

**Overseas  
Development  
Institute**

**Annual  
Report  
1986**



# ODI Council

As at 30 May 1987

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# Annual Report 1986

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## **Overseas Development Institute**

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# The Growing Contradictions of the International System

The first half of the 1980s saw a growing awareness of weaknesses in the domestic policies of developing countries — weaknesses laid bare by the strains caused by the second oil shock, the recession in the industrial world and the related 'debt crisis'. Much policy advice was proffered from the West, financial assistance was increasingly made conditional on reforms geared to programmes of structural adjustment, and many developing country governments introduced major changes in their policies.

For years prior to that ODI had been much engaged in research and advisory work intended to strengthen policies in the developing world. I particularly have in mind here the work of the Institute's Agricultural Administration Unit — which makes up about half of ODI's total research staff — in such areas as agricultural extension, the management of pastoral areas, of irrigation projects and, latterly, of forestry schemes. More recently, it has responded to the heightened need for policy improvements in other ways. ODI has, for example, become recognised as one of the most authoritative sources of research on the design of adjustment programmes, particularly on the protection of vulnerable groups in such programmes. It has been re-examining the industrial and financial strategies of newly-industrialising countries in the light of the now more hostile world economic environment. It is in the middle of a project examining the role of agriculture in the adjustment process.

It is now becoming more and more evident, however, that 'policy reform' in developing countries will not be enough to permit them to win the fight against poverty and to meet the reasonable aspirations of their peoples. The international environment in which they must operate is not permitting such a recovery. The contradictions between the objectives of domestic reform of economic policies and the limits imposed by an unreformed framework of international economic policies are becoming ever starker. Indeed, these contradictions threaten the political sustainability of the very process of policy reform within the countries of Africa and Latin America.

The trading environment is, of course, crucial. The danger of trade wars which caught the headlines in the early months of 1987 served to draw attention to the growth in protectionism in recent years and its potentially crippling effects on world prosperity. Developing countries have, of course, been a principal target of a variety of protectionist devices and ODI

intends shortly to launch a project seeking to determine the cumulative effects of these devices, and their policy implications. It will also be commencing a major study of relations between Europe and the Third World, in which the trading relationship and agricultural protectionism will be central concerns. While there are hopes that the new GATT round will turn back the protectionist tide, particularly with respect to agriculture, a recent ODI *Briefing Paper* pointed out the danger that developing country interests will get lost in bargaining between the USA, Japan and the EEC countries.

Simultaneously with the worsening in the trade environment has come a sharp deterioration in the creditworthiness of developing countries and, therefore, in the availability of capital to them. Indeed, there have been large net financial outflows from Latin America in recent years and there has probably even been some net outflow from Africa. Much of this, of course, has been the result of the near-cessation of commercial bank lending. This is among the topics explored in a recent report on *Managing Third World Debt* by the All-Party Parliamentary Group on Overseas Development, for which ODI was pleased to provide the research back-up.

Aid and other official flows have failed to respond to the difficulties created by the decline in bank lending. Aid has been the subject of a wide range of criticisms in recent years and here too ODI has responded with a new study, *Foreign Aid Reconsidered* which ODI believes will come to be regarded as a definitive reply to those who argue against aid, and as a major addition to the literature on this subject.

Underlying the contradictions between the policy changes being urged upon developing country governments and the hostility of the international economic policy environment is a retreat by many of the OECD governments from the belief in international solutions to common problems that marked the 1950s and 1960s — even though, in the words of a recent House of Commons report, 'The furtherance of purely national economic interests has lost much force in today's global economic environment.' ODI's future research programmes will address this problem of the incoherence of the international system. In recognition that many apparently economic policy problems — in developing and developed countries alike — actually have their roots in political processes, it is also increasing its capacity for work in the political-economy area.

Although we have managed to achieve a modest expansion in recent years, the staff remains small and ODI's Council continues to be impressed by the sheer volume of high-quality work that they produce, and at the vigour with which they seek to bring their messages home to policy-makers. Such results can only be achieved by team work and I must conclude by once again paying tribute to the enormous dedication and

energy of all at the Institute engaged in its research, its 'outreach' activities and in providing the essential, but often-overlooked, supporting services. Warm thanks are also due to Derk Pelly for the vigour with which he led ODI's 25th Anniversary Appeal — and to the many corporate and individual supporters who responded to it. In the corporate sector, however, the number of substantial donations was modest. With governments in developing countries increasingly adopting the type of advice with which the Institute is associated, our hope is that ODI's growing influence will help to revive the interest of companies whose long-term prosperity depends in no small measure on renewed expansion in the Third World. One of ODI's strengths here is its ability to respond to changing research needs and priorities. It is a strength that needs and deserves wider recognition within the business community.

**Sir Reay Geddes**  
Chairman, ODI Council

Tony Killick who has been Director of ODI since 1982, has decided to return to a full-time research role within ODI, and will not seek the renewal of his contract as Director when it expires this year. On behalf of ODI Council, I want to express our warmest thanks for his achievements during the past five years.

Joining ODI in 1979 as a research officer, he had extensive experience in Africa, both teaching and researching in Kenya and Ghana. He also held posts in the then Ministry of Overseas Development and at Oxford and Harvard Universities. Consultancies in international organisations, and a range of African countries, provided the basis for a large number of books and articles. At ODI he was initially responsible for a study of economic management in developing countries, with particular reference to the role of the IMF, the findings of which were published in one of ODI's best-selling books.

After his appointment he moved with confidence to review and strengthen many aspects of our work. The Institute has expanded in that time on the basis of an ordered and purposeful pragmatism. Under his leadership there has been considerable success in meeting our objectives. External evaluation and funding support indicate that as he steps down from the Directorship much is owed to him by Council and Staff. The quality of his work and the wise advice he has given in the developing world have made marked contributions which others, outside ODI, have appreciated. We wish Tony well in his future projects, and life beyond the Director's office.

**Sir Reay Geddes**

# Researching Development Policy

ODI's extensive programme of empirical, policy-oriented research has continued to be the central activity in the Institute's work. During 1986 a number of projects neared completion, and several new studies were initiated.

## **Finance, Trade and Development**

Over the past few years ODI has built up a substantial reputation for its research on the design and implementation of stabilisation and adjustment programmes in developing countries. During 1986 ODI consolidated its earlier work with the completion by Tony Addison and Lionel Demery of a substantial project funded by the IDRC (Canada) and ODA, assessing the *impact of stabilisation policies on poverty and income distribution*. This involved case studies in India, Jamaica, Kenya, Sri Lanka and Zimbabwe. The project's full findings will be published during 1988, but a Briefing Paper produced in conjunction with the project — *Adjusting to Recession* — has already been widely used and appreciated. ODI also began a study of the impact of adjustment policies on agriculture (see page 6), and plans further work in this area.

Another project involving Lionel Demery and Tony Addison, focussing on *wages and labour conditions in Asia's newly industrialising countries* moved into its final stages during the year. A meeting of research collaborators from South Korea, Malaysia, Thailand and Singapore was held in Bangkok in June, hosted by Thammasat University. The project, which was funded by the Leverhulme Trust and the Rockefeller Foundation, will be completed during 1987, and a book published in 1988.

Another highly regarded element in ODI's research programme has been the annual review of the forecasts of the *economic prospects for the third world* produced by the major international agencies. For the fourth consecutive year this was conducted by Sheila Page, and a conference was held in October, focussing on the impact of the oil price fall on third world economic recovery.

The second stage of a major study by Sheila Page of *developing country trade and financing strategies*, financed by the Economic and Social Research Council, the ODA's Economic and Social Committee for Overseas Research (ESCOR) and the International Development Research Centre of Canada was substantially completed during the year. The five country studies by collaborators in Colombia, Peru, Malaysia, Thailand and Zimbabwe were to be published as Working Papers in 1987, and a book resulting from the project is scheduled for 1988.

### **Effective Aid**

Development aid continued to be a major topic of public concern in 1986, emphasising the importance of ODI research in this area. Two ODI research projects completed during the year are likely to make a significant contribution to the aid debate. Of particular importance is Roger Riddell's major study of the ethical, theoretical and empirical controversies about the case for aid, *Foreign Aid Reconsidered*, published in May 1987. ODI staff also participated in the research for another important analysis of aid *Does Aid Work?*, the fruits of an IMF/World Bank study co-ordinated by Robert Cassen. These two books, together with other recent aid studies, were the focus of an ODI conference in June 1987.

