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Washington, D.C.

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The World Bank  
1818 H Street NW  
Washington DC 20433  
Telephone: 202-473-1000  
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A. FISHLOW  
(Chairman)

Review of Research on Employment

Introduction

This Review is based on a sample of over twenty papers<sup>1/</sup> that have been produced during the last few years and which is likely to be representative of the Bank's research efforts into employment. Perhaps the most striking feature is the generally high quality of the research output. Indeed a number of pieces have already appeared or are about to appear in learned publications while many of the authors are "acknowledged experts in the field." On the other hand, it was often difficult to see the relationship between the subject matter of the research and the operational needs of the Bank and in this Review we take into consideration both the scholastic qualities of the research as well as its operational significance for the Bank. Indeed, it is curious that the research standards are not apparently complemented by high quality country economic work.<sup>2/</sup> In an institution such as the Bank, perhaps the most important objective of research should be to improve the Bank's operational performance, and there was generally little indication, if any, in the various papers of how this objective was to be met.

The impression that is created is one of a series of one-off jobs that do not relate to any clear research strategy that the Bank might find relevant although a number of papers seemed especially pertinent. Three of the papers<sup>3/</sup> were prepared for a Research Workshop on Rural-Urban Labor Market Interactions although it is unclear how the results of this Workshop

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<sup>1/</sup> Enumerated in the annex.

<sup>2/</sup> As suggested in (4).

<sup>3/</sup> 10, 17 and 20.



are being processed for general consumption within the Bank apart from the intention to publish the papers and proceedings. However, the papers as a whole happened to relate to a number of clear subject categories although here too the papers within these categories did not seem to relate with each other. In several cases the subject matter<sup>1/</sup> overlapped fairly closely although successive or even contemporaneous authors did not seem to be working together. Therefore from a variety of perspectives the research output seemed unplanned and haphazard.

The main subject categories and the associated papers are listed on Table 1.

Table 1: Subjects Covered

(i) Education	12, 16, 15, 18
(ii) Rural Employment	1, 2, 7, 10, 17
(iii) Urban Employment	13, 11, 21, 9, 22
(iv) Shadow Wage	14, 20
(v) Rural-Urban Migration	3, 10, 11, 14, 15, 17

The basic framework continues to be based on the distinction between the urban sector and the rural sector with a theory of rural-urban migration to link the two. However, only education is singled out for special attention and while this is linked with the issue of juvenile employment there was virtually no coverage of the following important issues:<sup>2/</sup>

<sup>1/</sup> E.g., 19 and 17, 9 and 20, 19 and 5.

<sup>2/</sup> Discussed further in the main text of this report.



- the employment of juveniles
- the employment of women
- direct employment generation of projects
- secondary employment effects of projects
- effects of job training schemes

The subjects on Table 1 (especially ii, iii and v) are concerned with the overall functioning of the labor market. While this is important and has a bearing on the calculation of shadow wage rates, it does not relate so directly with the day-by-day involvement that the Bank has with employment matters in its project work. It is reasonable to ask that the Bank be expert at its own work which is to design urban and rural projects which among other considerations utilize labor in an efficient manner. This is very micro research rather than the macro or aggregative effort this is implied by Table 1. It should seek to know what the employment effects of its own project work are likely to be and while these considerations will require some aggregative market analysis it is unclear how the project work of the Bank is likely to benefit from a research strategy that is aggregative in nature.

The Bank should therefore be experimenting with project designs especially in the rural areas since it is there that the employment pressures (in terms of pure numbers) are likely to be greatest in the future. Rural-urban migration is a reflection of this pressure so that the roots of the urban employment situation are in the countryside. In these respects, contributions 1, 2 and 7 were particularly appropriate although only 2 was concerned with parameters that would be directly relevant to project design.

We shall review the various subjects that have been covered in more detail below. However, Table 1 indicates that relatively little direct attention was paid to the practical matter of shadow-pricing labor which is a requisite in each project that the Bank performs. It is most probably the case that the project economists are pressed even to apply fairly simple rules of thumb for shadow-pricing labor and that they lag well behind the latest theoretical developments. Therefore, as far as shadow-wages are concerned, the main priority should be the implementation of plausible yet simple formulae rather than to be refining existing concepts that have yet to be implemented. Instead, both 14 (p. 417) and 20 seek to complicate the formulae. If indeed the matter is so complicated, the challenge facing applied researchers is to identify the practical formulae that provide good-enough approximations under the circumstances.

To develop further this part of the discussion, Table 2 summarizes some of the characteristics of the papers that were reviewed.

Table 2: Character of Research

- i) Theory  
2, 3, 9, 11, 14, 15, 16, 19, 20
- ii) Data Analysis  
6, 7, 13, 16, 22
- iii) Econometric  
2, 12, 15
- iv) Review  
4, 5, 10, 17, 19
- v) Policy-related  
1, 8, 18
- vi) Project-related



Table 2 underscores the theme that the work has had relatively little direct bearing on the operational concerns of the Bank (items v and vi). Instead there has been a considerable focus on theoretical subjects although as 2 indicates theoretical and econometric analysis may shed light on project-related issues. The Bank should not focus its attention on the more theoretical issues<sup>1/</sup> since these may be covered in the universities and appropriate research institutes. The comparative advantage and need in the Bank is to relate existing developments to its own functional needs. Such applied research provides sufficient challenges in its own right.

The reviews were on the whole very well executed, bringing together what is known about the respective subjects in an authoritative, critical and enlightening manner. Some of these studies were more germane to the Bank than others and 5 is a fine example of how the subject of employment in developing countries may be reviewed from a very practical angle - that of labor market efficiency.<sup>2/</sup> This may be contrasted with 19 which was much more theoretical. The operational arm of the Bank could benefit greatly from critical reviews of the literature that have a practical orientation. This would benefit both the project and program staffs provided that the channels of dissemination were satisfactorily established. For example, on the project side, the Bank should seek to establish itself as a repository of knowledge on the employment aspects of a range of different projects by continuously reviewing its own project experience as well as the experience outside the Bank. In this context, it is not clear how far in the past the Bank has tried to learn by doing. On the program side, the reviews listed on Table 2 are useful. Additional subjects might include:

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<sup>1/</sup> Excepting, of course, in the free time of the staff.

<sup>2/</sup> It is ironical that 5 was written for external publication rather than internal dissemination.



- juvenile employment
- labor market modelling
- female employment
- manpower training

We now turn to a more detailed discussion of the subjects covered in Table 1.

#### Education

None of the papers that were reviewed sought to analyze the determinants of graduate (especially from secondary schools) unemployment which is reported to be widespread. Unless this issue has been covered elsewhere this would be an important omission in view of the Bank's involvement with education projects. The study of education and employment in urban Malaysia (12) was very useful especially in relation to the calculation of the private returns to additional years of schooling. The results on the duration of unemployment were less satisfactory and the methodology that was used in this context was not derived from any clear hypothesis about the costs and benefits of job search. For example, it might be expected that the duration of unemployment would be larger the greater the financial support that was available and the job interests of the subjects concerned would be important too. Instead the regression analysis amounts to a statistical search for significant associations rather than hypothesis testing per se. The regression results on the returns to education include many explanatory variables which may be correlated (e.g. race and education) and it is difficult to judge how robust the results really are. Most probably the presentation would have benefitted from a sensitivity analysis in terms of the specification. If, for example, racial type and

education are correlated the estimate of the private returns to schooling might be biased upwards.

Another problem is that the quality of education should be taken into consideration and not merely the quantity of years of schooling. This factor leads to a further complication that since the quality of education may vary over time (hopefully it improves) it may be inappropriate to ascribe the same importance, as is the case in 12, to the six years of schooling of a forty year old as to the same years of schooling of somebody fifteen years younger. This suggests that from a statistical point of view "age" and "education" as explanatory variables may be related thereby upsetting the interpretation of the results. These considerations would also apply to 15.

Both 12 and 15 do not consider the social returns to education in detail although the result that the private rates of return to prolonged education are high is of obvious interest. However, it might have been more appropriate to compute the expected returns to education in view of the sometimes protracted periods of unemployment that the educated sometimes have to endure. If it is the case that the educated are paid artificially high wage rates, e.g., in the civil service, the social return would be below the private return. In the Malaysian (12) and Zairian (15) cases it would be relevant to determine for policy purposes whether the private returns to education justified a complementary allocation of public resources.

In the same context, it would be important to determine (as discussed in 19 p. 26) whether the productivity effects of education were attributable to the human capital approach to education or whether education merely acted as an "egg sorter" in relation to employment openings. In the former case, investment in education could be judged along the usual lines of capital allocation,



while in the latter case this may not be so. The pursuit of education as an "egg sorter" is most probably an inefficient and ultimately self-defeating means for proving ability which developing countries in particular cannot afford to emulate. Once students have, on the whole, completed X years of education the "egg sorter" syndrome requires the completion of  $X + 1$  years, and so on regardless of the human capital value of the marginal year of education. This important issue was not broached in the papers that were reviewed.

However, in 16 an attempt was made to compute a desirable social policy on education on the restrictive assumption that those with the greatest ability would benefit most from education rather than those who are not able to afford it. While it is obvious enough that it would be socially inefficient for wealth to be the determinant of the allocation of education resources, it would be a poor social policy that allocated the resources purely on the basis of ability. The poor of low innate ability would be vulnerable and it may be socially desirable to "redistribute" effective ability by allocating resources to this group in particular. Apart from this 16 entails a number of methodological difficulties. For example, it is assumed that wealth and innate ability are independent although it is recognized that innate ability is most probably partly genetic. Able and subsequently wealthy parents are likely to produce children who have a greater share of innate ability in which event wealth and innate ability are likely to be related in a manner which is not reflected in the model.

Ability is represented by IQ. Few educationalists would recognize this as a satisfactory basis for learning ability while the true picture is complicated by the fact that children flower at different times. The dull



seven-year-old may blossom into a diligent adolescent. Furthermore, the paper attaches too much importance to income as a determinant of ability. While the social returns to education is an important area of operational concern, the approach in 16 does not seem to be a useful one while 12 serves as a more appropriate starting-point for such a discussion.

Likewise 18 serves as a useful basis for policy analysis on pre-school age investment which might also be an aspect of a "basic needs" strategy. The argument here is that IQ incrementation due to schooling is relatively weak and that on the whole the IQ of school-leavers is largely determined by their initial IQ, i.e., when they started school. This also reflects the assumption in 16 that those with the highest IQ will benefit most from education. An important policy objective should consequently be to encourage pre-school IQ development, e.g., by providing adequate nutrition, health care, etc.

The problem here is that the evidence is ambiguous and other studies indicate that the long-term effects of child undernourishment on a range of performance indices (not only IQ) is insignificant. What is clear, however, is that the undernourished child will be a listless pupil who will fail to take full advantage of his schooling years.

#### The Urban Sector

Another extremely interesting contribution is 13 which exploits the comparative research advantage that the Bank has in reviewing the evidence for a range of countries. Whatever the conceptual difficulties with the notion of "informality" it seems clear enough that the urban areas in developing countries are in a crucial transitional stage in economic development and studies such as 13 are welcome indeed. In this context, 22 and 23 are especially appropriate and should be of considerable interest, although it was unclear how these studies will shed light on the matter of "trickle-down." Also it would be a



pity if they degenerated into statistical reportage (such as 6) and some theoretical superstructure about the functioning of the urban labor markets would be desirable, although these studies might well stimulate new lines of thought.

However the theoretical structure suggested in 11 needs considerable reworking and this has affected some of the arguments in 13 (p. 672) and 14 (p. 419). The main problem here is that the model that is proposed is a curious mixture of neoclassical and Keynesian assumptions and no clear reason is given for this. The urban-rural relationships are couched in terms of the familiar 2-sector neoclassical model of wage, price and quantity adjustments while the intra-urban model specifies informal sector output as a separate variable but without specifying a price to go with it. Consequently, the relationship between the two urban sectors is purely of an income-expenditure nature since no price adjustments are allowed. The framework that is suggested in 15 (pp. 2-11) is more consonant with the urban-rural structure of the model in 11.

A further conceptual problem in 11 is the use of a single time-period model for investigating what is essentially a multiple period issue since the migrant enters the informal sector in the hope of eventually funding a higher wage in the formal sector. This leads to considerable confusion in the interpretation of time in the model and the usual claim that time may be compressed does not seem to be appropriate in 11. Similarly the specification of the expected urban wage in 11 (p. 8) does not accord with the stated assumption that the migrant hopes to earn the formal wage and only settles for the informal wage as a second choice. It is therefore necessary to multiply the informal wage by the product of the probability of not obtaining formal employment and the probability of finding informal employment



once he has failed to obtain the former. The probability calculus that follows from the assumptions actually made may therefore be improved.

The notion behind the "informal" sector in 13 is that the formal sector has barriers to entry and is therefore protected while the informal sector is not. However, these "barriers to entry" amount to little more than a process of selection so that employees cannot just walk in through the door and begin work in the "formal" sector while it is assumed that they may in the "informal" sector. Most probably a closer examination (such as 22?) will reveal that even informal employment is not so accessible since street traders, etc. will have established their "territories" etc. and that the barriers to entry are merely different. Even if there were no such barriers in the informal sector, it does not seem reasonable to lay such great weight on employee selection. This suggests that the distinction between the two sectors is blurred and that there is a range of additional characteristics to consider, e.g., rigid work hours, wage contracts, etc. The main point is that urban employment is sufficiently heterogeneous so that the employment opportunities are in fact wider than might have been thought. It is a focus on this heterogeneity that is more important than a search for a 2-sector intra-urban model of employment that might revolve around the elusive concept of the "informal" sector.

13 also points out that the "informal" sector does not predominantly consist of migrants yet 14 (p. 418) suggests that "informal" sector incomes might be depressed by migrants. The reasons for this disparity are unclear since the two arguments appear to contradict each other.



### The Rural Sector

While the distinction between the two urban sectors is of debatable value the rural-urban distinction continues to be important. A significant development in this context is the growing recognition that in the rural areas it is important to consider the role of more-agricultural activities in the rural areas and 1 and 7 are particularly valuable contributions. Whereas in the previous century, urban population growth was little more than one percent per annum and the urban centers could absorb the increase in the rural population, present population growth rates are so high that this model is unlikely to be workable. In addition, unlike the 19th century, there is currently no population escape valve such as the Americas to which people might emigrate en masse. Therefore the rural areas themselves will be the main source of employment growth and with the limits to agricultural growth rural non-farm employment should be a major focus of attention.

The Bank might well repeat studies such as 7 for other countries in order to ascertain what can be learned from past experience in non-farm rural development. Perhaps more important than the issues raised in 8 about small scale development is the question of non-farm rural employment irrespective of scale. 7 is indeed an excellent example of how existing data might be deployed. However, the paper offers little insight into the all-important question of why it was in Taiwan that work gravitated towards the workers in the countryside rather than the workers gravitating towards the work in the urban areas. The main intellectual challenge is the search for an appropriate model of rural-urban factor location. In the past, a disproportionate amount of attention has been paid to the question of rural-urban labor mobility to the neglect of rural-urban capital mobility. An integrated



model of all factors is required. Future work might also extend to project studies of non-farm rural employment in order to further knowledge about project design in this potentially strategic sector.

