0-	
Sub-Total	159070	(11)	87785	(11)	64513	(8)	5000	(1)
% of TOTAL	19%		15%		13%		1%	
% of AGRIC PROJECTS	48%		46%		36%		4%	
B. ALL OTHER AGRICULTURE	170166	(24)	101070	(13)	113900	(13)	117500	(15)
II. ALL NON-AGRICULTURAL PROJECTS	508532	(38)	411175	(34)	314122	(24)	249500	(17)

Table IV C

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
by A.I.D. functional sub-categories
most closely related to Title XII Emphases

ANE BUREAU
(Life of project funding, $000)

	1985		1986		1987		1988	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
TOTAL NEW PROJECTS	4336000	(54)	4231852	(63)	3018454	(42)	3061638	(42)
I. TOTAL AGRICULTURE PROJECTS (DA, SH and ESF)	411547	(17)	639096	(21)	258304	(13)	477238	(10)
% of TOTAL	9%		15%		9%		16%	
A. SELECTED SUB-CATEGORIES								
FNPA - Planning/Policy-Agr.	3000	(1)	16557	(2)	-	-	-	-
FNPN - Planning/Policy-Nutri.	-	-	-	-	-	-	-	-
FNDR - Agr. Technology-Research by U.S. Inst.	-	-	-	-	-	-	-	-
FNDS - Agr. Technology LDC Research	17500	(2)	18000	(1)			10000	(1)
FNTE - Education &Training	34037	(3)			11000	(1)		
FNEX - Extension	8110	(1)	44000	(2)				
FNIL - Local Institutions	15000	(1)			3500	(1)		
Sub-Total	77647	(8)	78557	(5)	14500	(2)	10000	(1)
% of TOTAL	2%		2%		0.4%		0.3%	
% of AGRIC PROJECTS	19%		12%		6%		2%	
B. ALL OTHER AGRICULTURE	333900	(9)	560539	(16)	243804	(11)	467238	(9)
II. ALL NON-AGRICULTURAL PROJECTS	3926453	(37)	3592756	(42)	2760150	(29)	2584400	(32)

Table IV D

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
by A.I.D. functional sub-categories
most closely related to Title XII Emphases

LAC BUREAU
(life of project funding, $000)

	1985		1986		1987		1988	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
TOTAL NEW PROJECTS	2109736	(113)	1853944	(54)	639907	(48)	644150	(32)
I. TOTAL AGRICULTURE PROJECTS (DA, SH and ESF)	253798	(29)	245227	(23)	177200	(14)	202000	(13)
% of TOTAL	12%		13%		28%		32%	
A. SELECTED SUB-CATEGORIES								
FNPA - Planning/Policy-Agr.	8500	(1)	1500	(1)	-0-		-0-	
FNPN - Planning/Policy-Nutri.	-0-		-0-		-0-		-0-	
FNDR - AGr. Technology-Research by U.S. Inst.	-0-		850	(1)	-0-		-0-	
FNDS - Agr. Technology-LDC Research	-0-		7600	(1)	10000	(1)	2000	(1)
FNTE - Education & Training	40683	(3)	2200	(2)	-0-		-0-	
FNEX - Extension	1000	(1)	-0-		-0-		-0-	
FNIL - Local Institutions	811	(1)	14500	(3)	-0-		20000	(2)
Sub-Total	50994	(6)	40150	(8)	10000	(1)	22000	(3)
% of TOTAL	2%		2%		2%		3%	
% of AGRIC PROJECTS	20%		16%		6%		11%	
B. ALL OTHER AGRICULTURE	202804	(23)	205077	(15)	167200	(13)	182000	(10)
II. ALL NON-AGRICULTURAL PROJECTS	1855938	(84)	1608717	(71)	462707	(34)	442150	(19)

Table IV E

NUMBER AND ESTIMATED TOTAL COST OF NEW PROJECTS IN THE AGRICULTURE SECTOR
PROPOSED FOR INITIATION 1985 THROUGH 1988
by A.I.D. functional sub-categories
most closely related to Title XII Emphases

S & T BUREAU
(life of project funding, $000)