During the year Adrian Hewitt and Roger Riddell completed fieldwork for a study of the use of aid targets by selected OECD donors, commissioned by the World Bank's Development Committee. In addition, John Howell and Adrian Hewitt worked on a major study commissioned by the ODA and the World Bank, of *UK Aid to African Agriculture*, to be completed during 1987, including analysis of technical assistance and training provision in Kenya, Tanzania and Malawi, and evidence from the Crown Agents on programme aid-supported sales of UK agricultural products.

### **Europe-Third World relations**

Work on the sixth book in the EEC and the Third World Survey series was substantially completed during 1986. Entitled *Europe and the Changing International Division of Labour*, it includes a chapter on foreign investment by Sheila Page, and is to be published in 1987. Christopher Stevens, the joint editor of the Survey, has gone on to do projects which arise directly from his work over the past years on the EEC Survey, including preparing a background paper for the World Bank on 'The Impact of the EEC's System of Trade Preferences on the Third World' for the 1987 World Bank World Development Report.

### **Agricultural Development**

ODI's specialist Agricultural Administration Unit maintained a substantial programme of research during the year. In the area of *agricultural policy*. John Howell headed the World Bank financed study of *UK agricultural aid* (see above). In the first part of the year Simon Commander completed a study of the impact of government-promoted mechanisation and related policy measures on the Egyptian agricultural labour market. His findings are to be published as *The State and Agricultural Development in Egypt since*

1973, in conjunction with Ithaca Press in mid 1987. He also took part in a review mission on the agricultural sector in Sierra Leone for the International Fund for Agricultural Development (IFAD). Following a successful joint conference with the Tropical Agriculture Association in 1985, ODI published a book on *Agricultural Development in Drought-Prone Africa*, and John Howell was commissioned by ODA to edit *The Agricultural Dilemma in Africa*, based on the 1985 Natural Resources Advisers' Conference.

Simon Commander began a new project on *the impact of adjustment policies on agriculture and agricultural institutions*, involving case studies in Ghana and Senegal, and Alistair Sutherland, a former Research Fellow, completed a project on *incorporating socio-cultural perspectives into farming systems research*, to be published in 1987 in our Occasional Papers series. ODI staff also assisted in a major study of the causes of *Africa's Agricultural Problems* and the nature of the solutions required, for FAO.

Effective *irrigation* is a key factor in the successful implementation of most agricultural development schemes. During 1986 Mary Tiffen initiated a new project on *farmers' water management practices and economic motivations*, with field research in Zimbabwe, and presented the final report on an ESCOR-funded study on *improving the socio-economic and institutional content of irrigation feasibility studies* to the FAO/World Bank Co-operative Programme.

The first phase of bibliographic research for a new *social forestry* project on *the effect on household land and labour allocation of the use of trees in farming systems*, co-ordinated by Gill Shepherd, was completed by the end of the year. Work also began on a two-phase joint research project with the University of California Forestry Department on the *effects of social forestry projects on women in subsistence farming systems*.

With the appointment of Jon Moris as research officer, ODI has begun new research in *pastoral management*. During the year work began on the first phase of a joint project with Oxfam on *Technical Intervention in Livestock Development* in four areas of northern Kenya.

In addition to this research programme, the Agricultural Administration Unit has continued to support and co-ordinate its four international Networks linking researchers and practitioners in Agricultural Administration (Research and Extension), Irrigation Management, Pastoral Development and Social Forestry. Each now has between 600 and 1000 members, drawn from a wide mix of nationalities and professional disciplines, academics and practitioners, over half of whom are resident in developing countries. Network members regularly receive discussion papers and newsletters in these areas. During the year a collaborative agreement was implemented between ODI and the International Irrigation

Management Institute (IIMI), for the joint operation of the Irrigation Management Network. Full details of network publications are included in Appendix B.

### **Future Plans**

A number of major new research projects are beginning in 1987. Work on a study of *Industrialisation in Sub-Saharan Africa* began in January 1987, and is scheduled to be completed by late 1988. This project involves Roger Riddell, Adrian Hewitt, Tony Addison and Christopher Stevens, with further contributions from research associates Igor Karmiloff and Professor Steve Lewis. An introductory Briefing Paper on this topic was published in January 1986. ODI's special concern with the particular problems of African countries has been producing outstanding results in the last few years. Arrangements are progressing with the Save the Children Fund for the production of an annual review of conditions in Africa for which ODI would undertake research and commentary on the current state of Africa, and on the policies of national governments and donor agencies.

Funding has been received from ESCOR's special facility for financing preparatory studies for a project on *Institutional Changes in Trade*. Sheila Page is to start work on this after visiting GATT and UNCTAD. This will look at trade restrictions and arrangements both among developing countries and between ldc's and industrial countries. These will include non-tariff barriers, intra-firm trade, counter-trade, commodity cartels and agreements. The project will also look at the implications of these for the analysis of flows and the choice and effectiveness of policies. Tony Addison and Lionel Demery will begin research on the control of aggregate money supply and domestic credit in primary producing developing countries, funded by the Rockefeller Foundation and ESCOR. ODI was the first institution to take advantage of a valuable new ODA facility for pre-project funding, when Tony Addison and Lionel Demery used it to prepare a proposal for a project on *the design of Structural Adjustment Programmes to protect vulnerable groups*. This will involve two case studies, one in Africa and one in Asia, through which it will be possible to identify practical policy recommendations for poverty alleviation under structural adjustment.

Adrian Hewitt and Christopher Stevens are to begin a study of the *EEC's Sugar Protocol*, funded by ESCOR. The project, in collaboration with a Paris-based consultant, Philippe Chalmin, will examine the options open to sugar exporters from the African, Caribbean and Pacific state signatories to the Lomé Convention at a time of global sugar surplus, and may influence the renegotiation of the EEC sugar beet regime and aid policies

towards cane exporters. At the same time Christopher Stevens is planning to undertake a substantial study of the political and economic relationships between Europe and the Third World since 1960, to assess the extent of Europe's disengagement from its former colonies.

In the agricultural sphere, a programme of research into the *organisation and management of agricultural research*, to run for three years, is being prepared by John Farrington. Other new research is planned on *African pastoralism*, and *social forestry*. Finally, a new research post has been created for research from the perspective of political economy, and Mark Robinson was appointed to begin work in September 1987 on the political economy of adjustment and of aid.

# Informing, Advising, Influencing

Providing information on, and stimulating discussion of contemporary issues in development has always been a major priority for ODI. In recent years we have been increasing our efforts in this area and in 1986 our output was particularly extensive.

## **Publications**

We published two new full length books in 1986. *Problems of International Money*, edited by Michael Posner, including the papers of a joint ODI/IMF seminar held in March 1985, was published jointly with the IMF in May, and *Agricultural Development in Drought-Prone Africa*, edited by L J Foster, the collected papers of a 1985 joint conference with the Tropical Agriculture Association, was published in June. Both books have sold well. By the end of the year work was well advanced on an ambitious list of seven new books for 1987.

Six new *Briefing Papers* were produced during 1986. Available free of charge, Briefing Papers are distributed throughout the world to more than 3,000 individuals and institutions, but their readership is certainly much greater than this, since many copies are displayed in libraries and other public places. The Institute's journal, the *Development Policy Review*, published for ODI by Sage Publications, is now well established and successfully moved to quarterly publication in 1986, with an expanded editorial team.

The Agricultural Administration Unit's Network papers continued to form a major part of ODI's publications output, with more than thirty discussion papers and newsletters issued during 1986. Among other shorter publications, two new *Working Papers* were published, presenting in a preliminary form recent research discussions and findings. Full details of all 1986 Publications are included in Appendix B, page 32.