While it does not specifically appertain to the rural areas, we may consider 8 here since it is in the rural areas that the bulk of the population lives and where small scale enterprise employment might be most significant. The paper fails to draw on the previous history of small scale enterprise initiative which was not particularly successful, nor does it pitch itself at the project level which would have been more appropriate. The central case that small scale enterprises use capital more efficiently and are labor intensive is poorly presented. For example, the log-linear regressions in Annex 2 might imply different conclusions to a linear specification which the scatter indicates as being more appropriate. Also since production functions might differ between industries, the data analysis in Annex 1 does not adequately reflect this source of heterogeneity in factor use. The paper does not seem therefore to be a reliable basis for the main recommendations about small scale enterprises; however, it is noted that a research project has been prepared in this area.

The Bank has been making a determined effort to improve the productivity of the small-holder. It therefore is appropriate that it should be aware of the direct and secondary impacts of its operations in this area. Indeed, the Bank should seek to become expert on the employment effects of its own "new-style" projects. The economics of the rural household is therefore a particularly relevant objective for study and 2 constitutes a spring-board for further investigation in this area. As they stand, the results are provisional. For example, it is not clear whether the recursiveness of the model is to ease



the burden of econometric estimation or whether it is specified out of a belief that the household's production is independent of its consumption. The self-employed often produce in order to consume and a more general statement would recognize the simultaneity of both production and consumption. At the very least, this is a hypothesis that may be put to the test.

Further investigations might also experiment with production functions that are not restricted to constant returns to scale and it would have been useful to test the restrictions in the model by checking whether the calculation of leisure as a residual has satisfactory statistical properties. In subsistence, agriculture the pursuit of leisure may be more important than in western economic systems and a more direct analysis of leisure time may be appropriate.

More attention should have been drawn to the fact that the capital coefficient in the production function was not significant since many of the later derivations were dependent on this parameter, while for policy purposes it is questionable whether the unavoidable (due to data availability) short term format of the model is an appropriate idiom for policy purposes. The main concern is for the longer term behavior of the agricultural household and it seems likely that the response to price changes in particular would be distributed over a period of time which is longer than the actual observation interval.

In many respects, the Bank's projects give it the unique opportunity for virtually controlled experimentation. By gathering the appropriate information as it is generated by the project, it may be possible to observe household (and other) behavior directly over time. With the exception of the research project on capital-labor substitution in construction it is not clear how far the Bank is availing itself of the unique opportunities for data



generation from its own very extensive project work.

Both 10 and 17 provide perceptive reviews of the effects of out-migration on rural productivity and income distribution and it seems a pity that the overlap between them is considerable. 17 pays more attention to the complementary out-migration of capital than 10 and both papers point to the fairly rich taxonomy regarding the relationship between out-migration and the welfare of the remaining rural community.

If indeed the remaining population becomes worse off, i.e. in contrast to the conclusions in 5 that migration is most probably stabilizing - what is the appropriate policy response? Important as these issues are, they are more matters of national policy rather than of immediate concern to the Bank and might be more appropriately research elsewhere.

#### Rural-Urban Migration

Table 1 indicates how pervasive rural-urban migration hypotheses are in the papers that have been reviewed. Indeed most probably a disproportionate amount of attention has been paid to the Harris-Todaromodel (or elaborations on it) where it is assumed that one of the wage rates is rigid. Moreover, it is not clear how relevant this model may be as shall be discussed in the next section. While quite obviously economic "push" and "pull" factors are likely to generate migration the simple migration relationships in 3, 5, 14, 15 and 20 are unlikely to do justice to what is an immensely complicated process. Moreover, the search models that are usually incorporated within a migration hypothesis are most probably not a suitable focus for research efforts as far as the Bank is concerned although this general area is of obvious concern to the governments concerned.



Having said this it is curious that despite the attention drawn to the riskiness of urban employment (following Harris and Todaro) and various specifications of probability functions, so little attention has been paid to the issue of decision-making under uncertainty. Instead it is simply assumed that expected wage rates will be equated through migration. The question of risk is raised in 20 and 3 but the remainder of 20 does not explore the methodological consequences of this observation. This has fairly obvious implications for the calculation of shadow wage rates since wage differentials might not necessarily indicate labor market inefficiency but rational risk differentials or even less tangible aspects of expected utility. The absence of an analysis of risk was also significant in 2 where the efficiency criterion was the equation of marginal products with factor prices. Expected marginal products may have to be greater than corresponding factor prices if the variance on the former is greater than the variance on the latter in order to compensate for risk bearing (especially in agriculture) when people are risk averse. In general, the relationship between risk and decision taking (for migration, investment, employment, etc.) on the basis of the studies that were reviewed is an area where improvements might be made.

The migration work tended to neglect the inherent riskiness of rural welfare where the vagaries of weather, agricultural prices, crop diseases, etc. are at least as significant as the vagaries of urban employment. If indeed research is to continue in this area it would most probably be beneficial to break with the restrictive ground rules that were originally set up by Harris and Todaro and which continue to appear in 3, 11, 14, 15, 19, 20.



### Wage Determination and Shadow Wage Rates

It is pointed out in 4 that in country economic reporting analysis of wage rates and their determination and projection are areas where improvement is desirable and possible. Some of the notions about wages and their determination that are reviewed in 9 and 19 may form a sound basis for such improvement. However, both of these studies focus on urban wage determination<sup>1/</sup> and attention should be focussed on rural wage determination too in view of the importance of the rural sector in the development process.

Perhaps a greater distinction should be made between the efficiency wage hypothesis and the labor turnover model. In the former case, it would only be the very poor whose productivity might be raised through higher wages unless of course more importance is attached to the purely psychic contributions that higher wages might make to productivity (considerations that are more applicable perhaps to the alienated labor forces in the industrially advanced countries). In any event, assuming that there is a significant body of healthy and strong unskilled labor it would not be necessary for employers to pay over the odds to raise the productivity of the less fortunate unskilled work force.

Of greater interest is the labor turnover model where employers regard the wages they pay as a form of investment in the labor force and where an excessive turnover of labor would be costly. This model is particularly applicable to activities where the technology is more sophisticated. All too often it is argued that modern sector wage rates are "too high" when closer scrutiny usually reveals a series of sound reasons for the payment of higher wage rates. In this regard, the turnover model is a useful analytical device and it is likely that it will shed light on the conceptual problems associated with the "informal"

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<sup>1/</sup> If we exclude the disproportionate amount of concern with the share cropping model.



sector. What is needed more generally is an appropriate economics for the wage-employment contract which reflects the heterogeneity of both the work force and the technological needs of different employment situations. But the turnover model does not necessarily imply an unemployment equilibrium as is stated or implied in a number of the studies. Indeed, this model is part of the microeconomic theory of the Phillips Curve as developed, e.g., by Phelps and has been integrated into a macro-economic theory that leads to the so-called "natural" rate of unemployment.

In many studies (3, 5, 9, 11, 13, 14, 15, 19, 20) there was a concern for the effects of wage rigidities on the functioning of labor market. Most probably this amounts to a disproportionate degree of concern and it would be useful to ascertain how widespread fixed or minimum wage rates in fact are. This once more reflects the excessive concern with the ground rules that were originally set up by Harris and Todaro. Even if a minimum wage exists, it may not be enforced as a number of surveys imply or it may follow rather than lead wage developments elsewhere in the economy. Furthermore, the sectors affected might only constitute a small part of total employment.

Both in this context as well as that of the effects of trade unions on wage rates, it is important to distinguish between real and nominal wage rates. If they do enjoy a degree of monopoly power (and it is not clear how relevant this model is to the developing countries) trade unions may only determine nominal wage rates in the first instance since the price level is beyond their control. Therefore greater care should be taken in distinguishing between rigidities in real and nominal wage rates. Likewise with regulated wage rates.

The previous discussion has an obvious relationship with the issue of shadow pricing labor and the complex taxonomy that is identified in 20 may well be a messy truth to face. The provisional conclusion that unless there is



reason to believe the contrary (20, p. 42) the shadow wage is the market wage in the urban sector begs the question of which market wage. Given the constraints that face the Bank's project staff, the focus might more usefully be on the search for practical rules of thumb rather than a preoccupation with further refinement and the focus in 14 might have been on the application of Harberger's view that the wage rate in the informal sector should be accepted as the shadow wage rate rather than in identifying peripheral reasons for rejected this view. All that is being sought are good enough formulae that will be better than nothing at all and a secondary consideration might be to check how crude these formulae are in practice.

Sample of Papers

1. Anderson, D and M.W. Leiserson, 'Development Issues in Rural Non-Farm Employment,' Report No. 1577, April 15, 1977.
2. Barnum, H.N. and L. Squire, 'An Econometric Model of Our Agricultural Household,' undated.
3. Beenstock, M., 'Risk, Unemployment and Rural Urban Migration,' May 31, 1977.
4. Beenstock, M. and M.W. Leiserson, 'Functional Review of the Treatment of Employment in the Bank's Country Economic Work,' July 1977.
5. Berry, A. and R.H. Sabot, 'Labor Market Performance in Developing Countries,' November 1977.
6. Bose, S., 'Some Aspects of Unskilled Labor Markets for Civil Construction in India: Observations Based on Field Investigation,' WBSWP No. 223, November 1975.
7. Ho, S.P.S., 'The Rural Non-Farm Sector in Taiwan,' September 1976.
8. Industrial Development and Finance Department, 'Employment Creation and Small Scale Enterprise Development,' March 22, 1977.
9. Lal, D. 'Theories of Urban Wage Structures in Developing Countries,' September 30, 1976.
10. Lipton, M., 'Migration from Rural Areas of Poor Countries: The Impact on Rural Productivity and Income Distribution,' August 1, 1977.
11. Mazumdar, D., 'The Theory of Urban Underemployment in Less Developed Countries,' WBSWP No. 198, February 1975.
12. Mazumdar, D., 'Education and Employment in Urban Malaysia,' August 1975.
13. Mazumdar, D., 'The Urban Informal Sector,' World Development, August 1976.
14. Mazumdar, D., 'The Rural-Urban Wage Gap, Migration and the Shadow Wage,' Oxford Economic Papers, November 1976.
15. McCabe, J.L., 'Education, Administered Wage Rates and Size Distribution of Income in Urban Zaire,' November 1976.
16. Pinera S., and M. Selowsky, 'The Economic Cost of the 'Internal' Brain Drain: Its Magnitude in Developing Countries,' WBSWP No. 243, September 1976.
17. Schuh, G.E., 'Out-Migration, Rural Productivity and the Distribution of Income,' August 1, 1977.



18. Selowsky, M., "A Note on Preschool Age Investment in Human Capital in Developing Countries - Economic Development and Cultural Change," July 1976.
19. Stern, N., "On Labor Markets in Less Developed Countries," March 1977.
20. Stiglitz, J., "The Structure of Labor Markets and Shadow Prices in LDC's," August 1, 1977.
21. Webb, R., "On the Statistical Mapping of Urban Poverty and Employment," WBSWP No. 227, January 1976.
22. Webb, R., "Proposal for Research on Urban Labor Markets in Latin America," December 1976.
23. Webb, R., "Framework for Research on Urban Labor Markets," December 1976.

Research and Work Pressures at the Bank

Despite the rhetoric the primary focus of Bank energies is the loan program. Each department is set a lending target so that the principal preoccupation is to process the projects, and career prospects may be jeopardized if actual lending falls behind the loan program. While this atmosphere is not conducive to sound project work and often prejudices policy work it may also influence the nature of research in the Bank and its articulation. The loan program has become the reincarnation of the 'body-count.'

Any considerations that might upset the loan program are either ignored or are appropriately window-dressed. Operational research and especially project-related research, i.e., research that brings into question existing project preparation methods therefore stands little chance of a fair hearing. The research consumers in the Bank claim that DPS research is too high-brow and not sufficiently project related. But this may mistake cause and effect since DPS researchers may be choosing the outside academic community as their audience rather than the Bank which they fear will not be a receptive audience.

A similar syndrome may apply to policy related research. Policy pronouncements tend to precede investigation. Investigative efforts may tend to degenerate into unpremeditated advocacy rather than scientific research since career prospects may be at issue. This syndrome may operate in subtle ways e.g., in the choice of topic, incautious enthusiasm to go into print where policy issues are concerned. This is especially applicable to poverty related research and distributional issues.

These remarks are clearly highly speculative. Nevertheless, the deliberations of the Panel should reflect the prevailing work atmosphere at the Bank.



Draft Terms of Reference for Overall Research Advisory Panel  
(ORAP)

It has been decided that a review of the entire research programme of the Bank should be conducted by a small outside panel of experts, in order to assist the management of the Bank in determining the size and nature of the programme for the next five or six years.

The primary task will be to assess whether the size of the overall research programme, and its character and balance, is appropriate. This must be decided in the light of the Bank's operations in and advisory services to its member countries, and also to the role it should play in increasing world-wide understanding of the development process.

The character and balance of the programme has to be related to its objectives. These have been defined as follows:

- to support all aspects of Bank operations, including the assessment of development progress in member countries,
- to broaden our understanding of the development process,
- to improve the Bank's capacity to give policy advice to its members,
- to assist in developing indigenous research capacity in member countries.

To some extent the stress laid on these different objectives will also influence the size and cost of the programme. In the light of this influence, and the usefulness of the objectives as guidelines, it is for consideration whether the latter need elaboration, redefinition, or ranking in importance.

In approaching this task ORAP will be able to draw on the reports of a number of special panels, some at least of which will have made recommendations which would influence the size of the programme, for instance, the degree to which the Bank should promote or assist in original data collection, and assist in developing indigenous research capacity. These panels will also have addressed, in their special spheres, such questions as the operational and policy relevance of past and ongoing research, whether it is too concerned with advancing methodology, etc.

Two panels have reported

The External Advisory Panel on Population

The Research Advisory Panel on Income Distribution  
and Employment

Five new ones planned will cover the following areas  
of research.

Industrialization and Trade

Education

Public Utilities

Transport

Agriculture and Rural Development



The quality and relevance of the research achieved will thus have already been rather comprehensively reviewed. It is expected that ORAP will want to express its own views on this but, to the extent that it does, its task will have been greatly facilitated and lightened.

The Special Panels will not, however, have been able to address the question of the priorities between sectors and areas of research--nor the implications of pursuing original data collection across the board. ORAP should also consider further the extent to which, and in which areas, research can be farmed out. The Bank's present policy is that there should be a strong Bank 'presence' and interaction where outside institutions or consultants are employed. Where cooperating institutes are in developing countries, there may be an element of institution-building, but to date this has been a by-product. Further consideration needs to be given to the priority to be attached to the building up of economic research capacity per se, and whether particular kinds of economic research capacity should be encouraged.