	1985		1986		1987		1988	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
TOTAL NEW PROJECTS	447217	(30)	85755	(12)	89200	(3)	71700	(7)
I. TOTAL AGRICULTURE PROJECTS (DA, SH and ESF)	51128	(9)	51655	(6)	7000	(1)	67200	(5)
% of TOTAL	11%		60%		8%		94%	
A. SELECTED SUB-CATEGORIES								
FNPA - Planning/Policy-Agr.	4500	(1)	-0-		-0-		2400	(1)
FNPN - Planning/Policy-Nutri.	-0-		-0-		7000	(1)	-0-	
FNDK - Agr. Technology-Research by US Inst.	10150	(2)	18600	(2)	-0-		-0-	
FNDS - Agr. Technology-LDC Research	3300	(1)	-0-		-0-		-0-	
FNTE - Education & Training	-0-		5300	(1)	-0-		-0-	
FNEX - Extension	8545	(1)	-0-		-0-		-0-	
FNIL - Local Inst.	-0-		-0-		-0-		-0-	
Sub-TOTAL	26495	(5)	23900	(3)	7000	(1)	2400	(1)
% of TOTAL	6%		28%		8%		3%	
% of AGRIC PROJECTS	52%		46%		100%		4%	
B. ALL OTHER AGRICULTURE	24633	(4)	27755	(5)	-0-	(0)	64800	(4)
II. ALL NON-AGRICULTURAL PROJECTS	396089	(21)	34100	(4)	82200	(2)	4500	(2)

SEVENTY-EIGHTH MEETING
BOARD FOR INTERATIONAL FOOD AND AGRICULTURE DEVELOPMENT
OCTOBER 29, 1986
Conference Room "C"
Pan American Health Organization
525 23rd Street, N.W.
Washington, D.C.

AGENDA

Item I	9:00 a.m.	Call to order, announcements, miscellaneous - Chairman William E. Lavery - Erven J. Long - R.W. Kleis
Item II	9:10 a.m.	Certification of Minutes of the July 24, 1986 meeting (Tab A) - Chairman William E. Lavery
Item III	9:15 a.m.	Swearing-in of new Board Member Leonard Spearman - Administrator M. Peter McPherson
Item IV	9:25 a.m.	Discussion of the Proposed FY 88 AID Budget: Implications for Title XII Programs (Tab B) - Harold Matteson (Chairman, Budget Panel) - William E. Lavery - M. Peter McPherson
Item V	10:00 a.m.	Performance on Title XII Projects: Report on Responses to Administrator's letter by Universities and AID Missions (Tab C) - Administrator M. Peter McPherson - Marshall Brown - William E. Lavery
	10:30 a.m.	COFFEE BREAK

Item VI 10:45 a.m. Presentation on the Agricultural Education Project in Indonesia (Tab D)

- Leo Walsh (U. Wisconsin)
- John Murdock (U. Wisconsin)
- Andi Hakim Naseotion
  (Rector, Institute Pertanian Bogor (IPB)
- Ikin Mansjoer
  (Director, Planning Board, IPB)
- Kenneth Sherper
  (AID Bureau of Asia and the Near East)

Item VII 11:35 a.m. Report of the Joint Committee on Agricultural Research and Development

- Francille Firebaugh
- Duane Acker

11:45 p.m. ADJOURN

TAB A

Uncertified Minutes of the

BOARD FOR INTERNATIONAL FOOD AND AGRICULTURAL DEVELOPMENT

July 24, 1986

Item I. Call to Order, Announcements, and Miscellaneous

Chairman E. T. York, Jr. called the meeting to order at 9:06 a.m. He announced that Board Members Jean Kearns and Paul Findley were unable to attend. He noted that Board Member Duane Acker, recently appointed Director for Food and Agriculture, AID/Bureau for Science and Technology, would continue to serve on the Board until a replacement is named.

The Chairman noted that Fred Hutchinson, former BIFAD Executive Director, has been named Vice President for Agriculture, Ohio State University.

The Chairman then introduced Hugh La Bounty, President, California Polytechnic University/Pomona, to be sworn in as a Board Member, and William Lavery, President, Virginia Polytechnic Institute and State University (VPI), to be sworn in as the new Chairman.

Chairman York noted that La Bounty has served at California Polytechnic University for more than 30 years, the last eight years as president. His experience in international affairs includes that of consultant to the governments of Greece, South Korea, and the United Arab Emirates; consultant for AID to the National Ministry of Education in Tanzania; and Chairman of the Committee on International Programs for the American Association of State Colleges and Universities.

York recalled that Lavery had served with him in the Federal Extension Service in the 1960's. For the past 20 years, Lavery has been associated with VPI, serving as vice president for finance, executive vice president, and the last 11 years as president. He has also been an AID consultant to El Salvador.

AID Administrator M. Peter McPherson administered the oath of office to La Bounty and Lavery.