## **Meetings and Conferences**

A central feature of ODI's meetings and conference programme is its series of lunchtime discussion meetings. These provide an opportunity for the Institute's research staff to disseminate and discuss the results of their own work, but more frequently outside speakers are invited who have expertise in particular areas of development. The 1986 programme comprised meetings covering a wide range of topics. ODI was privileged to welcome a number of distinguished speakers, including the Rt Hon. Roy Hattersley, MP Deputy Leader of the Labour Party, Dr I.G. Patel, Director of the

London School of Economics, Dr Richard Jolly, Deputy Executive Director of UNICEF and Christopher Patten, MP who gave at ODI one of his first public talks after his appointment as Minister for Overseas Development. A full list of 1986 meetings is included in Appendix C, page 35.

In October ODI held its annual conference on *Economic Prospects for the Third World*, with the special theme of 'Is the Oil Price Fall the Road to Recovery?', not only as usual in London, but also jointly with the Centre for European Policy Studies, in Brussels, with a good attendance at both venues. In collaboration with the Inter-American Development Bank, the Institute organised a half-day seminar on *The Challenge of Latin American Development: From Debt to Growth*, also held in October. This too attracted a good audience, including a number of people, particularly from the banking and diplomatic community, who had not previously attended ODI meetings. Much of the year was spent preparing for a major expansion in ODI's conference programme, with five major events scheduled for 1987. In addition to at least two fee-paying conferences, ODI will be collaborating with other institutions in organising a large residential symposium and summer school.

### **The Library**

ODI's library continues to provide an important resource to the Institute's research staff and to many visitors. Most aspects of development are covered, including economic, rural, and social development, agricultural policies, aid, finance, foreign trade, labour and social conditions. Bibliographies, guides, directories, statistics and general reference books support the collection. This is supplemented by a special agricultural collection consisting of about 4000 documents in agricultural administration, irrigation, pastoralism and social forestry.

To allow for quick and efficient access to the library's extensive collection of nearly 400 periodicals, the library indexes all relevant articles, by subject and geographical area, and from the subject index thus created, produces the *Periodicals Reference Bulletin* cataloguing the more important periodical articles. The Bulletin is available on subscription or exchange and is distributed to more than 30 countries.

The library is now located within the library at Regent's College, although it remains a separate collection. This has increased access to the ODI collection, and offers much better reading facilities. During the year considerable progress was made with computerising new library accessions, and constructing a bibliographic database from the agricultural collection. The first exchange of data input has taken place between the ODI and the International Irrigation Management Institute in Colombo,

and a combined bibliography of irrigation material created. Plans for the medium-term development of the library are being developed, incorporating further computerisation.

### **The ODI Fellowship Scheme**

Under the ODI Fellowship Scheme young economists and those in related fields are recruited to work in the public sectors of developing countries in Africa, the Caribbean and the Pacific. In 1986, thirteen Fellows were selected from a field of over 150. They were assigned to posts in Botswana, Lesotho, Swaziland, Belize, Fiji, Papua New Guinea and, for the first time, the Solomon Islands and Zanzibar. Twenty three Fellows were in post as of October 1986 and their assignments are shown in Appendix A.

The Scheme, which is funded by the Overseas Development Administration, has two purposes: firstly, to provide governments of developing countries with high calibre staff at the junior professional level where gaps in local manpower often exist; and secondly, to provide young economists and others wishing to pursue a career in development with practical work experience in developing countries.

The Scheme has earned a high reputation amongst prospective applicants, their universities and host governments, who continue to view Fellows as a cost-efficient means of filling temporary gaps in manpower, particularly when local economists undertake further training abroad. The confidence of governments in the Scheme is further demonstrated by the considerable responsibility they are prepared to entrust to Fellows, responsibility which would not usually come to such people until later in their careers. It is also well known within British universities and amongst a variety of employers, who place considerable weight on the experience provided by a Fellowship. In recent years there has been a considerable increase in demand for Fellows, resulting both from an upgrading of entrance qualifications for Fellowships — all Fellows now offer postgraduate qualifications and in some cases relevant work experience — and the geographical expansion of the Scheme, particularly in the Pacific region. At the same time, the number and quality of applicants has remained high. In the light of these developments, in 1986 ODI decided to expand the Fellowship Scheme and was successful in obtaining increased funding from the Overseas Development Administration to enable the Institute to recruit up to 17 Fellows for 1987. A booklet giving full details of the scheme may be obtained from the Programme Officer.

### **Advising and Influencing**

ODI continues to attach great importance to briefing the press and broadcasters on development issues, as one of the most effective ways of

fulfilling its objective of keeping development issues to the forefront of public debate. During 1986 ODI staff gave interviews to radio, television and the press on a wide range of development topics ranging from the Trade Policy Group to the crisis in sub-Saharan Africa and spent considerable time responding to questions from journalists and other enquirers.

Throughout the year, staff attended, addressed and helped to organise conferences and seminars, both governmental and nongovernmental, on issues including: the effects of 'changes in the CAP on the third world's poor, the role of financial institutions in developing countries; livestock sector policy; and present challenges and future perspectives on Africa. ODI staff also contributed articles to a host of journals and other publications.

ODI is often approached by many different organisations and institutions to provide advice or act as consultants on a wide range of development issues, yet another indicator of the success of ODI's policy-oriented research programme. In 1986 ODI was commissioned by the Aga Khan Foundation to undertake a detailed feasibility study of a proposed new Faculty of Development Policy and Management of the Aga Khan University, to be located in Kenya or India. This was to be the largest single such study ever undertaken by ODI, and Charles Elliott was appointed to direct it. Unfortunately implementation of the study was substantially delayed by circumstances outside ODI's control. Included among ODI's other advisory work in 1986 was serving on the Zimbabwe Tax Commission, advising the FAO on Stabex, collating a report for Commissioner Cheysson on the impact of EEC enlargement on India, serving on Oxfam and Band Aid committees, acting as rapporteur at a week-long conference on the environment, and advising a member of the Japanese Ministry of Foreign Affairs on development teaching and research in the UK. Specialist committees and groups have also benefited from the expertise of ODI staff; as have students in a variety of educational institutions, yet another sign of the level of commitment that ODI holds towards its policy-oriented research programme. ODI's Director had an audience with H.R.H. Princess Anne to talk about third world development and the work of ODI. Finally, apart from ODI's usual meetings programme, we held a press launch for the 1986 World Bank *World Development Report*.

### **Informing Parliament**

Since its foundation in 1984, ODI has provided research support and advice to the All Party Parliamentary Group on Overseas Development. The Group held a regular programme of meetings at the House in 1986

while Parliament was in session. These were addressed by many notable speakers including Mr. Kung and Dr. Gasser of the International Committee of the Red Cross; Georgina Ashworth and colleagues on *Development Issues and Women*. In March Willy Brandt addressed a meeting on *Debt Deficits and Development*, with Edward Heath in the chair. This meeting was followed by a reception and resulted in considerable press coverage. Other meetings were addressed by Timothy Raison, then Minister for Overseas Development, by Jim Lester MP and Colin Moynihan MP (on their own report on *resettlement policy in Sudan and Ethiopia*); by Domingia Siazoin, the Director General of UNIDO and by Denis Norman, independent Zimbabwe's first minister of agriculture. In addition, the Group arranged a session with the Development Committee of the European Parliament during their visit to London in December.

A new *Working Party* on Debt was formed in 1986, with a membership of twelve MPs and Peers. From May onwards the Working Party operated with research support from ODI staff Adrian Hewitt and Sheila Page. Regular sessions were held in London at fortnightly intervals and Adrian Hewitt accompanied five members on a visit to Washington in Autumn 1986. There discussions were held with Barber Conable, Jacques de Larosière, Paul Volcker and Senator Bill Bradley, in the course of an extensive round of visits to the World Bank, the IMF, the Inter-American Development Bank, Congress and the US Treasury and Federal Reserve. The report prepared by the Debt Working Party was drafted by Adrian Hewitt towards the end of the year and published by ODI as *Managing Third World Debt* in May 1987.

In addition to its work with the All Party Group on Overseas Development, ODI continued during the year to provide research support and advice to Parliamentary Select Committees, MPs and Peers.

# Financial Report of the Council

## To be presented to the Twenty Seventh Annual General Meeting

The Council has pleasure in presenting the Accounts of the Institute for the year ended 31 December 1986.