The relevance of Bank research to its operations and policy formulation is a constant cause of concern. ARAP should consider this issue in the light of the discussion of the process of dissemination and assimilation that will have been addressed by the Special Panels. Dissemination addresses the issue from

the producer end of the spectrum. This, therefore, relates to the various modes of communication employed by the research community within the Bank. Assimilation, however, addresses the issue from the recipient (user) end of the process; this relates to the ability of the operational departments to absorb the research output and program this activity into its set of on-going activities.

Finally, ORAP may wish to consider whether the internal organization of the Bank, and the research decision-making processes, are conducive to the generation of relevant and efficiently conducted research. This is not however an essential part of the terms of reference, because the panel may not feel itself able in the time available to become sufficiently familiar with the organization to make a judgment.



**Yale University** *New Haven, Connecticut 06520*

DEPARTMENT OF ECONOMICS

*37 Hillhouse Avenue*

*Box 1972 Yale Station*

March 8, 1978

Mr. Michael Beenstock  
The World Bank  
1818 H Street, N.W.  
Washington, D. C. 20433

Dear Michael:

I enclose the expenses for the recent trip as well as other sundries, including typing, postage, Xeroxing, telephone, etc. I also enclose the request for reimbursement for my consulting fees for the drafting and revision of the report. I hope this concludes the effort.

I do look forward to seeing you when you come in April and will miss the occasional scraps of substantive interchange between the sometimes boring preparation of the report.

With best regards,

Sincerely yours,



Albert Fishlow

AF:g

Enclosures

Yale University New Haven, Connecticut 06520

DEPARTMENT OF ECONOMICS

37 Hillhouse Avenue

Box 1972 Yale Station

5 March

Michael,

I've wanted so you can have it all. I'm still not happy with Appendix C, but let it go as is. Perhaps I'll take some more time with it for the final version.

I'll probably be out in California when it's ready so send one to me there, ~~and we can~~ we can wait to send members of the Study Panel the final, final version.

Please coordinate with Ben to distribute this one. It's probably a good idea to call when you receive it, so I can get it out of mind. When you do, we can exchange a few words about Yale.

Thanks.





INCOMING CABLE

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Feb. 13, 1978

LT

MR. MICHAEL BEENSTOCK

DIST. - MR. BEENSTOCK

POLICY PLANNING

WORLDBANK

WASHINGTONDC

RAPIDE REPORT EXCELLENT.

IT AND APPENDIX A NEED EDITING.

TRUST AL AND YOU.

WILL BE HOME FEB. 20.

SIMON

COL FEB. 20

February 7, 1978

Professor Albert Fishlow  
Yale University  
Department of Economics  
27 Hillhouse Avenue  
Box 1972 Yale Station  
New Haven, Conn. 06520

Dear Al,

I have now had a chance to go through the first draft in detail. We can discuss drafting when we meet and we should be able to prune it here and there. In the meanwhile I wanted to raise some possible omissions of coverage which might be of interest to various elements in the Bank.

But first let me congratulate you. I thought the tone in the main-text was about right - firm but constructive. In some of the annexes I think you lose some of this balance and that the challenge is to be authoritative without being categorical. Incidentally, Ben thought that the main-text was if anything anodyne so if you feel that you pulled some of the punches for tactical purposes it may be worth changing this in the next round. In the meanwhile, I enclose some of Ben's reactions.

The possible omissions are:

i) Poverty Focus

McNamara's big initiative has been to relate Bank lending directly to poverty alleviation and the report might discuss more fully the contribution of research to direct and indirect poverty alleviation, poverty measurement, etc. etc. In particular the morals for further work should be drawn in this regard. This focus would raise the following issues:

- a) Has concern with the skewness of income distribution been misplaced since absolute poverty and skewness need not be related?
- b) If the focus is on poverty, doesn't the incentive structure that underlies the distribution of income become a means rather than an end? In the past we have tended to confuse these issues.
- c) Is the emerging focus on basic needs appropriate and is the work schedule adequate?



d) What has been the contribution of research to poverty measurement and how might this be improved in the future?

ii) Employment & Development

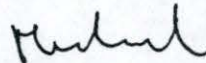
Some people are expecting the report to make a summary statement about the relationship between poverty, employment, income distribution and development. They want to know why these subjects are important and have been singled out for special scrutiny.

iii) Employment and Income Distribution

This in turn raises the question of whether it makes sense to draw such a strong distinction between the two subjects. This would be followed by a discussion on whether they should be managed in separate units, etc. Even if the status quo is appropriate it is worth saying why we think so.

I am exploring the possibility of transferring the draft onto a Videk system. This would greatly ease the redrafting that we shall have to do and save secretarial time.

Regards,



Michael Beenstock

RAPID

**Yale University** *New Haven, Connecticut 06520*

DEPARTMENT OF ECONOMICS  
*37 Hillhouse Avenue*  
*Box 1972 Yale Station*

January 30, 1978

Mr. Michael Beenstock  
Policy Planning and Review  
D-441  
World Bank  
Washington, D.C. 20433

Dear Michael:

Here it is. Sorry for the additional delay but it just couldn't be helped. I'll be back on Wednesday and will call to plot strategy on the final version. Meanwhile there is an extra one here for Ben King.

Best,  
  
Albert Fishlow

AF/clj



October 26, 1977

Mr. Albert Fishlow  
Department of Economics  
University of California, Berkeley  
Berkeley, California 94720

Dear Al,

Thanks for your letter of October 18. I enclose some additional DRC papers that have just arrived and which relate to SAM. Graham Pyatt tells me that in about four weeks time he should have a draft of a monograph on SAM. In the meanwhile you have what is available--or so I have been advised by Graham.

I sent Simon two additional papers on the data side of income distribution. I thought I would leave it up to him to make requests. He has since asked for the Evaluation Report on Shail Jain's piece. I sent Justinian various pieces on Urban Poverty and related material.

I have been burrowing through the files of the Research Committee. I am afraid that they are not very informative on the issue of whether or not the Committee had a bias against research of operational value. The trouble is that there is hardly any substantive discussion on the files. The best we can do is to interview various staff members when you come in mid-November and that you should leave plenty of time for this. If you agree, let me know as soon as possible so that I can set this up.

With best regards.

Yours sincerely,

Michael Beenstock

enclosures

BANXICO EXT MEX

T NUM 14 MEXICO DF DIC 13 1977 AATHS 12:12

MR. ALBERT FISHLOW

1977 DEC 13 PM 2:00

C/O

MR. MICHAEL BEENSTOCK

POLICY PLANNING DIVISION

ROOM D441

INTBAFRAD

WASHINGTON DC

USA

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Mr. Beenstock for addressee

BANK RESEARCH

EMPLOYMENT

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WE WILL LOOK AT THE SUBJECT FROM THREE DIFFERENT POINTS OF VIEW. FIRST OF ALL, WHICH ARE THE RELEVANT TOPICS THAT ONE WOULD LIKE TO BE INFORMED ABOUT WHILE APPROACHING THE SUBJECT. IN SECOND PLACE, WE WOULD LIKE TO PICK OUT THOSE A TOPICS WHICH ARE IMPORTANT TO THE BANK DURING THE DESIGN OF LENDING PROJECTS AND FINALLY, WE WILL POINT OUT IN WHAT DIRECTION SHOULD THE BANK'S RESEARCH BE ORIENTED TO IMPROVE KNOWLEDGE OF THE AREA AND SUPPORT OF ITS LENDING OPERATIONS.

WHILE STUDYING THE EMPLOYMENT LEVEL IN THE DEVELOPING COUNTRIES ONE WOULD LIKE TO KNOW IF THE LABOR MARKETS ARE FRAGMENTED OR NOT, IF THEY ARE INTEGRATED TO WHAT DEGREE?, IF ARE EFFICIENT TO WHAT DEGREE?, AND TO WHAT EXTENT THE SOURCES OF FRICTION ARE IMPORTANT (INFORMATION, RISK COST, CULTURAL AND INSTITUTIONAL BARRIERS, SKILL DEFICIENCIES, ETC.)

IT IS DESIRABLE TO KNOW TO WHAT DEGREE NEOCLASSICAL PRESCRIPTIONS APPLY: IF MINIMUM WAGE REGULATIONS (AND THE FRINGE BENEFITS THAT THEY INVOLVE) CONSTITUTE OBSTACLES TO EMPLOYMENT CREATION.

DOES IT FAVOR THE SUBSTITUTION OF CAPITAL FOR LABOR? TO ANSWER THESE QUESTIONS WE WOULD LIKE TO KNOW HOW MINIMUM WAGE REGULATIONS HAMPER LABOR ABSORPTION AND HOW, IT IS AFFECTED BY ITS COVERAGE AND REGIONAL DIFFERENCES. ALSO WE SHOULD INVESTIGATE THE LABOR UNIONS ROLE IN THE WAGES BARGAIN, THEIR LEGAL AND INSTITUTIONAL SITUATION, THEIR COMPOSITION, STRUCTURE AND LINKS WITH THE STATE AND TO WHAT EXTENT THEY ALSO CAUSE UNEMPLOYMENT. ALSO, IT IS IMPORTANT TO SEARCH OUT ABOUT THE DEGREE OF COHESION AMONG INDEPENDENT UNIONS AND THEIR CONDUCT PATTERN.



WHILE FOCUSING ON THE UNEMPLOYMENT SIDE OF THE PROBLEM WE MUST UNDERSTAND ITS COMPOSITION (TO WHAT EXTENT IT IS FRICTIONAL AND TO WHAT EXTENT IT IS STRUCTURAL?), THE DIFFERENCE BETWEEN TRUE UNDEREMPLOYMENT AND SEASONAL UNEMPLOYMENT, IS THE DIVERGENCE BETWEEN THE SOCIAL AND THE PRIVATE COST OF BEING UNEMPLOYED AND WHICH IS THE UNEMPLOYMENT'S COMPOSITION OF THE 'INFORMAL' SECTOR. BECAUSE IN THE DEVELOPING COUNTRIES THE GOVERNMENT ITSELF IS OFTEN A MAJOR EMPLOYER, WE SHOULD INVESTIGATE THE DIFFERENCES BETWEEN PUBLIC AND PRIVATE EMPLOYMENT POLICIES AND PRACTICES. IN THESE COUNTRIES THE RURAL SECTOR PLAYS AN IMPORTANT ROLE AS A LABOR SUPPLIER TO THE REST OF THE ECONOMIC SYSTEM, THEN, WE SHOULD ANALYZE THE STRUCTURE OF THE LAND-TENURE, ITS RELATIONSHIP WITH EMPLOYMENT AND THE POSSIBILITY AND EFFECTS OF AN AGRARIAN REFORM AND ITS IMPACT ON LABOR ABSORPTION.

THE WORLD BANK PERFORMS TWO FUNCTIONS WITH DIFFERENT REQUIREMENTS, THE FIRST ONE IS TO ADVISE ECONOMIC DEVELOPMENT POLICIES IN ITS BORROWING MEMBERS AND, SECOND, TO HAVE THE RELEVANT INFORMATION FOR SPECIFIC PROJECTS DESIGNS. IN THIS MATTER THE FOLLOWING POINTS SHOULD BE PART OF A RESEARCH AGENDA:

1. UNEMPLOYMENT COMPOSITION OF THE 'INFORMAL' SECTOR
2. UNEMPLOYMENT STRUCTURE
3. LABOR MARKETS EFFICIENCY
4. LABOR UNION PERFORMANCE AND COVERAGE
5. MINIMUM WAGE REGULATION

WE HAVE IDENTIFIED STUDIES BY THE WORLD BANK'S STAFF ONLY ON ISSUES 1 AND 3. THERE IS A WIDE GAP TO BE FILLED IN THIS MATTER, ESPECIALLY SINCE AMONG THE ASPECTS THAT HAVE RECEIVED LESS ATTENTION FROM THE BANK STAND OUT THE INSTITUTIONAL VARIABLES LIKE LABOR UNIONS, MINIMUM WAGES AND LAND OWNERSHIP.

PUBLIC WORKS

-----

PUBLIC WORKS PROGRAMS HAVE APPEARED ATTRACTIVE TO AN INCREASING NUMBER OF GOVERNMENTS WHILE ATTACKING THE UNEMPLOYMENT AND POVERTY PROBLEMS. ON THIS TOPIC IT WOULD BE USEFUL TO KNOW IF THE SUBSTITUTION OF LABOR FOR CAPITAL IS TECHNICALLY FEASIBLE, IF IT IS SO, WE WOULD LIKE TO FIND OUT UNDER WHAT CONDITIONS IT IS EFFICIENT FROM AN ECONOMIC POINT OF VIEW.

WHILE SUBSTITUTING LABOR FOR CAPITAL, WE SHOULD KNOW THE DIFFERENCE BETWEEN PROYECTS BUILDED WITH LABOR INTENSIVE TECHNIQUES AND THOSE BUILDED WITH CAPITAL INTENSIVE METHODS. DOES THE DURABILITY OF THE WORK DEPEND ON THE TECHNIQUE USED? WHAT ARE THE COST ADVANTAGES IF ANY OF LABOR INTENSIVE METHODS?. IN THIS MATTER IT LOOKS LIKE THE BANK'S RESEARCH HAS A LONG WAY TO GO AND THE DEGREE OF AGREGATION IS TOO HIGH FOR USEFUL PROYECT ADVICE AND POLICY DECISIONS: I.E., PROYECTS SUCH AS, ROAD SHOULD BE BROKEN DOWN TO SPECIFIC ACTIVITIES BEFORE BEING ABLE TO DEDUCE WHICH OF THESE CAN BE EFFICIENTLY UNDERTAKEN BY LABOR-INTENSIVE METHODS.

ONE OF THE MAIN OBJECTIVES OF THESE PROGRAMS IS TO CREATE NEW SOURCES OF EMPLOYMENT AND INCOME FOR LOW INCOME GROUPS, SO WE SHOULD LOOK OUT FOR THE ROLE THAT PUBLIC WORKS PLAY IN THE INCOME DISTRIBUTION PROCESS. IS IT POSSIBLE TO ARMONIZE THE EFFICIENCY AND THE EQUITY GOALS? IT IS INTERESTING TO NOTE THAT THE BANK'S RESEARCH POINT THAT EMPLOYMENT SOURCES ARE OFTEN ONLY TEMPORAL AND FIND THAT PUBLIC WORKS WILL GENERALLY SERVE -DURING THE OPERATION PHASE TO REINFORCE RATHER THAN CHANGE THE EXISTING DISTRIBUTION OF ASSETS AND INCOME.

WHILE DESIGNING THE PROJECT IT IS ESSENTIAL TO IDENTIFY THE INSTITUTIONAL VARIABLES THAT WOULD HAVE INFLUENCE OVER THE RESULTS.