Chairman Lavery expressed his appreciation, saying it was a special honor to follow York as Chairman. He asked York if he would continue to chair the present meeting. York agreed that he would do so but would not vote.

York expressed his pleasure at serving on the Board for six years, the last three as Chairman. He characterized the Title XII effort as one of the most significant happenings in U. S. foreign assistance programs over the last 20 years. He thanked the Board Members for their contributions and cooperation, as well as those of the BIFAD Executive Directors and staff, AID colleagues, the National Association of State Universities and Land Grant Colleges, and the university community.

Erven Long, AID/Advisory Committee Representative, called the Board's attention to an editorial published by the Milwaukee School of Engineering on the problems of famine in Africa. Long quoted from the article: "The answer is food production within the nations themselves. Critics of this possibly fear that the competition will lower U. S. food exports, competing with U. S. farmers. But the facts are quite the contrary. For when there is local food production, the economy develops and there are jobs. And money to buy more food. And the countries look to the United States for it."

R. W. Kleis, BIFAD Executive Director, introduced Marge Tumblin, AID/Bureau for Asia and the Near East. Tumblin will join the BIFAD staff next month as the Administrative Officer and will assume many of the management responsibilities of John Rothbery, who is retiring.

Kleis announced that David Robertshaw, senior professor, Colorado State, is now the new director of the Small Ruminant Collaborative Research Support Program, and will be headquartered at the lead institution, the University of California/Davis.

York welcomed Tumblin to the BIFAD staff. He also introduced Bob Lewis, Director of Public Affairs, VPI.

Marshall Brown, Counselor to the Agency, expressed his appreciation for York's outstanding leadership, saying that the relationship with the university community had never been closer than during York's tenure.

Item II. Certification of Minutes of the May 13-14, 1986 Meeting (Tab A)

The Board certified the minutes as submitted.

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Item III. Presentation of Initiatives in Central America and the Caribbean (Tab B)

Malcolm Butler, AID Deputy Assistant Administrator, Bureau for Latin America and the Caribbean, prefaced his presentation by noting that the span of York's chairmanship was an important period for AID. Butler said that from his perspective as a mission director during much of York's tenure, the Chairman's leadership and counsel were recognized and appreciated by AID's field personnel.

Butler called the Board's attention to several documents:

* The Spring 1986 issue of the AID magazine "Horizons," which is devoted entirely to Central America. Butler characterized the issue as the best document by the United States on the progress in implementing the recommendations of the National Bipartisan Commission on Central America (often referred to as the Kissinger Commission). Many of the concerns and recommendations expressed by BIFAD, said Butler, have been carefully addressed and are reflected in the magazine's summary.

* "The U. S. and Central America: Implementing the National Bipartisan Commission Report," the second annual report on the subject to the President from the Secretary of State.

* A statistical summary illustrating the shift in AID's priorities in response to the recommendations of the Bipartisan Commission and also to BIFAD's recommendations.

Butler then described similarities among the recommendations of the Bipartisan Commission, the Caribbean Basin Initiative, and AID objectives. There is geographical overlap, said Butler, since the Caribbean Basin Initiative applies to Central America as well as to the Caribbean. There is also a substantive overlap, said Butler.

Butler then listed AID's four objectives:

1. Economic stablization, which Butler described as basic to all other strategies.

2. Transformation of the economies to longer-term growth patterns. Here, said Butler, agriculture is key.

3. Equity of opportunity for sharing in benefits.

4. Greater democratic participation in government. Butler said that especially striking progress has been made toward this objective, with newly elected democratic governments in Guatemala, Salvador, and Honduras joining the traditional democratic government of Costa Rica in the region.

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Butler characterized the programs put in place thus far as not yet working at their optimum, but that remarkable strides have been made. He also pointed out that the Caribbean Basin Initiative had considered its recommendations a 12-year effort, at a minimum, but that the Bipartisan Commission was optimistic in talking about a five-year program.

Regarding progress toward stabilization, Butler said that deficits have fallen remarkably in Central American countries where AID is working. For example, in 1982 the deficits were running at 8 percent; in 1984 it was 5.4 percent; and last year, 3.3 percent.

Although export bases are extremely low, non-traditional agricultural exports have risen by 72 percent.

The Caribbean Basin Initiative and the plan for implementing the Bipartisan Commission recommendations on Central America focus on both public and private sector programs, said Butler. Private sector flows are being actively promoted, but the process is slow and not materializing as rapidly as hoped, although there has been a turnaround in the negative outflow.