Before considering the results, attention is drawn to a number of special items including investments and the Anniversary Appeal. A detailed review of aspects of our investments was undertaken. This involved discussion of the nature of the holdings and the size and use of them. Debate on the latter points continued into 1987. However, it was decided, after considering recommendations from a number of brokers and trust managers, to revise substantially the holdings. While remaining in unit trusts and gilts, a range of trusts were chosen giving a wider spread across British and international markets. Within the constraint of being a charity, our advisers were asked to provide a portfolio which maximised total returns rather than aiming for specific targets for capital growth or income. The holdings are reviewed regularly and subject to a quarterly report to the Finance Committee.

The gain on the sale of investments £158,362 (1985: £ nil), represented the realisation of a gain that had built up during the 1980s. This exceptional gain was transferred, in whole, to the reserves. At the year end the holdings of investments were included in the accounts at a cost of £338,752 and had a market value of £358,844.

The second special item was the continuation of the Anniversary Appeal. Since its launch, over £75,000 has been received with more than a further £23,000 promised, mainly as covenants. This has greatly assisted the information and advisory work of the Institute. These have been shown as special items in the Income and Expenditure account.

During the year the enhanced financial support resulting from the earlier evaluation of the Institute by the Overseas Development Administration began, although 1987 will be the first full year of benefit. The review has allowed the independently assessed ODA standard costings formulae to inform our financial management across all activity.

It should be noted that, following usual practice, certain items of expenditure (£136,665) have not been brought into the main Income and Expenditure Account but are shown as directly reimbursed items in the Schedule of Grants and Project Finance.

Amalgamating all the exceptional items with the standard items in the

accounts the financial flow in 1986 was in excess of £950,000 (an increase of 49% on the 1985 figure and 78% on that of 1984).

### **Income and Expenditure Account**

A modest surplus of £8,928 was achieved on the 'standard items' of income and expenditure (1985: deficit £9,397). This represented a 1% excess of income over expenditure. Since the large deficit in 1983 (£65,815) the following three years have produced a net surplus on 'standard items' of £11,532. Activity has increased considerably in that time. As members will be aware, increased activity in a non-profit organisation is no guarantee of surplus.

Income, on standard items, was £760,366, a rise of £131,078 (21%) from the 1985 level and an increase of 73% above the 1983 figure. Within the total, grants and project funding increased by £140,362 and income from investments fell by £9,077 (but see the note on investment policy above). Other operating income held steady at £50,621 (1985, £50,828). However there were a number of variations within this. Given that a higher proportion of the time of Research Officers was spent on funded research there was less time for other assignments and less income from this source. Gains in extra income from Publications (£7,112) to some extent overcame this, as did gains on foreign exchange (£6,763).

The overall proportionate dependence on ODA fell again in 1986 to 44% of total revenue, (1985, 47%; 1984, 59%). Excluding directly reimbursable items, ODA's various departments provided £339,224, and we remain most grateful for this crucially important contribution.

A total of twenty five (1985, 22) other organisations contributed to specific grants and research; some £98,854 more than in 1985. ODA's contribution to total research funding fell to below half (49%) for the first time for a number of years. Details of research funding are given in the appendix to the Accounts.

Expenditure on 'standard' items was £751,438, (1985, £638,685): an increase of £112,753 (18%). Staff costs were the largest single item of expenditure. Of total expenditure in 1986, staff costs were 55% (1985, 58%; 1984, 65%). Staff numbers rose in 1986 to 27 (1985, 24).

Most of the costs of the move from Percy Street were in the 1985 accounts, as were the conversion charges at Regent's College. Only a small amount of minor works was charged to 1986 and this does not distort the overall pattern of expenditure for the year. The reduced rental costs reflect a benefit of the move. Depreciation charges, up by £16,649, reflect the costs of work done on conversion and also considerable purchases of computing and word-processing equipment. A group of expenses is related to direct extra activity: fees and research expenditure; travel; printing; postage, phone etc. These items rose, typically, by between 40% and 50% over the 1985 figures. The fall in Meetings and Conferences reflects a smaller number of 'fee-paying' conferences rather than less activity.

As expected, office running costs fell following the move but costs in staff recruitment and maintenance increased.

### **Balance Sheet**

The Balance Sheet reflects the changes in investments. Current assets are £104,596 higher than 1985, principally because more funders than usual have made prepayments. Most of these will be drawn down in 1987. This is shown by the increase in creditors, predominantly grants in advance.

Net current liabilities were £36,911 (1985, £89,790). The liquidity position and the rate of drawing down the grants in advance has meant that the small opening overdraft from the end of 1985 was paid off early in 1986. The generosity of pre-payment plus funds in hand from the Appeal continue to provide a cash surplus.

Net assets stand at £406,229. The Ford Foundation Capital Grant Fund, which is regarded as an endowment fund, is £277,197 and £48,668 of the Appeal Fund is in hand. The General Fund was increased by £54,482 to £80,364 but this represented only five weeks of expenditure at the 1986 level.

While the objective of increasing activity without further calls upon reserves was achieved in 1986, the continuing lack of core funding leaves no room for complacency. However, the Council remains confident of the Institute's ability to attract funded support for its expanding programmes.

### **Auditors**

At the last AGM Peat, Marwick, Mitchell and Co were reappointed as auditors to the company. They are now practising as Peat Marwick McLintock and have signed the audit report in their new name. A resolution for the re-appointment of Peat Marwick McLintock as auditors of the company is to be proposed at the forthcoming AGM.

### **Statutory Information**

1. Principal Activities of the Institute — to provide a centre for research in development issues and problems and to conduct studies of its own; to be a forum for the exchange of views and information among those who are directly concerned with overseas development; and to keep the gravity of the problems before the public and responsible authorities.
2. The Institute is a Company Limited by Guarantee, not having a share capital. It is a non-profit-making registered charity. Members liability is limited to £1 per head. It is not a trading company.
3. Council Members serve in an honorary capacity and receive no emoluments. They do not have contracts of service nor do they have a financial interest in the Institute. They constitute directors of the Company under the Companies Act 1985.
4. The following served on the Council for all, or part of the year (1986) to which the Accounts relate: Sir Reay Geddes, Chief E.C. Anyaoku, Martin Bax, Alan N. Binder, Prof A.H. Bunting, John Eccles, Professor

Walter Elkan, Dr Charles Elliott, Professor Michael Faber, Mark Goodwin, Professor A.D. Hazlewood, Dr Paul Howell, Maurice Jenkins, Sir Anthony Jolliffe, Frank Judd, Richard Kershaw, William Mathieson, Dr I.G. Patel, Derk Pelly, Rupert Pennant-Rea, Professor Edith Penrose, John Pinder, Lord Plant, Stanley Please, Robert Porter, Sir Peter Preston, Rosemary Righter, Professor Sir Austin Robinson, Lord Roll, Sir Michael Scott, Frazer Sedcole, Lord Seebohm, Professor Samuel Say, Dr William Wallace, Julian Wathen, Melvyn Westlake, Professor Peter Williams, Norman Willis.

5. No donations were made for political purposes.

14 April 1987

On behalf of the Council  
Sir Reay Geddes, Chairman

# Overseas Development Institute: Accounts

(Company Limited by Guarantee)

Balance Sheet at 31 December 1986

	Note	1986		1985	
		£	£	£	£
Fixed assets					
Tangible assets	3		104,388		102,021
Investments	4		338,752		180,389
Current assets					
Stocks		4,928		7,248	
Debtors:					
Trade debtors		2,954		839	
Other debtors:					
grants in arrears		81,911		84,723	
other debtors		29,765		31,601	
Prepayments and accrued income		9,902		15,244	
Cash at bank and in hand		149,375		34,584	
		<u>278,835</u>		<u>174,239</u>	
Creditors: amounts falling due within one year					
Payments received on account:					
grants in advance		206,146		122,129	
Trade creditors		3,080		2,915	
Taxation and social security		13,042		9,461	
Accruals and deferred income		93,478		127,394	
Bank overdraft		—		2,130	
		<u>315,746</u>		<u>264,029</u>	
Net current liabilities			<u>(36,911)</u>		<u>(89,790)</u>
			<u>406,229</u>		<u>192,620</u>
Reserves:					
Ford Foundation Capital Grant Fund	5		277,197		156,389
Income and Expenditure Account:					
General Fund	5		80,364		25,882
25th Anniversary Appeal Fund	5&6		48,668		10,349
			<u>406,229</u>		<u>192,620</u>

The accounts were approved by the Council at a meeting held on 14 April 1987.