PUBLIC WORKS PROJECTS REQUIRE CAREFULLY CONCEIVED AND MANAGED ADMINISTRATIVE SYSTEMS, THEN, IT IS NECESSARY TO PAY ATTENTION TO THIS ISSUE WHICH HINGES OVER ITS COATS. WE ALSO MUST INVESTIGATE WHICH ARE THE BEST HIRING METHODS.

THE BANK'S RESEARCH MUST BE FOCUSED TO COVER THESE ISSUES, PAYING SPECIAL ATTENTION TO THE SPECIFIC CHARACTERISTICS OF EACH PROGRAM, LOOKING TO ATTAIN THE DEGREE OF DETAIL NECESSARY TO ANSWER THE QUESTIONS: IF BUILDING A ROAD DISTINGUISH BETWEEN MOVING DIST, (SOLID OR SOLFT), BUILDING THE EARTH WORKS, CONSTRUCTING THE DRAINAGE, ETC.



OF SPECIAL CONCERN TO THE BANK -AND ALSO TO SCHOLARS STUDYING THE ECONOMIC PROBLEMS OF LATIN AMERICA- IS TO PUT INTO FOCUS THE INEQUALITIES THAT EXIST IN INCOME DISTRIBUTION, THROUGHOUT THE AREA. IN ORDER TO DO THIS, IT IS NECESSARY TO HAVE A MORE DETAILED EXPLANATION OF THE MAIN CAUSES OF THESE INEQUALITIES, SUCH AS ASSET OWNERSHIP, EDUCATION, SOCIO-ECONOMIC STATUS, ETC. MOREOVER, THE WAY IN WHICH THIS IS MEASURED MUST NECESSARILY BE REVISED, IN AN ATTEMPT TO FIND A MORE APPROPWNE AND ACCURATE METHOD TO OBTAIN THE BANK' GOALS. ASIDE FROM THESE TWO POINTS, THERE IS A NEED TO IMPROVE UPON THE PERIODICITY AND SYSTEMATIZATION OF CENSUESES, AND SAMPLE SURVEYS, AS WELL AS DESIGNING FORMS OF EXPRESSING THE DATE THAT ARE APPLICABLE TO THE WHOLE REGION. EFFORTS SHOULD BE MADE TO INTEGRATE INCOME DISTRIBUTION INTO NATIONAL ACCOUNTS IN TIME SERIES FRAMEWORK.

THE BANK'S RESEARCH IS PAYING ATTENTION TO CERTAIN ITEMS IN WHICH THERE ARE COMMON SHORTCOMINGS IN PREVIOUS RESEARCH WORK DONE IN THE REGION: I) UNDERESTIMATION OF INCOME II) TAKE INTO ACCOUNT THE SOCIO-ECONOMIC STRATUS AND DEMOGRAPHIC AND OCCUPATIONAL STRUCTURES III) COVER THE ENTIRE COUNTRY IN BOTH, RURAL AND URBAN AREAS AND, IV) WEIGH SUCH SIGNIFICANT VARIABLES AS EDUCATION AND AGE.

MUCH MORE CAN BE DONE ONCE THE NATURAL AND QUALITY OF INFORMATION ON INCOME DISTRIBUTION IN THE AREA FIRST, THE POSSIBILITY SHOULD BE SSTUDIED TO CONDUCT RESEARCH WORK IN INCOME DISTRIBUTION IN THE COUNTRIES OF THE REGION, UNDER SOME COMMON GUIDELINES PROVIDED BY THE BANK, AND WITH THE BANK'S FINANCIAL SUPPORT. SUCH RESEARCH SHOULD COVER BOTH, IMPROVEMENTS OF DATA ON INCOME DISTRIBUTION AND RELATED VARIABLES OVER TIME, AND REFINING OF THE ANALYTICAL FROMEWORK TO ASSES IT. PROPER COVERAGE COULD BE GIVEN TO THE IMPACT THE BANK'S LENDING POLICIES UPON DISTRIBUTIONAL EFFECTS.

BANCO DE MEXICO, S.A.-  
LIC. LEOPOLDO SOLIS.-

RDP:DC

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SANTA BARBARA • SANTA CRUZ

DEPARTMENT OF ECONOMICS

BERKELEY, CALIFORNIA 94720

12/31/77

Dear Michael,

Alas, your paper has not come - nor, incredible as it seems, the material mailed to me from New York that had been in the brief case. Quite a mess. Hopefully, we can make up for lost time in the next few days.

I include reimbursement and payment forms. That should bring me up to date - except for that September set of expenses that I think is still pending.

Will be in touch with you on the 5th in Washington.

Happy New Year and Congratulations on Your Daughter.

Best,

*[Signature]*

(over)



UNIVERSITY OF CALIFORNIA BERKELEY

Note that because I went back via New York, I could not use the pre-paid ticket. It is enclosed. I hope it does not get mustard. (I have also included my stubs for Washington - New York - San Francisco)

1966  
REGISTRATION FIBER 275





DEPARTMENT OF ECONOMICS

BERKELEY, CALIFORNIA 94720

Answer Dec 5

Michael -

My secretary's mother is sick in Mexico and she's gone off. Hence the delay. Also could you send it off to Lewis, Kinglets, + Sales. I suspect we ought to hold the others.

You will note some changes in your drafts. We can discuss them subsequently.

I am to deliver two more sections before the meeting:

- A. Income Distribution Evaluation (i.e. #1, 2)
- B. Articulation of research (# 3-5) for both I.D + Employment

We can probably give persons a couple of hours to read on Tuesday AM. if necessary - or deliver to hotels on Monday - which would be preferable.

Let me know if everything is in order.

Best,





# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> August 1977	<b>Document Type</b> Form and Letter			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> Request for Consultant form and confirmation of appointment letter Albert Fishlow				
<b>Exception(s)</b> Personal Information Corporate Administrative Matters				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
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<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			

October 26, 1977

Mr. Albert Fishlow  
Department of Economics  
University of California, Berkeley  
Berkeley, California 94720

Dear Al,

Thanks for your letter of October 18. I enclose some additional DRC papers that have just arrived and which relate to SAM. Graham Pyatt tells me that in about four weeks time he should have a draft of a monograph on SAM. In the meanwhile you have what is available--or so I have been advised by Graham.

I sent Simon two additional papers on the data side of income distribution. I thought I would leave it up to him to make requests. He has since asked for the Evaluation Report on Shail Jain's piece. I sent Justinian various pieces on Urban Poverty and related material.

I have been burrowing through the files of the Research Committee. I am afraid that they are not very informative on the issue of whether or not the Committee had a bias against research of operational value. The trouble is that there is hardly any substantive discussion on the files. The best we can do is to interview various staff members when you come in mid-November and that you should leave plenty of time for this. If you agree, let me know as soon as possible so that I can set this up.

With best regards.

Yours sincerely,

Michael Beenstock

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SANTA BARBARA • SANTA CRUZ

DEPARTMENT OF ECONOMICS

BERKELEY, CALIFORNIA 94720

October 18, 1977

Michael Beenstock  
World Bank  
Room D441  
1818 H Street N.W.  
Washington, D.C. 20433

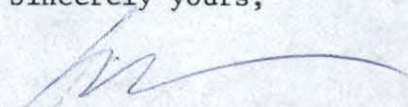
Dear Michael,

I am enclosing a cumulative request for reimbursement as well as the expenses of the last trip. Thank you very much for sending them along to the right place.

I have received the circular letter you mailed to members of the panel. It was fine. Do you also have a list of additional reports and information to be forwarded to each? (You will recall that I am especially keen to get more on the social accounting matrix framework.)

With best regards.

Sincerely yours,

  
Albert Fishlow

AF:dk

*Neenah Bond*  
25% COTTON FIBER



October 18, 1977

Professor Albert Fishlow  
Department of Economics  
University of California  
Berkeley, California 94720

Dear Al,

Herewith, more homework! You may have some of this already. I have also sent a very small package of papers to Kuznets that did not go out in the first batch but which I thought were germane. A somewhat larger package has been sent to Rweyemamu on a similar basis.

At our meeting, Leopoldo Solis told me that the original batch had not arrived in Mexico before he left. He said he would call in to see me before he returned to Mexico to collect some papers if necessary, but he never did. I hope this is an indication that the papers in fact arrived.

Montek has promised to provide dossiers for Santiago and Malaysia by the end of this week.

All the best.

Yours sincerely,

Michael Beenstock

Enclosures



RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

October 13, 1977

Professor Albert Fishlow  
Department of Economics  
University of California  
Berkeley, California 94720

Dear Professor Fishlow:

For the record I enclose a summary of the assignment of the work load that was agreed on October 12. The next meeting is scheduled for December 13-15 and I shall be arranging travel and accommodations in due course. Since the main purpose of this meeting will be to discuss our various drafts, you should arrange that your draft be sent directly to the members of the Panel including myself so that it arrives no later than December 6. For this purpose, I also attach the addresses that you will require.

Please let me know if there are any further documents that you require.

Yours sincerely,

Michael Beenstock  
Policy Planning Division  
Room D441

enclosures (2)

To: Mr. Fishlow  
From: Michael Beenstock

DRAFT  
MBeenstock:sh  
Sept. 30, 1977

Articulation Between Research and Operations

In order to fulfill RAPIDE's terms of reference in relation to the articulation between research and operations, it might be advisable to conduct some case studies of how research and operations have in fact interacted in the Bank. These case studies would be additional to the suggestions of visiting ECLA in Santiago to review the Bank's data research on income distribution and Malaysia where the Bank has been modelling various aspects of income distribution and employment. The case studies suggested below all relate to articulation issues within the Bank itself.

Four possible case studies are outlined. These are:

- i) Economic Analysis of Projects (EAP) - This is a project which seeks to determine a package of practical techniques for calculating efficiency and social prices.
- ii) Small Scale Enterprises (SSE) - This is an initiative that relates to employment creation through lending to small scale enterprises.
- iii) Capital-Labor Substitution (CLS) - This is a project for evaluating the feasibility of adopting labor intensive methods in construction.
- iv) Basic Needs (BN) - This is an initiative to evaluate the nature and feasibility of the so-called 'basic needs' approach to economic development.

Depending on how much of the Panel's time is available, I do not think it would be feasible to take on more than two of these case studies,



and each case study should be undertaken by two members of the Panel. Each of these studies would require about two days of interviewing the staff members involved on either side of the research operations articulation. Brief summaries of the four possible case studies are listed.

1. Economic Analysis of Projects (EAP)

Following the publication of the Little-Mirrlees and UNIDO guides to project appraisal, the Bank was concerned that its project appraisal methods should keep up to date with these and related developments. To these ends, Mr. van der Tak undertook to draft a section for the Operational Manual while Mr. Balassa headed a research project into project appraisal methodology. Balassa's project was wound up towards the end of 1976 and while apparently this amounted to a series of unconnected research pieces on shadow pricing, van der Tak's efforts no doubt benefitted from the Balassa project.

Van der Tak's assignment of implementing EAP focussed on:

- i) shadow pricing;
- ii) social pricing based on income distribution weights.

The research proceeded in two stages. The first stage was to estimate for a selection of countries a set of shadow prices and income distribution weights. A First Report on this appeared at the end of 1975. In the second stage, these national parameters were applied at the project level, and a Second Report has been completed.

It is now being proposed that this methodology package be mandatory in the Bank and as might be expected this has raised objections from some of the operational divisions.

EAP would provide a useful case study since it is not a grass roots research effort; as it were, it has been an initiative extraneous to the operations division (or so it seems). In this context, the case study would:

- i) Record the history of EAP;
- ii) Identify the sources of friction (if any) between operations and research;
- iii) Note the nature of the interaction between research and operations;
- iv) Determine what morals can be learned from the experience regarding future research efforts.

To do this it would be necessary to interview a selection of personnel from research and operations as well as to obtain a comprehensive documentation about EAP. It might be worth sending a questionnaire to the many project and country economists who would be affected by EAP to determine their attitudes and comments in this context.

## 2. Small Scale Enterprises (SSE)

Whereas the initiative in relation to EAP stemmed from the research side, the SSE initiative has originated from the operations or policy side. A paper entitled "Employment Creation and Small Scale Enterprise Development" went before the Policy Review Committee on January 27, 1977, and the Bank has selected SSE's as one of its lending foci. No substantive research effort was presented prior to this initiative but Ian Little is now embarking on a research effort into SSE.

Therefore SSE would make an interesting case study since it has been a question of policy first, research later. The main issues here would seem to be:



- i) The origins of the SSE initiative
- ii) Did the research staff fail to meet or anticipate the operations/policy staff; and if so why?
- iii) Is the present research effort merely a consequence of a preemptive strike by the operations/policy staff?
- iv) The relationship between the SSE initiative and previous research efforts into the 'informal sector' etc.

It should be noted that the SSE initiative was closely related to the Bank's concern with urban poverty, and a recent policy paper on rural non-farm employment (April 1977) draws substantively on the SSE work. In addition, the rural non-farm employment paper reflects the Bank's concern with rural poverty. Therefore a case study of SSE could reveal insights into latitudinal relationships between the Bank's work on employment, poverty and rural and urban development.

In this case a questionnaire would not be useful. After having obtained the appropriate documentation, the Panel would interview the personnel involved.

### 3. Capital-Labor Substitution

For several years the Bank has been investigating the economic advantages of substituting labor for capital with particular reference to civil construction. Phase I of the project was completed in October 1971 and focussed mainly on the technical feasibility of factor substitution in a wide range of construction activities. Phase II was concerned with the collection of field data. The principal conclusion was that as traditionally

practiced, labor-intensive methods were inefficient relative to capital intensive methods. Phase II was completed in October 1973. Since then, Phase III of the project has been seeking to develop, demonstrate and implement appropriately improved labor-intensive technologies. This phase is still in progress and in March 1977 a seminar was held at the Bank to discuss the operational significance of the research so far achieved.

The research seems to have had a very practical orientation and there has been relatively little abstract analysis. If indeed, the Bank's research efforts are designed to be of operational significance, this could be a useful case study of whether a narrowly conceived and simple research idea can be of direct operational significance. In addition, the research seems to have been undertaken by "practical men" as opposed to theoreticians.

#### 4. Basic Needs

In 1974 the Bank published "Redistribution With Growth" (RWG) which in recent years has most probably been the main broad development philosophy in the Bank. RWG was an aggregative approach to development where growth and redistribution could be coordinated. A reflection of RWG is most probably case study 1 (EAP).

Especially since the ILO Conference of June 1, 1976, the Bank has been concerned with the so-called "Basic Needs" (BN) approach to economic and social development. Indeed, Mr. McNamara made it an important feature of his Annual Address.