The Commission's projected capital inflow of $24 billion by 1988 included public sector flows from AID of $8.4 billion. The inflow is running far short, said Butler. AID funds are also running short, by as much as $800 million to $1 billion.

Butler said that factors adversely affecting capital inflow include: the violence that has afflicted the region; adverse international economic trends such as the deterioration of international commodity prices; and the lack of policies that can attract and make the best use of capital inflows. Much progress has been made in the area of policy dialogue, said Butler, but policy measures to free the economies of price controls and government-controlled food marketing channels are still needed.

Butler pointed out two areas of concern:

1) AID is currently about $700 million below the funding required, with the figure expected to reach $1 billion.

2) A Congressional amendment now pending would limit AID's ability to provide assistance related to products likely to compete in the U.S. market. Butler emphasized that achieving even the greatest success envisioned by AID's efforts in the Caribbean and Central America would represent no threat to U. S. domestic or export markets.

York told Butler that he would be attending a briefing session the next day for staff and members of the House Foreign Affairs Committees and the Senate Foreign Relations Committees and perhaps the Agricultural Committees of both houses of Congress. York hoped at that time to make the point that development assistance helps, rather than hurts, American

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agriculture. Poor countries that improve their purchasing power are able to import more products from the United States. Various studies show, he said, that one of the first things these poor countries buy more of is agricultural products. While not minimizing the fact that American agriculture is hurting, York said, it is important not to harm activities that are really not contributing to the problem.

York then quoted from the statement by the Board in 1984 regarding Central America and the Caribbean:

"In view of the dominant role that agriculture plays in the economies of these countries, the Board emphasizes the need to give highest priority to agricultural development efforts."

York noted that based on the strategic categories outlined in the statistical summary distributed by Butler, including agricultural productivity and agri-business, AID was responding positively in emphasizing agricultural development.

York again quoted from the statement:

"Special emphasis should be placed upon education and training, and in building indigenous institutions, especially in such areas as agriculture education, research and extension, institutions concerned with developing human capital and improving productivity of the region's abundant agricultural resources."

York then asked Butler to comment on such institutional efforts as part of AID's overall agricultural development strategy, and specifically on the status of the proposed new university in Costa Rica that had been discussed before the Board about a year ago.

Butler said that institution-building is one of AID's four areas of emphasis. Although such activities are long and difficult processes, AID takes this challenge seriously and is making progress, Butler said.

Regarding the university in Costa Rica, Butler said that the government in Costa Rica has expressed its backing for the university but has not been able to make it a high enough priority to get it through their Congress. York asked if AID is fully committed to the idea and Butler replied that it was.

Board Member William McNutt, Jr., asked if there has been an AID presence in Nicaragua for the last three or four years. Butler replied that there is virtually no assistance moving bilaterally into Nicaragua, the last AID person having left about four years ago. Some assistance moves indirectly to the private sector and to institutions sharing U.S. views of economics and human values.

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McNutt asked about those Caribbean Island nations where AID has ongoing, viable programs. Butler named Jamaica, the Dominican Republic, Haiti, and a program administered out of Barbados covering Eastern Caribbean countries such as Grenada, St. Kitts, Nevis, St. Lucia, Dominica, Montserrat.

McNutt asked what form of aid is offered to the better-off island nations. Butler said that Barbados has a high per capita income and therefore AID does not provide bilateral assistance (except for a small grant in support of a housing guarantee). However, the other island countries named actually have low per capita incomes and qualify for AID assistance under most international standards. The programs are varied and include agriculture, infrastructure, and improvement of agricultural potential, private sector programs and, with the exception of Grenada, are small programs amounting to $6-$8 million annually.

Stephen Wingert, AID/Bureau for Latin America and the Caribbean, provided a breakdown of the categories involved in AID's agricultural and rural development strategy for Latin American and the Caribbean. Five components are being emphasized within the region:

1. Agricultural productivity, which includes research and technology transfer and extension.

2. Agri-business, which includes efforts at export development, agricultural processing and input supply.

3. Sector management, which includes assistance in agricultural sector planning, data base development, policy analysis, and support for indigenous assistance in education and training.

4. Access to resources, which includes land tenure, colonization, co-operatives, roads, and credit.

5. Natural resource management, which includes watershed management, conservation, and activities in irrigation development.

Some areas may not reflect as much funds as might be liked, said Wingert, but the absorptive capacity in a given year may not be sufficient to justify more.