Sir Reay Geddes }  
Derk Pelly } Directors

The attached notes form part of these accounts.

## Income and Expenditure Account for the year ended 31 December 1986

	Note	1986		1985	
		£	£	£	£
<b>INCOME</b>					
Grants and project finance per Schedule			692,068		551,706
Income from fixed asset investments:					
Income from Ford Foundation Capital Grant Fund:					
Listed investments		6,386		9,580	
Unlisted investments		6,380		7,370	
Income from General Fund:					
Interest receivable		4,220		8,520	
Unlisted investments		691		1,284	
			17,677		26,754
Other operating income:					
Single donations		11,302		22,040	
Promised annual donations		5,475		5,275	
Deeds of covenant receivable		458		3,771	
Library revenue		332		599	
Publications revenue		15,503		8,391	
Conference income		4,835		7,912	
Foreign exchange gain		6,763		—	
Transfer from 25th Anniversary Appeal Fund	6	5,953		2,840	
			50,621		50,828
			760,366		629,288
<b>EXPENDITURE</b>					
Staff costs	7	413,153		369,366	
Depreciation	3	28,836		12,187	
Other operating charges:					
Fees and other research expenditure		97,685		70,213	
Rent, rates, services, light and power		47,958		51,749	
Expenses of overseas research fellows		1,020		5,838	
Travel		56,396		38,983	
Printing, stationery, postage and telephone		60,445		40,084	
Entertainment, meetings and conference expenses		5,710		8,339	
Insurance		2,223		2,289	
Repairs and renewals		7,515		3,906	
General office expenses		9,507		21,354	
Staff recruitment		3,744		1,698	
Professional fees		2,287		2,005	
Audit fees		1,500		1,330	
Publication expenses		13,297		9,344	
Loss on disposal of fixed assets		162		—	
			(751,438)		(638,685)
Carried forward			8,928		(9,397)

## Income and Expenditure Account for the year ended 31 December 1986 (continued)

	Note	1986		1985	
		£	£	£	£
Brought forward			8,928		(9,397)
Exceptional item: release of provision for costs related to former premises (1985 provision)			<u>8,000</u>		<u>(24,724)</u>
			16,928		(34,121)
25th Anniversary Appeal Fund:	6				
Appeal income		46,169		29,324	
Appeal costs		(1,897)		(16,135)	
Transfer to General Fund		<u>(5,953)</u>		<u>(2,840)</u>	
			38,319		10,349
Gain on sale of investments:					
Ford Foundation Capital Grant Fund		120,808		—	
General Fund		<u>37,554</u>		<u>—</u>	
			158,362		—
Excess of income over expenditure			<u>213,609</u>		<u>(23,772)</u>
Transfers to reserves:	5				
Ford Foundation Capital Grant Fund			120,808		—
Income and Expenditure Account: General Fund					
25th Anniversary Appeal Fund			54,482		(34,121)
			<u>38,319</u>		<u>10,349</u>
			<u>213,609</u>		<u>(23,772)</u>

The attached notes form part of these accounts.

# Income and Expenditure from Grants and Project Finance for the year ended 31 December 1986

## Schedule

	Grants in advance 1 January 1986 £	Grants in arrears 1 January 1986 £	Receipts £	Expenditure directly reimbursed £	Funds credited to income and expenditure £	Grants in advance 31 December 1986 £	Grants in arrears 31 December 1986 £
<b>PROGRAMME GRANTS</b>							
World Bank.....	—	7,140	22,705	—	15,565	—	—
Overseas Development Administration.....	—	—	73,759	—	73,671	88	—
<b>PROJECT GRANTS</b>							
<i>Fellowship Schemes:</i>							
<i>Overseas Development Administration:</i>							
ODI Fellowship Scheme.....	3,527	—	152,759	133,697	—	22,589	—
Overseas Research Fellowship Scheme.....	4,790	—	(2,596 )	—	2,194	—	—
Administration Expenses.....	—	—	42,629	—	42,629	—	—
<i>Agricultural Administration Unit:</i>							
<i>Overseas Development Administration General Grant ....</i>							
Food and Agriculture Organisation.....	—	328	139,488	—	139,385	—	225
Hydraulics Research.....	—	1,395	2,825	—	1,430	—	—
	—	2,321	2,321	—	—	—	—
<i>Other Project Grants:</i>							
<i>A Study of Employment in the Agricultural Labour Market in Egypt:</i>							
<i>Overseas Development Administration.....</i>							
	—	1,000	1,468	—	468	—	—
<i>Social Forestry Policy &amp; Management:</i>							
Ford Foundation.....	51,555	—	46,486	—	33,525	64,516	—
Aga Khan Foundation.....	108	—	17,600	—	17,968	—	260
Nuffield Foundation.....	—	—	2,900	—	2,900	—	—
<i>Improving Socio-economic and Institutional Control of Irrigation:</i>							
<i>Overseas Development Administration.....</i>							
	3,744	—	4,139	—	7,883	—	—
<i>Turkana Rehabilitation Project:</i>							
Commission of the European Communities.....	—	22,828	17,479	—	(7)	—	5,342
<i>An Assessment of UK Aid to African Agriculture:</i>							
ODA.....	—	15,724	57,134	—	40,400	1,010	—
<i>Natural Resources Conference Publication:</i>							
ODA.....	—	—	3,250	—	3,250	—	—
<i>Irrigation Management Network:</i>							
International Irrigation Management Institute.....	20,000	—	20,000	—	39,000	1,000	—
<i>Evaluation of International Livestock Centre for Africa:</i>							
World Bank.....	—	—	7,788	—	7,788	—	—
<i>Incorporating a Socio-economic Perspective Unit into African Farming Systems, Research, Evaluation:</i>							
ODA.....	—	—	5,134	—	5,134	—	—
Carried forward	83,724	50,736	617,268	133,697	433,183	89,203	5,827

# Income and Expenditure from Grants and Project Finance for the year ended 31 December 1986 (continued)

## Schedule

	Grants in advance 1 January 1986 £	Grants in arrears 1 January 1986 £	Receipts £	Expenditure directly reimbursed £	Funds credited to income and expenditure £	Grants in advance 31 December 1986 £	Grants in arrears 31 December 1986 £
Brought forward	83,724	50,736	617,268	133,697	433,183	89,203	5,827
<i>Farmer Practices and Motivations on Small Schemes:</i>							
Hydraulics Research .....	—	—	—	—	1,030	—	1,030
<i>All Party Parliamentary Group on Overseas Development:</i>							
Barclays International Development Fund .....	—	—	2,000	—	2,000	—	—
British Petroleum .....	—	—	1,500	—	1,500	—	—
Barrow and Geraldine Cadbury Trust .....	1,000	—	12,000	—	12,000	1,000	—
Huntings Survey and Consultants .....	—	—	300	—	300	—	—
<i>A Survey of European Community Policies Towards Developing Countries:</i>							
Institute of Development Studies	—	1,786	1,786	—	—	—	—
<i>A Study of Macroeconomic Stabilisation, Income and Distribution Policy:</i>							
ODA .....	—	3,605	12,063	—	8,458	—	—
International Development Research Centre .....	18,185	—	—	—	22,331	—	4,146
UNICEF .....	—	3,000	—	—	—	—	3,000
FAO .....	—	4,170	3,350	—	—	—	820
ILO .....	—	4,170	4,170	—	—	—	—
World Bank .....	—	—	9,377	—	9,377	—	—
<i>A Theoretical &amp; Empirical Analysis of the Criticisms of Development Assistance:</i>							
Leverhulme Trust .....	4,630	—	—	—	4,630	—	—
<i>A Study of Wages &amp; Labour Conditions in newly Industrialised Countries:</i>							
Rockefeller Foundation .....	14,576	—	—	—	14,576	—	—
Leverhulme Trust .....	—	10,350	—	—	13,092	—	23,442
<i>North South Trade:</i>							
Department of Trade and Industry .....	—	4,500	4,500	—	—	—	—
<i>The Structure, Characteristics and Future Direction of Zimbabwe's Manufacturing Sector:</i>							
United Nations Industrial Development Organisation .....	—	422	422	—	—	—	—
<i>Trade &amp; Industry Strategies for Developing Countries in the 1980's Phase II:</i>							
ODA .....	—	1,984	12,169	—	10,444	—	259
Economic and Social Research Council .....	—	—	23,167	—	24,746	—	1,579
International Development Research Centre .....	—	—	23,672	2,968	31,889	—	11,185
Carried forward	122,115	84,723	727,744	136,665	589,556	90,203	51,288