While research into RWG continues (mainly in the Bank's Development Research Center), the Policy Planning and Program Review Department (PPR) has very recently been spear-heading a research effort into BN. This



effort is currently in the melting pot and BN, in general, has aroused a fair degree of controversy within the Bank (and perhaps outside too). The controversy is pitched at various levels:

- i) Is the BN approach conceptually different from RWG?
- ii) Is the BN approach appropriate for developing countries?
- iii) What sort of priority, if any, should the Bank attach to research into BN.

It may be the case that these controversies reflect different political beliefs. A case study in this context seems likely to raise a number of issues in relation to the articulation between research and operations in the Bank. However, the Panel would have to be careful not to appear as a referee between warring factions.

Once more, the case study would largely be based on a series of interviews.

RAPIDE file

September 15, 1977

Dear Al,

All papers and letters have now gone out. Since Rweyemamu will be here for the Annual Meeting, I've kept his papers here for him to pick up. Your package of papers is on its way to you under separate cover.

Another possible case study is capital-labor substitution where the research was done in the Central Projects Staff and where, apparently, some of the results of these are being put into practice. I'll try to get a handle on this and other possible case studies in time for when I see you next.

Regards,

Michael

P.S. Sicat has replied O.K. for October 10.



Messrs. M. Ahluwalia and M. Leiserson

August 31, 1977

Benjamin B. King

RAPIDE

1. Al Fishlow expects to arrive in Washington on Wednesday or Thursday, September 7 or 8 and stay through Friday. He will, no doubt, expect to see you. He tells me that you have also promised him an updated statement of priorities.
2. He would also like to take the opportunity to talk to the chairman of the panel on 670-69 (Taylor-Brazil).
3. I shall be seeing him on Friday since I will be away on Wednesday and Thursday.
4. By now, we have acceptances from Kuznets, Lewis, Solis and Sicut.

cc: Messrs. Chenery (o/r)  
Duloy  
Waide  
Grimes  
Beenstock

BBKing:tqr

August 19, 1977

✓ Professor Albert Fishlow  
Department of Economics  
University of California  
Berkeley, California 94720

Dear Al,

I enclose all the papers that the panel, which is to evaluate the Lance Taylor project, has received except:

- (i) The manuscript itself. It may be a later version than the one you received, but I can give it to you when you come.
- (ii) Your review of it.

Bevan Waide, who is chief economist of the South Asia region, is the chairman. His telephone number is (202) 477-2397. He may call you before you come at the end of the month. If you have any questions, please feel free to ask him direct.

Yours sincerely,

Benjamin B. King  
Research Adviser  
Development Policy

Enclosures

cc: Mr. Waide

Fishlow's home number: (415) 548-4703. Best time to catch him is 10:30 - 12:00 (i.e. 7:30 - 9:00 California time) at home.

BBKing:tqr





# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> August 1977	<b>Document Type</b> Letter			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> confirmation of appointment letter Albert Fishlow				
<b>Exception(s)</b> Personal Information				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.</p> <table border="1"><tr><td><b>Withdrawn by</b> Sherrine M. Thompson</td><td><b>Date</b> May 09, 2019</td></tr></table>	<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019
<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			

# OFFICE MEMORANDUM

TO: RAPIDE file  
FROM: B. B. King  
SUBJECT: Professor A. Fishlow ✓

DATE: August 11, 1977

Will be going to Yale at the end of the year. He will be:

Professor of Economics

and

Director of the Concilium on  
International Studies



August 16, 1977

TO: Messrs. Duloy, Ahluwalia, Avramovic,  
Leiserson, Burki

RE: RAPIDE

1. Al Fishlow will probably come to Washington in the middle of the week of August 29 - September 2.
2. Mr. Beenstock (EPR) will be available to the panel about half-time from August 30, when he returns from leave.

B. B. King

BBKing:gm



# Record Removal Notice

<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> January 1976 - August 1977	<b>Document Type</b> Letters and handwritten notes			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> Consultants payment and letters of appointments for Bernanrd Berelson, Ronald Freedman				
<b>Exception(s)</b> Personal Information Corporate Administrative Matters				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td><b>Withdrawn by</b> Sherrine M. Thompson</td><td><b>Date</b> May 09, 2019</td></tr></table>	<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019
<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			



S. KUZNETS



HARVARD UNIVERSITY  
DEPARTMENT OF ECONOMICS

CAMBRIDGE, MASSACHUSETTS 02138

May 14, 1978

Mr. Michael Beenstock  
Policy Planning Division, room D 441  
The World Bank  
1818 H Street, N.W.  
Washington, D. C. 20433

Dear Michael:

Your letter of May 3rd and the final copy of the RAPIDE report reached me a couple of days ago, when I returned home from a trip of some six weeks (to Jerusalem, and to Geneva). I am grateful to you for the note, and have had a chance only to skim through the report. It looks to me to be in good shape.

I shall be curious to know what happens as a result of this & other panel reports; and hope that somehow the information will filter down to interested people outside of the Bank.

I appreciate very much the ready assistance that you provided ~~me~~ to me in whatever labors I rendered in the course of my participation; and am glad that you were deputed by the Bank to help our Panel.

With personal & regards and all good wishes

yours sincerely

Simon Kuznets

67 Francis Avenue  
Cambridge, Mass 02138



May 2, 1978

Professor Simon Kuznets  
67 Francis Avenue  
Cambridge, Mass. 02138

Dear Professor Kuznets,

I enclose the final version of the RAPIDE Report which will be submitted to Mr. McNamara. I hope you will agree that it reflects the views of the panel as a whole and will provide a solid basis for the Bank to plan its future research efforts. I should point out that other panels are reviewing other areas of Bank research and that in due course a 'super-panel' will pull together these various panel reviews to restructure the Bank's <sup>research</sup> effort as a whole.

On behalf of Al Fishlow, let me thank you for your cooperation and the promptness to which your various assignments were performed.

Yours sincerely,

Michael Beenstock

Mr. Kuznets!

home phone :

(617) 868-6633





# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> 01 March, 1978	<b>Document Type</b> Letter			
<b>Correspondents / Participants</b> To: Michael Beenstock From: Simon Kuznets				
<b>Subject / Title</b> Request for Payment of Services				
<b>Exception(s)</b> Personal Information				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td><b>Withdrawn by</b> Sherrine M. Thompson</td><td><b>Date</b> May 09, 2019</td></tr></table>	<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019
<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			

INCOMING CABLE

1b

1978 FEB 14 AM 8 27

ZCZC 248424 RC006 PDG0544 RML0504 JRN142 CTT693 LAC009

URWT HL JPTT 028

TOKYO 28/27 13 0958

Feb. 13, 1978

LT

MR. MICHAEL BEENSTOCK

DIST. - MR. BEENSTOCK

POLICY PLANNING

WORLDBANK

WASHINGTONDC

RAPIDE REPORT EXCELLENT.

IT AND APPENDIX A NEED EDITING.

TRUST AL AND YOU.

WILL BE HOME FEB. 20.

SIMON

COL FEB. 20



Class of Service: LT Date: FEB. 9, 1978

Telex No.: \_\_\_\_\_ Originators Ext: 76001

12

10

START  
HERE

1 TO PROF. S. KUZNESS, PALACE HOTEL, 1-1-1 MARUNOUCHI

CITY/COUNTRY CHIYODA-KU, TOKYO, JAPAN

MESSAGE  
NO.:

4 I HOPE YOU FOUND COPY OF RAPIDE REPORT AT PALACE HOTEL. AS A  
 5 PRECAUTION I SENT ANOTHER COPY TO THE BANK'S TOKYO OFFICE AT KOKUSAI  
 6 BLDG. 1-1 MARUNOUCHI 3-CHOME. IF YOU THINK YOU CAN CABLE YOUR  
 7 REACTIONS, DO SO. IF THIS IS UNSATISFACTORY CONTACT ME AS SOON AS  
 8 POSSIBLE ON YOUR RETURN. REGARDS. MICHAEL BEENSTOCK

21 END  
OF  
22 TEXT

NOT TO BE TRANSMITTED

SUBJECT:	DRAFTED BY: <b>MICHAEL BEENSTOCK</b>
CLEARANCES AND COPY DISTRIBUTION:	AUTHORIZED BY (Name and Signature): <i>Michael Beenstock</i>
	DEPARTMENT: <b>POLICY PLANNING AND PROGRAM REVIEW</b> SECTION BELOW FOR USE OF CABLE SECTION CHECKED FOR DISPATCH

February 3, 1978

Mr. Tarao Maeda  
Director,  
World Bank Tokyo Office  
Kokusai Building  
1-1 Marunouchi 3-chome  
Chiyoda-ku, Tokyo  
JAPAN

Dear Mr. Maeda:

I have sent a copy of the enclosed report to the Palace Hotel for the attention of Prof. Kuznets who will be staying at the Palace Hotel from February 11 through February 18. I am sending an extra copy to your office so that Prof. Kuznets can collect it should his own copy not arrive safely at the Palace Hotel.

Sincerely yours,

Michael Beenstock  
Policy Planning Dept.



Class of Service: **LT**

Date: **JAN. 30, 1978**

Telex No.: **3496**

Originators Ext: **76001**

12

10

START  
HERE

1 TO

**PROF. S. KUZNETS, MANILA HOTEL, RIZAL PARK**

CITY/COUNTRY

**MANILA, PHILIPPINES**

MESSAGE  
NO.:

4

**I HAVE SENT THE DRAFT REPORT TO THE PALACE HOTEL IN TOKYO. I**

5

**SUPPOSE THAT WE SHALL NOT BE ABLE TO PROCEED WITH A FINAL VERSION**

6

**UNTIL YOU GET BACK. BEST REGARDS. MICHAEL BEENSTOCK**

7

8

9

WORLD BANK / INTERNATIONAL FINANCE CORPORATION

*Palace Hotel*

*1-1-1. MARUNOUCHI,  
CHIYODA-KU, Tokyo*

*phone: (03) 211-5211*

*Cable No: Palacehotel, Tokyo*

*Telex No: 222-2500*

*Kuznets: Manila Feb 4-10.  
Manila Hotel*

*Tokyo Feb 11-18  
Palace Hotel*

*Boston Feb 21.*

21 END  
OF  
TEXT

SUBJECT:

DRAFTED BY:

**MICHAEL BEENSTOCK**

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature):

DEPARTMENT:

**policy Planning and Program Review**

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH

December 29, 1977

Professor Simon Kuznets  
67 Francis Avenue  
Cambridge, Mass. 02138

Dear Simon,

I have also sent a copy of this to Al, which we may wish to reflect in the Report. I think there is a great danger in using the Kuznets Curve as a sort of developmental black box as a substitute for a model of economic development.

With best wishes,

Michael Beenstock

Enclosure



September 20, 1977

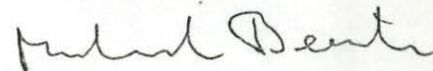
Professor Simon Kuznets  
Department of Economics  
Littauer Center  
Harvard University  
Cambridge, Massachusetts 02138

Dear Professor Kuznets:

As promised in Professor Fishlow's letter to you of September 15, I enclose the fourth attachment describing the research programs of the income distribution and employment divisions written by their respective division chiefs.

Our first meeting is now almost certainly to take place on October 10-12. I will cable you as soon as I can confirm this.

Yours sincerely,



Michael Beenstock

Enclosure

December 29, 1977

Professor Simon Kuznets  
67 Francis Avenue  
Cambridge, Mass. 02138

Dear Simon,

I have also sent a copy of this to Al, which we may wish to reflect in the Report. I think there is a great danger in using the Kuznets Curve as a sort of developmental black box as a substitute for a model of economic development.

With best wishes,

Michael Beenstock

Enclosure



December 27, 1977

Professor Simon Kuznets  
67 Francis Avenue  
Cambridge, Mass. 02138

Dear Simon,

Thank you for your letter of December 17. The accounts people will automatically take account of the \$200 advance. Since you had to stay overnight in New York on that Wednesday, this should be included in your statement of expenses, if you so wish. You have up to June 1978 to submit your hours worked claim.

I agree with your reaction to the Wall Street Journal articles. Short of a Watergate-style panel, I don't see any chance of a more substantial and prolonged treatment.

It now looks as though Al's report will be available towards the end of the second week in January.

By the way, we had a baby girl!!

With best wishes,

Michael

RAPIDE

HARVARD UNIVERSITY  
DEPARTMENT OF ECONOMICS

CAMBRIDGE, MASSACHUSETTS 02138

December 17, 1977

Dear Michael:

Enclosed is the expense account for the last trip. The form is too complicated for my purposes and I hope that I did not commit errors. There is a balance left over from the \$200 advance, and I am not sure what to do about it. Please let me know.

The reason for the return date being Thursday is that the plane from Washington on Wednesday evening could not land in ~~N~~ Boston, and landed at NY LaGuardia; so I could not get ~~xxx~~ back home until late morning of ~~Tuesday~~ Thursday.

I am delaying submission of form for days worked until after review of Al's draft in January 1978. Please check with your accounting office whether this is o.k. If it ~~x~~ is better to submit the form before the end of calendar 1977, ~~xx~~ I shall appreciate it if you phone me to this effect.

The excerpts from Wall Street Journal are interesting, but do not go far enough. The subject warrants more substantial and prolonged treatment.

With best wishes

sincerely



Simon Kuznets



December 28, 1977

Dear Al,

As agreed, I am sending the piece on employment to the Sheraton and your home address. Since it is likely that yourself and Arthur will wish to alter the draft, I have not spent too much time in refining it down. I have tried to weave in the points that Arthur raised. However, I also thought it important to indicate a critical technical grasp of the material since according to my discussions with the Leiserson group this will enhance the credibility of the Report. I am sure that 'wooliness' will put them off.

I think it might be a good idea to submit the annexes on income distribution, data, and employment on an anonymous basis, i.e., by the Panel as a whole.

I also enclose a letter I received from a colleague of mine who used to be a professor at the University of Warwick.

Best regards,

Michael Beenstock

Attachments

NOTE: Letter w/ attachments were  
sent to:

- (1) Home address
- (2) Sheraton Hotel  
7<sup>th</sup> Ave. at 56<sup>th</sup> St.  
N. Y. N. Y. 10019



RAP: ac

HARVARD UNIVERSITY  
—•—  
DEPARTMENT OF ECONOMICS

CAMBRIDGE, MASSACHUSETTS 02138

December 31, 1977

Mr. Michael Beenstock  
Policy Planning Division , r. D441  
The World Bank  
1818 H Street, N. W.  
Washington, D. C. 20433

Dear Michael:

Heartiest congratulations on the baby girl! My wife and I wish all the best on this occasion, and for the New Year.

I gather from your letter that Al's report will be delayed by a couple of weeks from the original date of January 2-3rd. Was there any special development, or is it a matter of needing more time to formulate a precise version? I shall look forward to reading it with great interest.

We shall be in touch again about that time. Meanwhile, a Happy New Year.