Wingert pointed out that: 1) The analysis of the total 1984 portfolio of ongoing projects was chosen because all were designed and begun prior to the Caribbean and Central America initiatives; and 2) the 1987 and 88 analysis is based on action plans of each of the missions using target figures provided by AID, Washington headquarters but which may not necessarily be obtained.

Wingert highlighted several other areas of interest for the Board:

* A marked increase in emphasis being given to agri-business activities in response to the Caribbean Basin Initiative to help countries improve their private sector marketing-type activities;
* A substantial increase in assistance in the natural resource management area, including assistance in irrigation development;
* An increase in the agricultural productivity area, specifically in research and extension, in the Central American programs but a decline in the Caribbean's. This is not because of less interest in the Caribbean region in those activities, Wingert pointed out, but because certain institutional reforms need to be carried out before AID can effectively increase support to agricultural research and extension there. AID missions are actively working with the governments, particularly in the Dominican Republic and in Jamaica to try to create a basis for increased AID support in this area.

Regarding funds being channeled into agricultural, rural development and nutrition (ARDN) activities in relation to other sectoral activities supported by the agency, Wingert noted that ARDN funds continued to grow during the period from fiscal year 1984 through 1988, although the percentage within the agency's total budget has declined. Wingert said the main reason is that Congress has shown particular interest in supporting new initiatives in the areas of education, child survival and some of the other accounts, and has channeled some of the additional resources into those areas. Also, a very large portion of AID's resources, more than 50 percent, had been going into agriculture, rural development and nutrition, he said. ARDN is still receiving a third of the resources.

Another area of substantial growth, said Wingert, is the Special Development Activities account, which finances assistance in such areas as light manufacturing and other private-sector initiatives that are key to the region.

Wingert then discussed briefly several "trend lines:"

* In the 1984 portfolio, 31 percent of the total program involved institution building programs, whereas today it represents over two-thirds of the program, reflecting the shift away from cash-transfer types of programs;

* A striking increase in the private sector category, either directly promoting development of private business or using the private sector as the channel for implementing AID's program.

In closing, Wingert reported briefly on the budget, saying that although the impact of budget cuts will probably be more pronounced on the Economic Support Fund than on Development Assistance, nonetheless the latter is quite worrisome. Some activities that might have been supported by Economic Support

Funds are of sufficient priority that an effort to cover them with Development Assistance Funds would place an increased demand on the latter resources at a time when they might be reduced as well.

Paul White, AID/Bureau for Latin America and the Caribbean, described for the Board five training projects for Central America and the Caribbean that involve more than $200 million and will bring approximately 10,000 people from that region to the United States for training over a five year period. These programs are in response to a concern in Congress and elsewhere over the increasing training presence by the Soviet Union in the area. The programs emphasize selection of trainees from various target groups, for example socially and economically disadvantaged youth. The programs also emphasize social and cultural aspects. While the trainees are in the United States, their program includes exposure to U.S. culture, values, and attitudes as well as academic and technical subjects. Such social and cultural activities must receive specific attention because they do not happen on their own, said White. A third area of emphasis involves followup after the trainees return to their home countries, with extensive contact between AID and the trainee, between the training institution and the trainee, and with host family relationships.

The new programs will train more people at the undergraduate than at the graduate level, said White, which means longer term and more expensive training. However, the normal participant training programs related to projects are continuing at their same level, or are increasing. AID is looking for ways to reduce costs of training, said White, but recognizes that state governments and academic institutions are already contributing substantially to training foreign students in the United States. In exploring what else might be done, he suggested that perhaps volunteer groups on campuses could help with social-cultural activities, or that group placement of participants in an institution with a time commitment might have benefits for institutions and lead to reduced overall costs to AID.

White asked the Board to help develop a better understanding among the university community of what AID is trying to accomplish in the areas of cost-reduction and social-cultural exposure for trainees.

Chairman Lavery asked how many people were involved in the training programs over what period of time.

White provided the following information:

1) The Caribbean Basin Scholarship Fund, begun in FY 83, has trained 500 people from the Caribbean and Central American countries.

2) The Latin America and Caribbean Training Initiatives II, a three-year, $15 million project, will train about 770 people from the Caribbean and South America.

3) The Central America Peace Scholarships Project, a $146 million project over five years, will bring approximately 7,000 Central Americans to the United States.

4) The Presidential Training Initiative for the Island Caribbean, announced by President Reagan in February, is being implemented this week with the first group of 60 Grenadan trainees at the College of the Virgin Islands.

5) The Andean Peace Scholarship Project is to be implemented next year.