# Income and Expenditure from Grants and Project Finance for the year ended 31 December 1986 (continued)

Schedule

	Grants in advance 1 January 1986 £	Grants in arrears 1 January 1986 £	Receipts £	Expenditure directly reimbursed £	Funds credited to income and expenditure £	Grants in advance 31 December 1986 £	Grants in arrears 31 December 1986 £
Brought forward	122,115	84,723	727,744	136,665	589,556	90,203	51,288
<i>A Feasibility Study for a Faculty of Development Policy:</i>							
Aga Khan University Foundation .....	—	—	103,147	—	52,741	50,406	—
<i>A Report on the African Famine:</i>							
Catholic Fund for Overseas Development .....	—	—	—	—	13,161	—	13,161
<i>A Study on Adjustment with Growth:</i>							
United Nations/UNCTAD .....	—	—	9,287	—	18,287	—	9,000
<i>A Report on National Targets for Beneficial Development Assistance:</i>							
World Bank .....	—	—	5,209	—	7,500	—	2,291
<i>A Report on Euro-South Relations:</i>							
United Nations University .....	—	—	4,730	—	1,578	3,152	—
<i>Designing Structural Adjustment Programmes to Protect Vulnerable Groups:</i>							
ODA .....	—	—	1,564	—	1,964	—	400
<i>Changes in the Institutional Structure of International Trade; Effects on Developing Country Problems:</i>							
ODA .....	—	—	—	—	3,344	—	3,344
<i>Macroeconomic Analysis Programme for Eastern and Southern Africa:</i>							
International Development Research Centre .....	—	—	870	—	3,077	—	2,207
<i>Briefing Paper:</i>							
Trocaire .....	—	—	100	—	100	—	—
<i>UK Launch of World Bank Development Report 1986:</i>							
World Bank .....	—	—	540	—	540	—	—
<i>A Course on Banking and Monetary Policy in Developing Countries:</i>							
Harvard Cambridge .....	—	—	3,263	—	—	3,263	—
<i>A Conference on Agricultural Development in Drought Prone Africa:</i>							
Tropical Agriculture Association .....	14	—	(14)	—	—	—	—
<i>A Conference on Economic Prospects for the Third World:</i>							
Centre for European Policy Studies .....	—	—	—	—	220	—	220
<i>A Conference on Development Alternatives:</i>							
<i>The Challenge for NGOs:</i>							
Carnegie Corporation .....	—	—	17,366	—	—	17,366	—
Ford Foundation .....	—	—	34,976	—	—	34,976	—
United Nations Children Fund .....	—	—	6,780	—	—	6,780	—
	<u>122,129</u>	<u>84,723</u>	<u>915,562</u>	<u>136,665</u>	<u>692,068</u>	<u>206,146</u>	<u>81,911</u>

**Statement of Source and Application of Funds for the year ended  
31 December 1986**

	Note	1986		1985	
		£	£	£	£
<b>Source of funds</b>					
Excess of income over expenditure			213,609		(23,772)
Adjustments for items not involving flow of funds:					
Depreciation		28,836		12,187	
Loss on sale of tangible fixed assets		162		17	
Gain on sale of investments		<u>(158,362)</u>		<u>—</u>	
			<u>(129,364)</u>		<u>12,204</u>
<b>Total generated/(absorbed) from operations</b>			84,245		(11,568)
<b>Funds from other sources:</b>					
Proceeds from sale of investments			332,378		—
Proceeds from sale of tangible fixed assets			<u>658</u>		<u>25</u>
			417,281		(11,543)
<b>Application of funds</b>					
Purchase of investments		(332,378)		—	
Purchase of tangible fixed assets		<u>(32,024)</u>		<u>(112,003)</u>	
			<u>(364,402)</u>		<u>(112,003)</u>
<b>Increase/decrease in working capital</b>			<u>52,879</u>		<u>(123,546)</u>
<b>Represented by</b>					
(Decrease)/increase in stocks			(2,320)		5,338
(Decrease)/increase in debtors			(7,875)		41,421
(Increase) in creditors: amounts falling falling due within on year			(53,847)		(68,777)
Movement in net liquid funds: Increase/ (decrease) in cash balances			<u>116,921</u>		<u>(101,528)</u>
			<u>52,879</u>		<u>(123,546)</u>

The attached notes form part of these accounts.

## Notes on the Accounts

1. The Overseas Development Institute (ODI) is a company limited by guarantee. The memorandum of association restricts the liability of members on winding up to £1. In the case of a winding up none of the reserves are distributable to the members but shall be given or transferred to some other charitable institution having similar objects to ODI.
2. Accounting policies
  - (a) The accounts have been prepared under the historical cost convention.
  - (b) Income and expenditure are dealt with on an accruals basis.
  - (c) Certain expenditure is charged directly to specific grants as shown in the attached schedule.
  - (d) Transactions denominated in foreign currencies are recorded at the rates of exchange applicable at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange at the balance sheet date and any resultant gain or loss is taken to the income and expenditure account.
  - (e) Fixed assets are depreciated at the following rates:  
 Fixtures and fittings — on a straight line basis at 10% per annum  
 Equipment — on a straight line basis at 20% or 33 ⅓% per annum  
 Library — all additions are written off in the year of acquisition  
 Leasehold improvements — on a straight line basis over the period of the lease — seven years
  - (f) Stock of publications is valued at the lower of cost and net realisable value.
3. Tangible fixed assets.

	Improve- ments to premises £	Furniture, fixtures and fittings £	Equip- ment £	Library £	Total £
<b>Cost:</b>					
Balance at 1 January, 1986	70,650	6,364	43,942	39,905	160,861
Additions	8,413	2,108	15,815	5,688	32,024
Disposals	—	(588)	(660)	—	(1,248)
Balance at 31 December, 1986	<u>79,063</u>	<u>7,884</u>	<u>59,097</u>	<u>45,593</u>	<u>191,637</u>

**Depreciation:**

Balance at 1 January, 1986	841	2,271	15,823	39,905	58,840
Charge for the year	11,295	762	11,091	5,688	28,836
Disposals	—	(295)	(132)	—	(427)
Balance at 31 December, 1986	<u>12,136</u>	<u>2,738</u>	<u>26,782</u>	<u>45,593</u>	<u>87,249</u>

**Net Book Value:**

At 31 December, 1986	<u>66,927</u>	<u>5,146</u>	<u>32,315</u>	<u>—</u>	<u>104,388</u>
At 31 December, 1985	<u>69,809</u>	<u>4,093</u>	<u>28,119</u>	<u>—</u>	<u>102,021</u>

The company occupies its premises under a licence which expires on 31 December, 1992. The licence fee is £46,845 per annum, subject to annual review.

**4. Investments**

	1986		1985	
	Cost £	Market Value £	Cost £	Market Value £
Unlisted:				
General Fund	61,555	63,347	24,000	55,156
Ford Foundation Capital Grant Fund	277,197	295,497	73,398	206,499
Listed on The Stock Exchange:				
Ford Foundation Capital Grant Fund	—	—	82,991	85,435
	<u>338,752</u>	<u>358,844</u>	<u>180,389</u>	<u>347,090</u>

All of the unlisted investments are authorised unit trusts and have been valued at the average of bid and offer prices at the year end. All of the investments held at 31 December, 1985, save for unlisted investments with a cost of £6,374, were sold during the year and the proceeds reinvested.