Yours sincerely

Simon Kuznets

67 Francis Avenue  
Cambridge, Mass. 02138





HARVARD UNIVERSITY  
DEPARTMENT OF ECONOMICS

*RAPIDE*

CAMBRIDGE, MASSACHUSETTS 02138  
November 26, 1977

Mr. Michael Beenstock  
Policy Planning Division, room D441  
The World Bank  
1818 H Street  
Washington, D. C. 20433

Dear Mr. Beenstock:

Enclosed is a draft of my memorandum, for discussion at the next meeting. I apologize for its messy appearance, but hope that the typist will have few difficulties in following the text. If there are any questions, do not hesitate to get in touch with me: I have a copy here, and am at home through most of the day, particularly before noon.

I talked to Mr. Fishlow about this memo, and he had only limited comments; but he thought that I ought to look at some of the documents on social matrix accounting.

In my last conversations with ~~the~~ your transport people, the lady insisted on the Dupont Plaza. I am reluctant to commit myself to it, and would much prefer either the Park Central (across the street) provided that a check ~~dispels~~ dispels (as I suspect) rumors about heating; or alternatively the Hay Adams (too expensive, but I am willing to add out of my own pocket). I shall be grateful if you could check on the matter, and let me know.

Could you drop me a line, or still better, phone me upon receipt of the enclosed, so that I will know that it has reached you.

With best wishes

sincerely

*Simon Kuznets*

Simon Kuznets

67 Francis Avenue  
Cambridge, Mass. 02138

*P.S. Please put a note on the memo that it is  
for use of RAPIDE alone.*

## OFFICE MEMORANDUM

TO: Mr. John Merriam, IPADR

DATE: November 1, 1977

FROM: Attila Karaosmanoglu, VPD *AK.*SUBJECT: Request for World Tables

Mr. Simon Kuznets is serving the Bank as a consultant on the Research Advisory Panel on Income Distribution and Employment. He needs a copy of the World Tables for this assignment. I think they should be provided free of charge. If you concur would you please arrange for them to be sent to the following address:

Mr. Simon Kuznets  
67 Francis Avenue  
Cambridge, Massachusetts 02138

cc: Mr. B. King  
Mr. M. Beenstock

JLowther:hs

N.B. Mr. Srinivasan is travelling to MIT on 11/3/77 and has kindly agreed to hand-carry the Tables with him to Mr. Kuznets.

JLowther  
11/2/77

*RHMC**Mr. Clark  
OK. 11. 30  
Dunbar  
11/2/77*



RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

October 27, 1977

Professor Simon Kuznets  
67 Francis Avenue  
Cambridge, Massachusetts 02138

Dear Professor Kuznets:

Thank you for your letter of October 22. I enclose the material you requested with the exception of the Dubey evaluation which I forwarded to you on the 20th of October.

You may submit your claims as you wish, by the month or by accumulating them.

Yours sincerely,

Michael Beenstock  
Policy Planning Division  
Room D441

enclosure



HARVARD UNIVERSITY  
DEPARTMENT OF ECONOMICS

CAMBRIDGE, MASSACHUSETTS 02138

October 22, 1977

Mr. Michael Beenstock  
The World Bank  
1818 H Street, N.W.  
Washington, D. C. 20433

Dear Mr. Beenstock:

Your letters of October 13 (on allocation of tasks) and of October 18th (enclosing papers by Eckaus, and the Bellagio paper by Ahluwalia) reached me promptly. I hope that my letter enclosing the expense account and a handwritten note reached you promptly. By the way, is the address above sufficient for letters to reach you without delay within the Bank?

The Srinivasan paper, a book on India, and other materials promised by Mr. Ahluwalia on October 11th, in Washington, failed to reach me. I shall be grateful if you phone him, and check with him on whether the materials were sent out.

Enclosed is a list of materials that might be helpful, and I hope that securing them will not create any difficulties. In any case, could you phone me upon receipt of this letter to confirm such receipt and the availability of the materials? (home phone 617-868-6633).

With best wishes

sincerely

*Simon Kuznets*  
Simon Kuznets

67 Francis Avenue  
Cambridge, Mass. 02138

*Q.1. Should the claims for days' report be submitted by end of each month, or should it be accumulated over longer periods? by*

*World Tables Home leaf cov. in 1976.*

*sent last Thursday afternoon.*



List of Materials Requested (Oct 22, 1977)

1. V. Dubey, Evaluation Report on Size Distribution of Income, Sept. 21, 1976 (see World Bank Research Program, Jan 13, 1977, Appendix, p. 4).
2. A collection of speeches by Mr. MacNamara for the last few years, containing general statements concerning income distribution, poverty issues and the like
3. A sample of annual reports by the World Bank for the last few years
4. Issues of World Bank Atlas, dated for years other than 1974 and 1976 (I have these; the reference is to the year of issue, which appears on the cover).
5. An extra copy of T.N. Srinivasan's summary paper on the Bellagiom Conference.

*John W. ...*

KUZNETS

October 20, 1977

Professor Simon Kuznets  
67 Francis Avenue  
Cambridge, Massachusetts 02138

Dear Professor Kuznets:

I received your travel claim, and enclose Mr. Dubey's  
note as requested.

Yours sincerely,

Michael Beenstock

Enclosure



PAPIN

HARVARD UNIVERSITY

DEPARTMENT OF ECONOMICS

CAMBRIDGE, MASSACHUSETTS 02138

Been updated:

If there are any problems,  
do not hesitate to phone

Sincerely

Simon Ungers

P.S. Is it possible to get

V. Dubey's evaluation report  
(Sep. 21, 1976) on the Distribution  
of Income? In.

(Project code 620-09)



# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> September 1977	<b>Document Type</b> Forms and letter			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> Consultant - Personnel Action and Request for Consultant forms for Simon Kuznets				
<b>Exception(s)</b> Personal Information Corporate Administrative Matters				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.</p>		
		<table border="1"><tr><td><b>Withdrawn by</b> Sherrine M. Thompson</td><td><b>Date</b> May 09, 2019</td></tr></table>	<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019
<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			



October 18, 1977

RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

Professor Simon Kuznets  
67 Francis Avenue  
Cambridge, Massachusetts 02138

Dear Professor Kuznets:

I enclose some further papers that you may find  
useful.

Yours sincerely,

Michael Beenstock

Enclosures

October 13, 1977

Professor Simon Kuznets  
67 Francis Avenue  
Cambridge, Massachusetts 02138

Research Advisory Panel on  
Income Distribution and Employment

Dear Professor Kuznets:

For the record I enclose a summary of the assignment of the work load that was agreed on October 12. The next meeting is scheduled for December 13-15 and I shall be arranging travel and accommodations in due course. Since the main purpose of this meeting will be to discuss our various drafts, you should arrange that your draft be sent directly to the members of the Panel including myself so that it arrives no later than December 6. For this purpose, I also attach the addresses that you will require.

Please let me know if there are any further documents that you require.

Yours sincerely,

Michael Beenstock  
Policy Planning Division  
Room D441

enclosures (2)





# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> October 1977	<b>Document Type</b> Form			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> Statement of Expenses form for Simon Kuznets				
<b>Exception(s)</b> Personal Information Corporate Administrative Matters				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td><b>Withdrawn by</b> Sherrine M. Thompson</td><td><b>Date</b> May 09, 2019</td></tr></table>	<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019
<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			

Travel Office

October 3, 1977

Michael Beenstock, EPRPP

Consultants' Travel

Further to travel requests sent you on September 26, 1977 for Arthur Lewis, Simon Kuznets and Leopoldo Solis, please reserve accommodations for them at the Park Central Hotel instead of the DuPont Plaza Hotel as was originally requested. Arthur Lewis informs me that he already made his own arrangements at the Park Central Hotel.

:gm



# OFFICE MEMORANDUM

TO: RAPIDE Files  
FROM: Michael Beenstock *mb*  
SUBJECT: Professor Kuznets' Address

DATE: September 22, 1977

Professor Kuznets phoned to say that in the future all mail should be addressed to

67 Francis Avenue  
Cambridge, Mass. 02138

and not to Harvard University.

His phone number is (617) 868-6633.

September 20, 1977

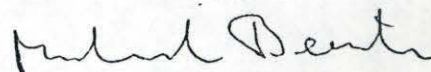
Professor Simon Kuznets  
Department of Economics  
Littauer Center  
Harvard University  
Cambridge, Massachusetts 02138

Dear Professor Kuznets:

As promised in Professor Fishlow's letter to you of September 15, I enclose the fourth attachment describing the research programs of the income distribution and employment divisions written by their respective division chiefs.

Our first meeting is now almost certainly to take place on October 10-12. I will cable you as soon as I can confirm this.

Yours sincerely,



Michael Beenstock

Enclosure



Similar letters sent to A. Lewis, J. Rweyemamu, G. Sicat & L. Solis

September 13, 1977

Prof. Simon Kuznets  
Department of Economics  
Littauer Center  
Harvard University  
Cambridge, Mass. 02138

Dear Simon:

I am very pleased that you have accepted membership on the Panel and look forward to seeing you at our first meeting. As you already know, we have set our first meeting provisionally for October 10-12. The Panel consists of yourself, Messrs. Arthur Lewis, Leopoldo Solis, Gerry Sicat, Justinian Rweyemamu and me. It promises to be a lively experience.

I am enclosing with this letter several attachments.

The first set contains a brief statement describing the evolution of income distribution and employment research in the Bank in the last five years. A short description of the unfolding of the entire research program is being prepared and should be made available to you before our meeting. Some of that information can also be gleaned from the Bank reports on the research program that have also been included.

The second is a draft terms of reference that we can discuss fully at our meeting. I will welcome your reactions. As one means of fulfilling objectives 2 and 3, it would seem that a small number of particular case studies of certain projects would be the most useful way of proceeding. A somewhat broader sample of research could enhance our evaluation of its quality. Because the research within the Bank has been conducted differently in the various divisions it seems important to cast our net widely and to see how those differences influence the character and quality of the product.

The third group of attachments includes a list of completed reports on income distribution and employment prepared in the two divisions of the Bank primarily responsible for research in these fields. They have been organized into broad functional and subject categories, and a representative sample of the material is enclosed for your perusal. We are seeking to put together a more inclusive catalogue of total Bank research which should be available by the time we meet. Some few samples of this other work already identified have also been included. At our meeting,



September 13, 1977

I hope that we will be able to begin substantive discussion on this material, as well as to decide among ourselves how further to proceed in our evaluation. One possibility is to allocate principal responsibility for particular topics to individual members of the Panel.

An important output by the Bank on income distribution is Redistribution with Growth - An Approach to Policy by Hollis B. Chenery, et al, published by the Oxford University Press, 1974. Unfortunately our Publications Department is out of stock of this volume at the present. However, your own libraries may well have a copy for you to consult.

A final set of attachments will be sent along by the end of the week. They will consist of statements by the heads of the income distribution and employment divisions setting out their view of past and future priorities for Bank research in these fields.

At our first meeting, I anticipate that we will be spending about half our time talking among ourselves, and the other half speaking with Bank officials and researchers. A rough draft schedule is enclosed. We can modify it as seems useful at the time. I hope that we will be able to complete our deliberations no later than the early afternoon of October 12.

If there are any questions do not hesitate to get in touch with me. Michael Beenstock, (202) 477-4543, has been appointed by the Bank to assist the Panel, and will, among other matters, assure that the Bank Travel Office will be in touch with you to make the necessary arrangements.

Sincerely yours,

pp. A. Fishlow

Attachments

AFishlow:gm



KU2NETS' f0

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE  
CORPORATION

ROUTING SLIP

Date  
Aug. 18, 1977

Name		Room No.
Mr. Karaosmanoglu		
<i>[Handwritten initials]</i>		
<i>[Handwritten: Rapid file]</i>		
XX	To Handle	Note and File
	Appropriate Disposition	Note and Return
	Approval	Prepare Reply
	Comment	Per Our Conversation
	Full Report	Recommendation
	Information	Signature
	Initial	Send On
Remarks		
<p><i>[Handwritten: Please send Xerox to Francesca Stone Jones]</i></p> <p><i>[Signature]</i> Sven Burmester</p>		
From		



HARVARD UNIVERSITY  
DEPARTMENT OF ECONOMICS

CAMBRIDGE, MASSACHUSETTS 02138

August 17, 1977

Mr. Robert S. McNamara, President  
International Bank for Reconstruction  
and Development  
Washington, D.C. 20433

Dear Mr. McNamara:

This is in reply to your letter of August 11th, inviting me to serve as member of a panel organized to evaluate the Bank's research program on income distribution and employment.

Professor Albert Fishlow has already talked to me at length on the matter, and also discussed some of the aspects of the panel's work in a recent letter.

I shall be ready to participate in the panel's meetings and working program.

With best wishes

yours sincerely

Simon Kuznets

67 Francis Ave.  
Cambridge, Mass. 02138



August 11, 1977

Dear Professor Kuznets:

As you may be aware, the Bank has over the last five years carried on a program of economic research on a substantially larger scale than hitherto. Although we regularly review within the Bank individual research projects as they are completed, this appears to be a good time to seek external advice on our progress to date and on future directions. Accordingly, I am initiating a series of panels on groups of related research projects. The first such panel will be on research into income distribution and employment. Professor Albert Fishlow, who is currently Professor of Economics at Berkeley, has agreed to act as chairman of the panel. I would much appreciate it, if you could spare the time to serve as a member of the panel.

The precise way in which the panel conducts its business will, of course, be up to its members. However, I would expect that there would be two meetings in Washington, one in September/October 1977 and one near the end of the year. It is hoped that the duration of these meetings could be kept down by supplying reading material beforehand and that they would not exceed three days each on average. The Bank would, of course, make travel arrangements as needed and pay for all travel expenses, together with an honorarium.

Professor Fishlow will also be writing to you, explaining in more detail how he hopes to proceed.