The five projects represent about $200 million in funding and will train about 10,400 people over a period of five to seven years. White said that an additional 4,000 people are being trained this year by the Bureau for Latin America and the Caribbean. The number will go up to five or six thousand over the next couple of years.

In response to a question from Francille Firebaugh, White pointed out that most of the training he had referred to comes under the 105 account for Education rather than the 103 account for Agriculture, Rural Development and Nutrition.

Robin Tuttle, Department of Commerce/National Oceanic and Atmospheric Administration, asked what emphasis was being placed on the natural resources and marine resources management areas and whether any of the 500 scholarships were dedicated to either fisheries or marine resource management or administration.

White replied that some training in marine resources was being done under the general participant training projects, with more training in natural resources. A few training programs involved marine biology and fish culture.

York said that he was delighted to see the emphasis on training in the Caribbean and Central America region. Having been involved in the presidential mission on agricultural development to that region in 1980, York recalled the pleas heard from the government and private sector for more emphasis by the United States on training. Thus it became a significant recommendation in the report that followed, said York, and the Caribbean Basin Initiative and the Bipartisan Commission have addressed the training issue in a meaningful way. York, noting that the Bipartisan Commission had recommended large numbers of people to be trained, inquired about the percentage of the recommended total being implemented.

White said that the recommendation was to train 10,000 people over five years, with AID training 7,000 people and the U.S. Information Agency training 3,000. He reported the project

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on target both in terms of numbers and funding. Over 1500 people were brought to the United States for training last year, and another 1500 will be handled this year.

A short recess ensued.

Item IV. Status Report on Matching Support Grants (Tab C)

Bradshaw Langmaid, Jr., AID Deputy Assistant Administrator, Bureau for Science and Technology, summarized the current status of the Matching Support Program. When the program was initiated, 18 institutions were potentially eligible for matching grants and all have submitted preproposals. Fifteen have been accepted. Three were rejected, based on the failure of the institutions to have provided the "Full Time Equivalent" of staff for AID-funded overseas activities required to qualify for preproposal acceptance.

The proposed programs run from one to three years, and from a minimum of $30,000 to a maximum of $75,000. Full proposals are due August 15, with a target date for funding of early FY 87.

York thanked Langmaid and the S&T Bureau for working out a reasonable and acceptable program.

Item V. Report of the Joint Committee on Agricultural Research and Development (JCARD)

York paid special credit to BIFAD's Joint Committee on Agricultural Research and Development (JCARD), saying there were many reasons why it had made such valuable contributions. It is truly a joint committee, said York, whose people are knowledgeable and devote time to the issues. He expressed his gratitude to the co-chairs and members of JCARD who have participated over the years.

Francille Firebaugh, JCARD Co-chair reported on the recent meeting of JCARD. The Collaborative Research Support Program (CRSP) was discussed and a better understanding reached on several issues, including the basic design and concept of CRSP; the relationship between CRSPs and bilateral programs; CRSP linkages to national programs and networks; the role in institutional development and technology transfer; and the CRSP relationship with non-AID countries.

Firebaugh then listed some of the points that had been summarized by Clarence Gray, Virginia Polytechnic Institute and State University, after the JCARD forum and dialogue.

* Capacity building, such as the CRSP effort, is a long-term process.

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* The benefits from CRSP are diverse and far-reaching. A number of these benefits are enumerated in a publication reporting on the CRSPs that was prepared recently by the National Association of State Universities and Land Grant Colleges, said Firebaugh.)

* Training and some components of institution building are important aspects of the CRSP.

* By their nature, CRSPs are rather scattered in their research efforts, and there have been claims of lack of focus, poor integration with other AID-sponsored activities, and some AID and State Department tensions.

Firebaugh reported that the following topics are being proposed for follow-up by the research and technology panel that is being created under the newly structured JCARD:

* Better communication is needed with better interpretive information about CRSPs.

* Clarification of the roles and functions of CRSPs would be helpful since mission personnel and CRSP personnel often have different expectations.

* The country team concept needs to be stressed among all entities of AID programs in a given country.

* More attention should be given in the CRSP to socio-economic and gender issues.

* Current AID views on research and extension need to be examined since both appear to have rather negative connotations in the agency.

Acker reported on a discussion at a meeting of the AID Agriculture Sector Council that the CRSPs be the subject of a future meeting of the agriculture and rural development officers of the regional bureaus.

York related the positive comment on the CRSP by Jim McWilliams, Australian Development Agency, who described it as one of the most innovative and impressive efforts he had seen within the overall AID effort.