**5. Reserves**

	Income and			
	Ford Foundation Capital Grant Fund £	Expen- diture Account: General Fund £	25th Anniver- sary Appeal Fund £	Total Accumu- lated Funds £
Balance at 1 January 1986	156,389	25,882	10,349	192,620
Excess of income over expenditure	<u>120,808</u>	<u>54,482</u>	<u>38,319</u>	<u>213,609</u>
Balance at 31 December, 1986	<u>277,197</u>	<u>80,364</u>	<u>48,668</u>	<u>406,229</u>

6. 25th Anniversary Appeal Fund

The 25th Anniversary Appeal, launched in 1985, has resulted in donors pledging funds normally made through annual donations and deeds of covenant to the Appeal. The income and expenditure related to the Appeal is accounted for separately from the General Fund and, to maintain annual donations and deeds of covenant credited to the General Fund at the amount recognised in 1984, a transfer of £5,953 has been made from the Appeal Fund to the General Fund. The balance of the Appeal Fund has been carried forward for use in the future.

7. Staff numbers and costs

The average number of persons employed by the company during the year was 27 (1985: 24). The payroll costs of these persons were as follows:

	1986	1985
	£	£
Wages and salaries	327,832	289,831
Social security costs	26,429	21,570
Other pension costs	58,279	57,414
Other	613	551
	<u>413,153</u>	<u>369,366</u>

The members of Council received no emoluments in the year to 31st December, 1986 (1985: £Nil).

**Report of the Auditors to the Members of the Overseas Development Institute**

We have audited the accounts on pages 19 to 28 in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared on the basis of the accounting policies set out on page 26, give a true and fair view of the state of the company's affairs at 31 December, 1986 and of the excess of income over expenditure and source and application of funds for the year to that date and comply with the Companies Act 1985.

14 April 1987  
London

**Peat Marwick McLintock**  
Chartered Accountants

# Sources of Finance

We record our thanks to the organisations and individuals listed below who have contributed to the institute's income during the past year or to its future income in response to the 25th Anniversary Appeal.

## Donations received in response to 25th Anniversary Appeal

Albright & Wilson	Grindlay's Bank	Rayne Foundation
Allied Dunbar Charitable Trust	Guinness Mahon Group	Robert Bosch Ltd
Allied Lyons Charitable Trust	Huntings Surveys & Consultants	Rockware Group
Bank of England	ICI Charity Trust	Royal Bank of Scotland
Bank of Scotland	Inchape Charitable Trust	RTZ Ltd
Banque Nationale de Paris	J. Henry Schroder Wagg	Rugby Portland Cement
Barclays Bank	James Finlay plc	S.G. Warburg & Co.
Baring Foundation	John Swire & Sons	Schroder Charity Trust
Blue Circle Industries	Kleinwort Benson	Shell International Petroleum
British Broadcasting Corp.	Laporte Industries	Sir Jeremiah Coleman Trust
Brown Shipley Holdings	Lloyds Bank	Sir M. Macdonald Ltd
Central Bank of Vanuatu	Midland Bank	Sir Maurice Laing Trust
Christian Aid	Morgan Grenfell & Co	Slough Social Fund
Commercial Union Assurance	National Westminster Bank	Standard Chartered Bank
Coopers & Lybrand	Norwich Union Insurance	Tarmac
Crown Agents	Ocean Transport & Trading plc	Tate & Lyle Ltd
De La Rue Jubilee Trust	Oppenheimer Charitable Trust	Texaco International
Ernst and Whinney	Phoenix Assurance	Zochonis Charitable Trust
George Wimpey Charitable Trust	Price Waterhouse	

## Programme and Project Finance for 1986

Aga Khan Foundation	Food and Agriculture Organization	Overseas Development Administration
Aga Khan University Foundation	Ford Foundation	Rockefeller Foundation
Barclays International Development Fund	Harvard Institute for International Development	Trocaire
Barrow & Geraldine Cadbury Trust	Huntings Survey and Consultants	Tropical Agricultural Association
British Petroleum	Hydraulics Research	United Nations Children Fund
Carnegie Corporation	International Labour Office	United Nations Industrial Development Organisation
Catholic Fund for Overseas Development	Institute of Development Studies	United Nations University
Centre for European Policy Studies	International Development Research Centre	United Nations/Committee for Trade and Development
Commission of the European Communities	International Irrigation Management Institute	World Bank
Department of Trade and Industry	Leverhulme Trust	
Economic and Social Research Council	Nuffield Foundation	

## **Appendix A**

### **Fellows in post at October 1986**

#### **Botswana**

Catriona Laing (City of London Polytechnic and London School of Economics and Political Science), Ministry of Works & Communications, 1986-88.

Fiona Lappin (Universities of Strathclyde and East Anglia), Ministry of Local Government and Lands, 1985-87.

Julie Richardson (Universities of Warwick and Boston), Ministry of Health, 1986-88.

Matthew Wright (University of Oxford), Ministry of Finance and Development Planning, 1985-87.

#### **Lesotho**

Christopher Lane (Universities of Bristol and Warwick), Ministry of Finance, 1986-88.

Simon Taylor (Universities of Cambridge and Oxford), Central Bank of Lesotho, 1985-87.

Howard White (University of East Anglia and London School of Economics and Political Science), Central Planning and Development Office, 1985-87.

#### **Malawi**

Jane Harrigan (Universities of Oxford, Cambridge and Harvard), Ministry of Agriculture, 1985-87.

Elizabeth Hawksley (Universities of Reading and Oxford), Mzuzu Agricultural Development Division, Ministry of Agriculture, 1985-87.

#### **Swaziland**

Michael Adamson (Universities of Sheffield and Oxford), Department of Economic Planning and Statistics, 1986-88.

Peter Doyle (University of Oxford), Swaziland Development and Savings Bank, 1985-87.

Gillian Holmes (Universities of Sussex and Cambridge), Ministry of Health, 1986-88.

Linda O'Grady (Universities of Manchester and Leeds), Ministry of Works and Communications, 1986-88.

#### **Tanzania**

Kate Wellard (Universities of Leicester and Reading), Ministry of Agriculture, 1986-88.

#### **Belize**

Eamon Cassidy (University College, Dublin), Ministry of Finance, 1986-88.

#### **St Vincent**

Timothy King (Universities of Warwick and Sussex), Central Planning Division, Ministry of Finance, 1985-87.

#### **Fiji**

Joanne Alston (Universities of Oxford and Reading), Fiji Development Bank 1986-88.

Ben Bingham (Universities of Bristol and Southampton), Ministry of Finance, 1986-88.

Mary Newson (University of Sussex), Reserve Bank of Fiji, 1985-87.

**Papua New Guinea**

Robert Baulch (Universities of Oxford and Sussex), Department of Primary Industry, 1985-87.

Geoffrey Frewer (Universities of Bristol, Southampton and Warwick), Department of Finance and Planning, 1986-88.

Andrew Parker (University College, London), Agriculture Bank of Papua New Guinea, 1986-88.

**Solomon Islands**

Stephen Jones (University of Oxford), Bureau of Statistics, Ministry of Finance, 1986-88.

## **Appendix B: ODI Publications 1986**

### **Books**

*Agricultural Development in Drought-Prone Africa*, edited by L.J. Foster, 88 pages, July 1986, £4.95. Published in association with the Tropical Agriculture Association.

*Problems of International Money: 1972-85*, edited by Michael Posner, 191 pages, June 1986, £5.95. Published in association with the International Monetary Fund.

### **Briefing Papers**

Industrialisation in Sub-Saharan Africa  
The US and International Financial Reform  
The CAP and its Impact on the Third World  
Privatisation: The Developing Country Experience  
Adjusting to Recession: Will the Poor Recover?  
Sanctions and the South African Economy

### **Development Policy Review**

#### **Volume 4, Number 1, March**

Assessing Decentralization Policies in Developing Countries: The Case for Cautious Optimism', *Dennis A Rondinelli and John R Nellis*.

'The Ethics of Foreign Aid', *Roger Riddell*

'Arab Economic Aid'. *R S Porter*

'Evaluating Technical Co-operation: A Review of the Literature', *Robert J Muscat*.

#### **Volume 4, Number 2, June**

'Twenty-five Years in Development: The Rise and Impending Decline of Market Solutions', *Tony Killick*

'Import Substitution and Income Distribution under A Populist Regime: The Case of Turkey' *Korkut Boratav*

'Diversification, Bargaining Power and Self-Reliance in an Oil-Exporting Country: the case of Iran', *Mehdi Shafaeddin*

'From Labour Surplus to Labour Scarcity? The Agricultural Labour Market in Egypt', *Simon Commander and Aly Abdullah Hadhoud*.