Sincerely,

Robert S. McNamara

Professor Simon Kuznets ✓  
Department of Economics  
Littauer Center  
Harvard University  
Cambridge, Mass. 02138

BBKing:gm  
cc: for Mr. McNamara's Office (2)

August 10, 1977



Union, 1946— Mem. Central Soc. Clin. Research. Am. Assn. Pathologists and Bacteriologists. Coll. Am. Pathologists, A.C.P. Internat. Acad. Pathology, Am. Soc. Clin. Pathologists, A.M.A. Author articles in field. Home: 1115 Honey Creek Pkwy Wauwatosa WI 53213

**KUZNETS, SIMON SMITH**, economist; b. Kharkov, Russia, Apr. 30, 1901; s. Abraham and Pauline (Friedman) K.; B.S., Columbia, 1923, M.A., 1924, Ph.D., 1926, D.H.L. (hon.), 1954; D.Sc. (hon.), Princeton, 1951; D.Sc. in Econ. (hon.), U. Pa., 1956; D.Sc., Harvard, 1959; Ph.D. (hon.), Hebrew U. Jerusalem, 1956; LL.D., U. N.H., 1972; D.H.L., Brandeis U., 1975; m. Edith H. Handler, June 5, 1929; children—Paul, Judith. Social Sci. Research Council Fellow, 1925-27; mem. staff Nat. Bur. Econ. Research, 1927-61; asst. prof. econ. statistics U. Pa., 1930-34, asso. prof., 1934-35, prof., 1936-54; prof. polit. econ. Johns Hopkins, 1954-60; Frank W. Taussig research prof. econs. Harvard, 1958-59, prof. econs., 1960-71. Asso. dir. Bur. Planning and Statistics, WPB, 1942-44. Recipient Nobel prize in econs., 1971. Fellow Royal Statist. Soc., Am. Statist. Assn. (pres. 1949), A.A.A.S., Economic Soc., Brit. Acad. (corr.); mem. Am. Econ. Assn. (pres. 1954), Royal Acad. Scis. Sweden, Am. Philos. Soc., Internat. Statist. Inst., U.S. Acad. Scis. Jewish religion. Author: Cyclical Fluctuations, 1926; Secular Movements in Production and Prices, 1930; Seasonal Variations in Industry and Trade, 1933; National Income and Capital Formation, 1938; Commodity Flow and Capital Formation, 1938; National Income, 1941; National Product in Wartime, 1945; National Income: A Summary of Findings, 1946; National Product since 1869, 1946; Shares of Upper Income Groups in Income and Savings, 1953; Six Lectures on the Economic Growth, 1959; Capital in the American Economy, 1961; Postwar Economic Growth, 1964; Economic Growth and Structure: Selected Essays, 1965; Modern Economic Growth, 1966; Economic Growth of Nations, 1971; Population, Capital, and Growth, 1973. Contrb. to econ. jous. Home: 67 Francis Av Cambridge MA 02138

**KVERNLAND, JACK THEODORE**, life ins. co. exec.; b. Portland, Ore., Apr. 12, 1917; s. John Theodore and Dagmar (Magnussen) K.; B.A., Reed Coll., 1940; grad. exec. program, Columbia, 1960; m. Jeanne Audrey Steenburgh, June 2, 1945; children—Sally Jane, John Bruce. With Prudential Ins. Co. Mpls., 1940—, exec. gen. mgr. Jacksonville, Fla., 1955-57, v.p., Mpls., 1957-65, sr. v.p., Newark, 1965-66, sr. v.p., chief architect, 1966—; instr. Life Office Mgmt. Assn. exams, 1948-51. Active United Fund, v.p. spl. gifts sect., Mpls.; active Boy Scouts Am., Citizens League Hennepin County, Bd. dirs. Aquatennial Assn., Mpls., Kiwanis Found., Minn.; trustee Essex County Blood Bank, Reed Coll. Fellow Soc. Actuaries; mem. Actuaries Club N.Y., Southeastern Actuaries Club, Twin Cities Actuary Club, C. of C. Presbytn. Rotarian, Kiwanian (pres. 1964). Clubs: River, Revelers, Ponte Vedra, San Jose Country (Jacksonville, Fla.); Athletic, Edina Country (v.p. 1965) (Mpls.); Essex, Morris County Country (Newark), Ocean Reef (North Key Largo, Fl). Home: 16 Ostrander Pl Chatham Township NJ 07928 Office: Prudential Plaza Newark NJ 07101

**KWALWASSER, JACOB**, educator; b. N.Y.C., Feb. 27, 1894; s. Louis and Lena (Greenberg) K.; B.A., B.E., Pitts., U., 1917; M.A., U. Ia., 1923, Ph.D., 1925; m. Pearl T. Little, Dec. 21, 1919; children—Edgar, Robert, Helen. Vis. prof. music edn., Columbia, U., U. Tex., U. Ark., U. Minn., Juilliard Sch. Music, lectr. Assn. Am. Colls., Chgo. Mus. Coll., U. Ia., Temple U., 1926—; research prof. music edn. Syracuse U., 1926-54, now prof. emeritus. Pioneer research prof. music edn. in U.S.; builder music edn. tests. Mem. Music Educators Nat. Conf., Music Tchrs. Nat. Assn., Sigma Xi, Phi Mu Alpha, Kappa Phi Kappa. Jewish religion. Author: Kwalwasser-Ruch Achievement Test, 1925; Tests and Measurements in Music, 1927; Kwalwasser Dykema Music Tests, 1932; Two Hundred Songs for Junior and Senior High Schools, 1929; Problems in Music Education, 1950; Kwalwasser Music Aptitude Tests, 1953; Exploring the Musical Mind, 1955; also articles. Home: 4321 Parkman Av Pittsburgh PA 15213

**KWAN, KIAN MOON**, educator; b. Kwangtung, China, June 15, 1929; s. J.C. and Tak Quon (Mar) K.; student Mapua Inst. Tech., Manila, 1949; B.A. magna cum laude, Far Eastern U., Manila, 1952; M.A., U. Cal. at Berkeley, 1954, Ph.D., 1958; m. Grace Chu-Yeng Lo, Dec. 30, 1961; children—Joseph H., Gregory L., Christie F. Came to U.S., 1952, naturalized, 1968. Instr., Ohio U., Athens, 1958-61, asst. prof. sociology, 1961-65, chmn. dept. sociology and anthropology, 1963-65; asso. prof. Cal. State U., Northridge, 1965-69, prof. sociology, 1969—, chmn. dept., 1969-71; vis. prof. U. Hawaii, 1972-73. Fellow Am. Sociol. Assn. Author: (with Tamotsu Shibutani) Ethnic Stratification: A Comparative Approach, 1965. Home: 8512 Chimineas Av Northridge CA 91324

**KWASNICK, PAUL**, dept. store exec.; b. N.Y.C., Apr. 8, 1925; s. Joseph and Dorothy (Ginsberg) K.; B.B.A., Coll. City N.Y., 1947, M.B.A., 1957; m. Selma Marcus, Sept. 7, 1947; children—Raymond, Diane, Robert. Financial exec. M.H. Fishman Co., Inc., N.Y.C., 1947-61; asst. sec.-treas. Zayre Corp., Natick, Mass., 1961-66, v.p., asst. sec.-treas., 1966-68, v.p., treas., 1968-72, sr. v.p., treas., 1972-73; exec. v.p., gen. mgr. Kings Dept. Stores, Inc., Newton, Mass., 1973-75, pres., 1975—, also dir., mem. exec. com. dir. Data Printer Corp., Cambridge, Mass. Shawmut Community Bank, Framingham, Mass. Served with AUS, 1943-46. Home: 237 Dedham St Newton Highlands MA 02161 Office: 150 California St Newton MA 02158

**KWIAT, JOSEPH J.**, educator; b. N.Y.C., June 3, 1912; s. Jacob and Sadie (Miller) K.; Ph.B., U. Chgo., 1935; M.A., Northwestern U., 1940; Ph.D., U. Minn., 1950; m. Janice M. Enger; children—Judith (Mrs. John Cumber), David. Instr. English, U. Neb., 1943-44; mem. faculty U. Minn., Mpls., 1944—, now prof. English and Am. studies and humanities; lectr., cons. Am. lit. and Am. studies U.S., U.S. Europe, Middle and Far East; lifetime hon. mem. Am. Studies Research Center, Hyderabad, India, also Japan, 1967-68, mem. U.S. exec. com., 1964—, Mem. adv. com. Am. Council Learned Soocs., 1964-68; mem. adv. com. in Am. studies and screening com. in Am. com. on Internat. Exchange of Persons Conf. Bd., Asso. Research Councils, 1964-70. Served with USAF, World War II. Am. Council Learned Soocs. research fellow; Fulbright prof. U. Tubingen (Germany), 1953-55, U. Innsbruck (Austria), 1962-63, U. Stuttgart (Germany), 1970-71. Mem. Modern Lang. Assn. Am., Am. Studies Assn., European Assn. Am. Studies, Am. Assn. U. Profs., German Soc. Am. Studies. Author: America's Cultural Coming of Age, 1967. Co-editor Studies in American Culture, 1960; editor-in-chief Series in American Studies. Contrb. articles to prof. jous. Home: 1515 E River Rd Minneapolis MN 55414 Office: Dept. English Linda Hall U. Minn. Minneapolis MN 55455

**KWIATKOWSKI, GORDON JEROME**, publishing co. exec.; b. Princeton, Wis., Mar. 30, 1926; s. Joseph and Sophia (Soda) K.;

student U. Wis., 1943-45, Am. Acad. and Art Inst., 1946-49, With Field Enterprises Ednl. Corp., Chgo., 1951-75, art. dir., 1961-64, v.p., exec. art. dir., 1964-75. Served with AUS, 1950-51. Mem. Chgo. Soc. Communicating Arts (dir. 1973-75), Artists Guild Chgo., Soc. Typog. Arts. Home: PO Box 1537 Melrose Mountain Tryon NC 28782

**KWUN, KYUNG WHAN**, educator, (moon) K.; b. Seoul, Korea, Mar. 7, 1929; s. Oh Ik and Nam-Shik (Moong) K.; B.S., Seoul Nat. U., 1952; M.S., U. Mich., 1954, Ph.D., 1958; m. Young Ai Oh, June 7, 1957; children—Clara, Miran, Peggy, Michael. Came to U.S., 1953, naturalized, 1970. Research asso. Tulane U., 1958-59; vis. asso. prof. Seoul Nat. U., 1959-61; vis. lectr. U. Wis., 1961-62, Fla. State U., 1962-64; mem. Inst. Advanced Study, 1964-65; asso. prof. Mich. State U., 1965-66, prof. math, 1966—, Mem. Am. Math. Soc. Contrb. articles prof. jous. Home: 4607 Manitou Dr Okemos MI 48864 Office: 305D Wells Hall Mich State U East Lansing MI 48824

**KYBURG, HENRY GUY ELY, JR.**, educator; b. N.Y.C., Oct. 9, 1928; s. Henry Guy Ely and Margherita (Abbey) K.; B.Engring in Chem. Engring., Yale, 1948; M.A. in Philosophy, Columbia, 1953, Ph.D., 1956; m. Sarah Randlev, Feb. 4, 1967; children—Henry Guy Ely III, Sarah Abbey; (by previous marriage)—Robin Margherita, Christopher Ely, Alice Independence, Peter David. Asst. prof. math. Wesleyan U., Middletown, Conn., 1958-61; research asso. Rockefeller Inst., 1961-62; asso. prof. math. and philosophy Denver U., 1962-63; asso. prof. philosophy Wayne State U., 1963-65; prof. philosophy U. Rochester (N.Y.), 1965—, chmn. dept., 1969—. Served with USCG, 1951. Am. Council Learned Soocs. grantee, 1962, NSF grantee, 1964—. Mem. Am. Philos. Assn., Math. Assn. Am., Am. Math. Soc., Assn. Symbolic Logic, Am. Assn. U. Profs., Sigma Xi. Author: Probability and the Logic of Rational Belief, 1961; Philosophy of Science, 1968; Probability and Induction, 1970; Probability Theory, 1969; The Logical Foundations of Statistical Inference, 1974. Induction, Some Current Issues, 1962; Studies in Subjective Probability, 1964; exec. editor A. Reidel Series in Applied Logic. Home: Eyer Rd Lyons NY 14489 Office: Dept. Philosophy U. Rochester Rochester NY 14627

**KYES, FRANK MYERS**, dentist; b. Parker, S.D., May 13, 1908; s. Walter Smith and Helen Marie (Myers) K.; student San Diego State Coll., 1925-26, D.D.S., B.S., U. So. Cal., 1930; m. Margaret Etta Neill, Dec. 23, 1933; children—Marcia Katherine (Mrs. Henry C. Ivy), Stephen Neill, joined USN, 1936, comind. lt. (j.g.), 1936, advanced through grades to rear adm., 1963; tchr. U.S. Naval Dental Sch., 1948-52, set up sch. for native dental practitioners Trust Territories, Guam, M.I., 1948, sr. dental officer U.S. Naval Acad., 1953-58; dir. dental activities 11th Naval Dist., 1962; insp. gen. dental div., 1963, asst. chief Bur. Medicine and Surgery, also chief dental div., 1963-68; dir. dental activities 11th Naval Dist., 1969-70, ret., 1970. Bd. dirs. San Diego div. Am. Cancer Soc., 1972-73. Decorated Legion of Merit; recipient Alumni award of merit U. So. Cal., 1965, Achievement award R.I. Dental Soc., 1966; Bur. Medicine and Surgery award merit, 1970. Diplomate Am. Bd. Prosthodontics, Fellow Am. Coll. Dentists (regent 1964-67); mem. Am. Dental Assn. (3d v.p. 1964), Children's Dental Health Assn. (pres. 1973), So. Cal., San Diego County dental soc., Psi Omega, Rotarian, Club: El Mejor (sec.-treas. 1970—). Author articles. Home: 1560 Plum St San Diego CA 92106 Office: 707 Broadway San Diego CA 92101

**KYGER, JACK ADOLPHUS**, scientist; b. Bklyn., Sept. 7, 1915; s. John William and Louise (Dose) K.; B.S., Yale, 1935; Ph.D., Mass. Inst. Tech., 1940; m. Mary Frances Vasaly, Feb. 16, 1946; children—John William III, Mary Katharine, Elizabeth Louise, Nora Dose. Research chemist Mallinckrodt Chem. Works, 1940-44; sr. chemist Tenn. Eastman Corp., 1944-45; chief enging. materials sect. Oak Ridge Nat. Lab., 1945-48; chief scientist nuclear power div. Navy Dept., 1948-54; v.p., tech. dir. research and advanced devel. div. AVCO Corp., 1954-62, v.p., asst. gen. mgr., 1962-66, v.p., chief scientist, missile space and electronics group, 1966-68, v.p., dep. gen. mgr., applied tech. div., 1968-70; dir. Mass. Sci. and Tech. Found., 1970-72; asso. lab. dir., enging. research and devel. Argonne Nat. Lab., 1972—; dir. NUS Corp. Recipient Navy distinguished civilian service award, 1951. Mem. A.A.A.S., Am. Nuclear Soc., Sigma Xi. Home: 638 Gregford Rd Hinsdale IL 60521 Office: Argonne Nat Lab Argonne IL 60439

**KYGER, MURRAY**, comm. banker; b. Mason, Tex., Nov. 24, 1905; s. Melvin C. and Lydia (Murray) K.; B.B.A., U. Tex., LL.B., South Tex. Sch. Law, 1932; student Grad. Sch. Banking, Rutgers U., 1940; m. Bernice Spiller, May 3, 1930; children—Martha Kay, Thomas Murray. With Houston Bank & Trust Co., 1928-41, v.p., trust officer, dir., until 1941, pres., dir. First Nat. Bank of Ft. Worth, 1941-65, now chmn. exec. com., dir. Mem. Sigma Iota Epsilon, Beta Gamma Sigma. Home: 110 N Rivercrest Dr Fort Worth TX 76107 Office: PO Box 2260 Fort Worth TX 76101\*