Firebaugh then reported that the required two years having passed, Iowa State University, which had been declared non-actionable in the strengthening grant review process, was again eligible for review. The University had responded to the concerns raised and has maintained a strong commitment and capability to participate in AID's food and agricultural programs, Firebaugh said. JCARD proposed the following resolution:

"Whereas Iowa State University has taken definite steps to respond to concerns raised in the Strengthening Grant review process and has maintained a strong commitment and capability to participate in AID Food and Agriculture programs, it is recommended that Iowa State University be eligible to participate in AID programs on the same basis as universities that received an 'actionable' rating on their Strengthening Grant programs."

Long, as a point of clarification, said that Iowa State has always been eligible to participate in AID programs, and that the change in status is specific to participation in programs that have come along subsequent to the strengthening grant programs.

A motion was made that the recommendation by JCARD be approved; it carried unanimously.

Firebaugh then reviewed the new structure of JCARD that is being proposed to the Board (noted in Tab E). She also pointed out that an important difference in the operation of the panels is that a member of the Board would be serving with each of the three standing panels, and hopefully with any ad hoc panels that are appointed.

Firebaugh said that three standing panels are proposed--for budget, for research and technology, and for human capital development. JCARD also recommends that an ad hoc panel on procurement processes be appointed very soon, Firebaugh said, and other panels be appointed later on development education and university capacity, among other subjects.

York thanked Firebaugh for the excellent report and for the work in putting together the new structure and functions of JCARD.

Firebaugh said that the joint nature of JCARD, as York had noted, was truly its strength, and that the university, private sector, and AID membership of JCARD had mutually benefitted.

York then asked for a motion to approve the proposal for the new structure of JCARD. The motion was made, seconded and approved.

Item VI. Report by JCARD Panel on the AID Budget (Tab D)

York explained that the JCARD budget panel had been established in March of this year to represent BIFAD during the preparation of AID's annual budget, and to review the issues involved and develop recommendations for BIFAD's consideration. The panel members are: Harold Matteson, New Mexico State University, Chairman; Woods Thomas, Purdue University; Ken Shapiro, University of Wisconsin; and Howard Massey, Virginia Polytechnic Institute and State University.

Matteson reported that the panel had studied the AID budget process and identified the points at which BIFAD would interface with the agency. The three key times in the budget schedule for BIFAD are:

* Late June, when the JCARD Budget Subcommittee meets with the regional bureaus while they are preparing their budget submissions to PPC;

* Mid-August when a tentative Agency budget has been prepared;

* Late November or December when the budget is returned to the Agency by the Office of Management and Budget.

Matteson reported the following observations of the panel based on the June meetings:

1. Reasonably serious cuts are inevitable.

2. The Bureau for Latin America and the Caribbean places a strong emphasis on the private sector. There is not much activity in areas of interest to Title XII universities.

3. The agricultural staff of the Bureau for Africa still supports the plan for agricultural research and faculties of agriculture but thought it would be difficult to begin any new activity in this area due to severe budget limitations.

4. The Bureau for Asia and the Near East will probably have the most active program and will continue to emphasize Title XII kinds of projects, such as research, extension, training, and institution building.

5. All Bureaus reported that there will be few (if any) new starts in FY 88.

6. It appears that few Title XII projects will be sponsored by AID in the future and that an increasing percent of Title XII projects are being implemented by non-Title XII institutions. Matteson said that BIFAD staff will be working with the regional bureaus to classify those projects that have been or will be initiated in FY 86, 87 and 88 to provide data to determine whether the volume of funds allocated for Title XII projects has been, or will be, decreasing.

Matteson then referred to a table of preliminary data showing the trend of funding for new AID projects by the regional bureaus. Matteson said that the types of development efforts BIFAD considers important appear to be declining. He speculated that this might have to do with increased capital transfer--"check writing"--for a variety of reasons.

York said that such a trend would be both troubling and surprising because it runs counter to the emphasis set by the

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Administrator for the agency. He asked Brown if AID would assess the data and analysis, to determine any explanation for an apparently precipitous drop in emphasis on Title XII kinds of activities.

Brown said that he would. He added that he had supported having the early reviews of AID budgets with the JCARD budget panel to provide such input and that the figures were of great concern to AID as well.

Brown also noted that the Administrator wants to protect funding for the Africa research effort and that the president of the World Bank had also written to express interest in joining AID in the plan. Thus, resources may be stretched to help finance that effort.

Regarding the comment on capital transfer, or "check-writing," Brown said he did not think there was this kind of trade-off in terms of Title XII type projects. Most Title XII funds do not come from the Economic Support Fund, he said, but from the Development Assistance account.