#### **Volume 4, Number 3, September**

'Changing Perspectives on Development Economics and World Bank Research', *Anne O Krueger*

'Courting Private Investment: The Bangladesh Experience', *Rehman Sobhan and Debapriya Bhattacharya*

'Changes in Zambian Agricultural Policy since 1983: Problems of Liberalization and Agrarianization', *Jonathan Kydd*

Book Review Article: 'Still Partners in Development? The Effect on the Third World of Current European Community Policies', *Adrian Hewitt*.

#### **Volume 4, Number 4, December**

'The Aid and Trade Provision: Origins, Dimensions and Possible Reforms', *John Toye and Graham Clarke*

'Merging Relief and Development: The Case of Turkana', *Martin E Adams*

'Managing Indian Forests: A Case for the Reform of Property Rights', *Simon Commander*

Book Review Article: 'Pursuing National versus Local Interests: The Development Dilemma', *Camilla Toulmin*.

## **Working Papers**

18, 'The Third World's Import Needs and Potential: a European perspective', Igor Karmiloff, £6.00.

19, 'Macro-Economic Stabilisation in Jamaica: the lessons of recent experience', Derick Boyd, £3.00.

## **Agricultural Administration Unit Networks 1986**

### **1. Agricultural Administration Network**

'Extension Workers, Small-Scale Farmers, and Agricultural Research: a case study in Kabwe Rural, Central Province, Zambia', Discussion Paper 15, by *Alistair Sutherland*, March 1986.

'Agricultural Technology Generation and Diffusion: lessons for research policy', Discussion Paper 16, by *Stephen Biggs*, October 1986.

'On Farm Research and Agricultural Research and Extension Institutions', Discussion Paper 17, by *Mike Collinson*, October 1986.

'Decision-Making on Research Applications: coffee leaf rust in Papua New Guinea', Discussion Paper 18, by *P.G. Cox*, October, 1986.

### **2. Pastoral Development Network**

'Comparative Ecology of Pastoralist Livestock in Baringo, Kenya', Paper 21b, by *K.M. Homewood and A.V. Hurst*, February 1986.

'The Reluctant Spouse and the Illegitimate Slave: marriage, household formation and demographic behaviour amongst Milian Temesheq from the Delta and the Gourma', Paper 21c, by *Sara Randall and Michael Winter*, February 1986.

'Limiting Livestock Pressure on Public Rangeland in Niger', Paper 21d, by *G.K. Perrier*, February 1986.

'Notes on the Implementation of a Smallholder Cattle Fattening Co-operative Scheme in Northern Nigeria', Paper 21e, by *Simon White*, February 1986.

'Directions in Contemporary Pastoral Development', Paper 22a, by *J. Moris*, September 1986.

'A Comparison of Two Survey Methods on Pastoral Turkana Migration Patterns and the Implications for Development Planning', Paper 22b, by *P.H. Fry and F.T. McCabe*, September 1986.

'The Decline of Common Property Resources in Rajasthan, India', Paper 22c, by *N.S. Jodha*, September, 1986.

### **3. Irrigation Management Network**

'International Irrigation Management Institute: program concepts', Paper 1b, by *Robert Cowell*, April 1986.

'Irrigation Pricing and Management', Paper 1c, by *Ian Carruthers*, April 1986.

'Training Programmes for Irrigation Staff', Paper 1d, by *Martin Burton*, April 1986.

'Training Programmes for Irrigation Farmers', Paper 1e, by *Ian Smout*, April 1986.

'Meeting Irrigation System Recurrent Cost Obligations', Paper 2b, by *Mark Svendsen*, August 1986.

'Computers in Irrigation Management: A. An Application of Lotus 1-2-3 Software to

Irrigation Data Management, by *Tom S. Sheng*, B. The Role of Simulation Exercises in Training Irrigation Managers', by *Laurence E.D. Smith*, Paper 2c, August 1986.  
'Performance Measurement in Canal Water Management: a discussion', Paper 2d, by *Charles L. Abernethy*, August 1986.  
'The Irrigation Water Charge in China', Paper 3b, by *Xu Guohua*, November 1986.  
'Farmer-Managed Irrigation: research issues', Paper 3c, by *Edward Martin, Robert Yoder and David Groenfeldt*, November 1986.  
'Operations and Maintenance Learning Process: combining training and management', Paper 3d, by *Gaylord V. Skogerboe*, November 1986.

#### **4. Social Forestry Network**

'The Success of Vanuatu's Local Supply Plantation Programme in Meeting the Needs of the Nation and its Communities', Paper 2a, by *Julian Gayfer*, May 1986.  
'Social Forestry Research Issues: preliminary problem identification in North-East Thailand', Paper 2b, by *Napoleon Vergara, Charit Tingsabadh, Kersten Johnson, Varun Vidyarthi and Richard Bowen*, May 1986.  
'Aerial Photographs and Thematic Maps for Social Forestry', Paper 2c, by *Jeff Fox*, May 1986.  
'The Social Forestry Policy Design Framework: the hill areas of Uttar Pradesh', Paper 2d, by *Mukul Sanwal*, May 1986.  
'A Hundred Recent Journal Articles on Social Forestry', Paper 2e, edited by *Asmeen Khan*, May 1986.  
'Forest Policy and Forest Politics', Paper 3a, by *Gill Shepherd*, October 1986.  
'Managing Indian Forests: a case for the reform of property rights', Paper 3b, by *Simon Commander*, October 1986.  
'Forestry for Rural Development in Zimbabwe', Paper 3c, by *John Casey and Kay Muir*, October 1986.  
'Land Tenure and Agroforestry in the Dominican Republic', Paper 3d, by *Isabel de Ceara*, October 1986.  
'Mali as a Case Study of Forest Policy in the Sahel: institutional constraints on social forestry', Paper 3e, by *Chun Lai and Asmeen Khan*, October 1986.

## Appendix C:

### Lunchtime discussion meetings 1986

- Changing Perspectives on Development Economics and World Bank Research* Professor Anne O. Krueger, Vice President, Economics and Research, The World Bank.
- Drought in Africa: Impact and Response* — Sir Crispin Tickell, Permanent Secretary, Overseas Development Administration.
- Experiences with Aid Distribution in Ethiopia and the Sudan* — Dr. Richard Jolly, Deputy Executive Director, UNICEF.
- Trade Policy Issues in the NICs: The Case of the Republic of Korea* — Dr. Young Soo-Gil, Visiting Fellow, Trade Policy Research Centre.
- Britain, International Finance and the Third World* — Rt Hon Roy Hattersley, MP, Shadow Chancellor of the Exchequer and Deputy Leader of the Labour Party.
- India's Seventh Five-Year Plan* — Dr. I.G. Patel, Director, London School of Economics and Political Science.
- Does Aid Work?* — Robert Cassen, Director, Queen Elizabeth House, Oxford.
- The Philippines: Economic and Social Prospects under the New Government* — Aquilino Pimentel, Minister for Local Government, the Philippines.
- Structural Adjustment and British Aid* — Christopher Patten, MP, Minister for Overseas Development.

### Agricultural Administration Unit lunchtime meetings 1986

- Irrigation System Recurrent Costs: a donor perspective* — Mark Svendsen, Agency for International Development.
- Innovation Adoption and Farmer Diversification Behaviour in a Mountain Farming System* — Tariq Husain, Aga Khan Support Programme.
- Employment and the Choice of Technology in Egyptian Agriculture: the role of government policy* — Simon Commander.
- Some Research and Development Implications of Dairy Production in Africa* — Carol Kerven, freelance anthropologist.
- Farmer Participation in Irrigation Systems: positive identification of a social constraint* — Robert C. Hunt, Department of Anthropology, Brandeis University.
- Community Forestry in Nepal* — Janet Stewart.
- Social Forestry in Sudan: the importance of institutional factors* — Matthew Gamser.
- Experience of Kharped Irrigation Programme: intervention in small-scale irrigation requires more than just paying the bills* — John Gowing, University of Newcastle.
- Options for Improvement of the Boran System in Southern Ethiopia* — Martin Upton, University of Reading.

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*ODI Staff, June 1987.*

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