Wingert added that regarding Latin America, a number of factors may be involved. As Butler had mentioned earlier, the Bipartisan Commission placed a greater emphasis in the earlier stages on a stabilization effort to stop the precipitous drop in Central American economies. As success is achieved in that area AID can then move to increase the emphasis on economic growth.

In addition, Wingert said, a frank look is needed at the nature and experience of some of the activities that Title XII universities have had in the region. A decrease in funding for research and extension type programs in the Caribbean area is due to frustrations with some of the institutions in trying to carry out the programs, he said. In the process of drafting a strategy document on agricultural research (for which BIFAD advice and input will be sought), the Bureau is attempting to recognize that building public sector research institutions in many of the small countries of Central American and the Caribbean has not been terribly successful.

Wingert said that the focus is now on developing a new strategy and approach to the problem to provide the basis for increased support in the future. He said that the Bureau is continuing to support agricultural research. A lot of it is going into private research institutions or to support for investors undertaking new production activities to carry out applied research that can help put technologies in place.

Wingert said that this is recognized as a short-term approach and does not provide the type of institutional base that would support long-term growth of agriculture. But until an institutional mode is developed that offers more encouraging success, the bureau is not providing as much assistance in this activity as it had in the past. Wingert added that other than in

Costa Rica, there was not much activity in the region in supporting the creation of indigenous training institutions, and that more attention should be paid to this.

Board Member Benjamin Payton expressed his distress at some of the trend lines, particularly the overall dilution of funds available for the Africa initiative. He said that AID and the missions had come up with an extraordinary plan that clearly justifies high priority in development assistance, and there is not funding to support it.

Payton said that budget constraints raise the issue of program priorities all the more sharply. If the Africa initiative is taken seriously, Payton said, then a way to direct resources to it must be found. He suggested that BIFAD could perhaps help bring the issue more clearly into focus.

A second matter of distress, said Payton, is the trend toward a declining share of projects going to universities. He said he spoke not from the point of view of someone interested in funds to universities as that was not the basic point. There is a legitimate distinction to be made, said Payton, "between a concern for developing the private sector in developing countries on the one hand and a focus on private voluntary organizations in general." He was doubtful he said that the development of indigenous capacities for agricultural research and training could happen if the trend line continues.

Payton noted that the linking of U. S. universities with indigenous universities really works over the long-term in helping countries develop their agricultural capabilities, as was the case in India and Brazil. Not enough of this work has been done in either the Caribbean or Latin America, said Payton, and the surface is only beginning to be scratched in Africa.

Brown suggested that Payton share his views widely with the branches of government. The problem in the agricultural sector, said Brown, is that other interests and other sectors are more effective on Capitol Hill. He noted that in this fiscal year AID received $100 million less than asked for in the agriculture account while the health account received $100 million more. "Somebody was up there arguing for that," said Brown, "and somebody wasn't arguing for the ag account."

Payton agreed with Brown and said a better job of public information work is important in helping people understand the issues and problems of development assistance.

York suggested that, with regard to Payton's comments on the need to move forward with the plan for Africa, perhaps the Board might underscore again its support for the effort and encourage those responsible for budget appropriations to give it high priority.

The Board approved the following motion:

"BIFAD reaffirms its strong support for the efforts of AID to carry out the Plan for Agricultural Research and Faculty Development in Africa; and urges that the necessary funds be allocated to activate promptly this important initiative, as a matter of high priority."

Matteson announced that the House Appropriations Committee on Foreign Operations would be meeting today, and that across-the-board cuts of about 9.6 per cent are expected for all functional accounts. However, the ARDN account is expected to receive an additional $15 million, probably due in large part to university community activity on the Hill. Matteson also mentioned the efforts of Margaret Fahs and Jim Cowan, representing the National Association of State Universities and Land Grant Colleges. Matteson also said that the report language from the Committee will ask AID to cut the S&T agricultural programs less than the across-the-board cuts because of the disproportionately large cut last year. In addition, he said that both the House and the Senate will try to include the research and technology programs in their bill.

York turned the meeting over to Chairman Lavery. The Chairman expressed his appreciation to York for his assistance and to those in attendance.

John Stovall, BIFAD staff, announced that a congressional briefing focused on Title XII was scheduled for the following morning, co-sponsored by the House Foreign Affairs Committee and the Senate Foreign Relations Committee.

Whereupon Chairman Lavery adjourned the meeting at 11:55 a.m.