**KYHL, ROBERT LOUIS**, educator; b. Omaha, July 27, 1917; s. Louis Christian and Helen (Sadleir) K.; S.B., U. Chgo., 1937; Ph.D. in Physics, Mass. Inst. Tech., 1947; m. Edith Kettendorf, Sept. 13, 1943; 1 dau., Alice (Mrs. Steven Brocroom). Research asso. W.W. Hansen Lab., Stanford U., 1947-54; with research staff Gen. Electric Research Lab., Schenectady, 1954-56; research asso. radiation lab. Mass. Inst. Tech., 1941-45, prof. elec. enging., 1956—, Mem. Am. Phys. Soc., I.E.E.E. (Baker award 1956), Fedn. Am. Scientists. Home: 43 Malcolm Rd Boston MA 02130 Office: Mass Inst Tech Cambridge MA 02139

**KYL, JOHN HENRY**, govt. ofcl.; b. Wisner, Neb., May 9, 1919; s. John George and Johanna (Boonstra) K.; A.B., Neb. State Tchrs. Coll., 1940; M.A. in Sch. Adminstr., U. Neb., 1947; postgrad. U. Neb., Drake U.; m. Arlene Pearl Griffith, May 16, 1941; children—Jon, Jannene Kyl Martin, Jayne Kyl Orcutt. Tchr. history high sch., sch. adminstr., coach pub. schs., Neb.; mem. faculty Neb. State Tchrs. Coll., 1940-49, exec. dir. Wayne (Neb.) C. of C., 1949-53; mcht., farmer, Bloomfield, Ia., 1953-57; TV newscaster, dir. news and spl. events KTVO, Ottumwa, Ia., 1957-59; mem. 87th-88th, 90th-92d Congresses from 4th Ia. Dist.; asst. sec. cong. leg. affairs U.S. Dept. Interior, Washington, 1973—. Bd. Trustees Herbert Hoover Presidl. Library, 1973—. Recipient Distinguished Service award Miss. River Basin Comm., 1975. Republican. Presbytn. Home: 208 W North St Bloomfield IA 52537 Office: US Dept Interior C St between 18th and 19th Sts NW Washington DC 20240

**KYLE, JOHN HAMILTON**, publishing co. exec.; b. Okmulgee, Okla., Sept. 20, 1925; s. Emmett S. and Manelle (Hamilton) K.; B.A., U. Okla., 1951, M.A. (U. Okla. Press fellow), 1953; m. Kathryn Elizabeth Gaver, Jan. 12, 1968; m. Jean Bushner, Apr. 23, 1953 (div. July 1966); 1 dau., Patricia. Asso. editor Progressive Architecture, N.Y.C., 1953-54; editor Johns Hopkins Press, 1954-62; founding dir. East-West Center Press, U. Hawaii, Honolulu, 1962-70; v.p. Franklin Book Programs, Inc., N.Y.C., 1970-71, pres., 1971—. U.S. del.

UNESCO conf., Tokyo, 1966; exec. sec. internat. book in organizing com. Nat. Acad. Sci., 1967; cons. Japanese pubs., 19. Served with inf. AUS, 1943-46. Decorated Purple Heart, Mem. A. Soc. Author: The Building of TVA: An Illustrated History, 19. Home: 60 Sutton Pls New York City NY 10022 Office: 1221 Av the Americas New York City NY 10020

**KYLE, PETER EDWARD**, educator, mech. engr.; b. Lakeport, N.J., Feb. 10, 1908; s. Edward McKenzie and Lydia Mary (Plant) student Carnegie Inst. Tech., 1937-39, Lehigh U. (James W. Packard research fellow 1933-34), 1933-34; M.E., Cornell (Westinghouse War Meml. scholar 1929-33), 1933; M.S., Mass. Inst.

Tech., 1939; m. Fanny E. Sly, July 8, 1933; 1 son, James Peter; m. 2 Mary Savage Wells, Nov. 27, 1953; children—James Savage, Robert Seth, Richard Edward. Research engr. Westinghouse Elec. Corp., Pittsburgh, 1929; research fellow Lehigh U., 1933-34; mem. facul. mech. engring. Mass. Inst. Tech., 1934-46, asso. prof., 1944-46; inst. Lowell Inst. Sch. Machine Design, 1937-43; mem. faculty Cornell U., 1946-54; former v.p. Lessells & Assos., Inc.; cons. indsl. concerns v. mech. and metall. problems, 1954-59; mgr. materials dept. Allie Research Assos., Inc., Boston, 1959-61, chief engr. aero/mech engring. dept., 1961-62, chief materials tech. sect., Concord, Mass., 1962-68; prof. mech. enging. Norwich U., Northfield, Vt., 1968—, Staff war metallurgy com. Nat. Acad. Scis., Washington, 1943-44. Mem. Am. Soc. M.E., Am. Soc. Metals, Sigma Xi, Tau Beta Pi, Home: 2 Winter St Northfield VT 05663

**KYLE, RICHARD ERWIN**, lawyer; b. Mpls., June 27, 1905; s. Richard and Alice (Irwin) K.; B.A., U. Minn., 1925, LL.B., 1927; m. Geraldine House, Nov. 12, 1932 (dec. Aug. 1971); children—Sheila (Mrs. E. R. Cunningham), Richard H., Geraldine (Mrs. Robert U. Bullard); m. 2d, Eloise H. Seidenfanz, Feb. 24, 1973 (dec. Jan. 1975). Admitted to Minn. bar, 1927, since practiced in St. Paul; mem. firm Briggs and Morgan, and predecessors, 1946—, Chmn. Minn. Supreme Ct. Adv. Comm., 1960-65; mem. com. rules of practice and procedure Jud. Conf. U.S. Served to col. AUS, 1942-45; ETO Decorated Bronze Star, Fellow Am. Coll. Trial Lawyers (bd. regents) mem. Am. Minn., Ramsey County (pres. 1960-61) bar assns., Minn. Law Alumni Assn. (pres. 1947-48), Am. Law Inst., Order of Conf. P-Gamma Delta, Phi Delta Phi, Clubs: St. Paul Athletic, Minnesota (St. Paul), Home: 111 E Kellogg Blvd Box 2502 St Paul MN 55101 Office: First Nat Bank Bldg St Paul MN 55101

**KYLE, WILLIAM DAVIDSON, JR.**, bus. exec.; b. Milw., May 18 1915; s. William Davidson and Margaret (Adams) K.; B.A., Cornell U., 1936; m. Norina Timberman, Feb. 8, 1941; children—Susan Nancy Margaret, Julie Ann, Wendy Lynn, Robin Ann. Engr., Wis. Electric Power Co., Milw., 1936-37; engr. Line Material Co., South Milwaukee, Wis., 1937-39, exec. v.p., Milw., 1947-49; pres. Lin. Material Co., 1949-56; pres. McGraw Electric Co., 1949-56, v.p. parent co., 1949-56; pres. Kyle Corp., 1939-47; pres. Kyova Pipe Co., Milw., and Irontron, O., 1956-68; chmn. bd., dir. Kyle Co., Milw., 1972—; pres. Bath Industries, Inc., Milw., 1968-72, 74—, chmn. bd., chief exec. officer, 1967—, pres. dir. K.G. Corp., Marietta Research & Investment Co.; dir. Dumore Co., Racine, Wis., Wehr Corp., 1st Wis. Trust Co., 1st Wis. Bankshares Corp., 1st Wis. Nat. Bank, Water Pollution Control Corp. (Fellow I.E.E.E.); mem. Milw. Engrs. Soc., Chi. Psi. Home: 1425 W Dean Rd Milwaukee WI 53212 Office: PO Box 51 Mequon WI 53092 also 777 E Wisconsin Av Milwaukee WI 53202

**KYLE, WILLIAM J., JR.**, lawyer; b. Waynesburg, Pa., Nov. 15, 1905; s. William Joseph and Gertrude Bell (Shaffer) K.; A.B., Amherst Coll., 1926; LL.B., Harvard, 1930; m. Mary Camden, Oct. 11, 1930; children—Susan C. (Mrs. C.T. Heppenstall), Anne S. (Mrs. H.S. Matthews III), Jane C. (Mrs. Robert M. Wilcock). Admitted to Pa. bar, 1930, since practiced in Pitts.; now mem. firm Buchanan, Ingersoll, Redwald, Kyle & Buerger, Dir. Armstrong Corp. Co., Allegheny Ludlum Steel Corp., Nat. Mine Service Corp. Mem. Am. Pa., Allegheny County bar assns., Phi Beta Kappa, Beta Theta Pi, Clubs: Duquesne, Law (Pitts.); Plantation (Hilton Head Island), Home: South Beach Lagoon Dr Hilton Head Island SC 29928 Office: Oliver Bldg Pittsburgh PA 15222

**KYLE, WOOD BARBEE**, ret. business exec.; b. Pecos, Tex., Mar. 3, 1915; s. Albert Sidney and Ninette (Barbee) K.; B.S., Tex. A. and M. U., 1936; postgrad. Army War Coll., 1955-56; m. Helen Mack, Apr. 15, 1939; children—Ninette (Mrs. Ninette Griffin), Albert S. Command. 2d Lt. USMC, 1936, advanced through grades to maj. gen., 1966; instr. Command and Gen. Staff Sch., U.S. Army, 1945-48; asst. G-3, FMFPAC, Honolulu, 1949-51; asst. dir. Marine Corps Res., Washington, 1949-52; G-3, TTULANT, Little Creek, Va., 1952-54; comd. officer 4th Marines, 3d Marine Div., Nara, Japan, 1954-55; chief tactics br. Marine Corps Devel. Center, Quantico, Va., 1956-58; chief joint plans Hdqrs. U.S. European Command, Paris, France, 1958-61; comd. gen. Force Troops, FMEFLTANT, Camp Lejeune, N.C., 1961-63; dep. chief staff Hdqrs. USMC, Washington, 1963-66; comd. gen. 3d Marine Div., Vietnam, 1966-67, 5th Marine Div., Camp Pendleton, Cal., 1967-68; ret., 1968; asst. dir. long range planning ordnance group FMC Corp., San Jose, Cal., 1968-74, ret., 1974. Decorated D.S.M., Legion of Merit, Silver Star with oak leaf cluster, Purple Heart; Vietnam Order of Merit, Gallantry Cross, Chng Ni medal. Republican. Home: 749 Collette Ct Los Altos CA 94022

**KYMAN, ALEXANDER LEON**, banker; b. N.Y.C., Nov. 8, 1929; s. Jack H. and Fannie (Senuake) K.; B.A., So. Meth. U., 1950; LL.B., Harvard, 1953; m. Jean Poffenberger, Apr. 13, 1951; children—Lynn, David, Miriam, Rebecca. Asst. treas. Chase Nat. Bank, N.Y.C., 1953-62; asst. v.p. Sterling Nat. Bank, N.Y.C., 1962-64; v.p. Union Bank, Los Angeles, 1964-66; sr. v.p. City Nat. Bank, Los Angeles, 1966—, dir. Los Angeles Job Devel. Corp., 1971—, CNB Mortgage Corp., 1973—, Mem. Community Relations com. Los Angeles Jewish Fedn. Council, 1967—; mem. spl. gifts com. United Way, 1968—, mem. Anti-Defamation League, Mem. Harvard Law Sch. Assns., Am. Bankers Assn. Clubs: Harvard So. Cal.; El Caballero Country. Office: City Nat Bank Los Angeles CA 90014

**KYROS, PETER N.**, former congressman; b. Portland, Me., July 11, 1925; s. Nicholas and Anna (Poulos) K.; student Mass. Inst. Tech., 1943-44; B.S., U.S. Naval Acad., 1947; LL.B., Harvard, 1957; m. Alice Williams, Sept. 28, 1947; children—Peter N., Joanne Carol. Comd. ensign U.S. Navy, 1947, advanced through grades to lt., 1953; resigned, 1953; admitted to Me. bar, 1957; counsel Me. Pub. Utilities Comm., 1957-59; gen. practice law in Me., 1957-66; mem. 90th-93d congresses from 1st Dist. Me. Chmn. Me. Democratic Party, 1964-66, 1st Congl. Dem. Dist., 1962-64; del. Dem. Nat. Conv., 1964, Mem. Portland Soc. Art. Me. Hist. Soc., Greater Portland Landmarks Soc., Am. Legion, V.F.W. Soc., Preservation New Eng. Antiquities, Am. Me. bar assns., Am., Me., N.Y. trial lawyers assns. Mason. Home: 82 Frost St Portland ME 04102



A. LEWIS

May 2, 1978

Sir W. Arthur Lewis  
Department of Economics  
Princeton University  
Princeton, New Jersey 08540

Dear Sir Arthur:

I enclose the final version of the RAPIDE Report which will be submitted to Mr. McNamara. I hope you will agree that it reflects the views of the panel as a whole and will provide a solid basis for the Bank to plan its future research efforts. I should point out that other panels are reviewing other areas of Bank research and that in due course a 'super-panel' will pull together these various panel reviews to restructure the Bank's <sup>research</sup> effort as a whole.

On behalf of Al Fishlow, let me thank you for your cooperation and the promptness to which your various assignments were performed.

Yours sincerely,

Michael Beenstock



September 20, 1977

Sir W. Arthur Lewis  
Department of Economics  
Princeton University  
Princeton, New Jersey 08540

Dear Sir Arthur:

As promised in Professor Fishlow's letter to you of September 15, I enclose the fourth attachment describing the research programs of the income distribution and employment divisions written by their respective division chiefs.

Our first meeting is now almost certainly to take place on October 10-12. I will cable you as soon as I can confirm this.

Yours sincerely,



Michael Beenstock

Enclosure

RAPIDE

To: RAPIDE  
From: W.A. Lewis

Bank Research on Employment

I consider the subject under three headings

1. What we would like to know.
2. What the Bank needs.
3. Bank research.

1. Scope of the Subject

We would like to have answers to the following overlapping questions.

Structure of the Urban Labour Market

1. How is the labour market divided sectorally, by industry and service, in terms of numbers employed?
2. Within each sector, what is the size distribution of firms, ranging upwards from self-employment only, and including employment offered by households?
3. What is the spread of wages, within and between sectors, and by sizes of firms?
4. What is the structure of unemployment and underemployment? Over the past three months how many persons have worked an average of six days a week, five, four...zero days per week? How does this vary by sector and by size of employer?
5. What is the educational structure of the labour force, by sector, occupation and employment? To what extent does education contribute to unemployment?
6. What is the budget of the unemployed? Who finances them?
7. How do the larger firms recruit, train and promote?
8. How do young people enter the labour market? What training do they receive: in school, in vocational school, in apprenticeship, on the job? How much unemployment of juveniles is there, and how could they be helped to find work?



Are there really priority issues?

-2-

Only 11 2/2 on  
analysis. The rest is data

9. What is the extent of female labour participation? How much female unemployment is there, and how could this be diminished?

10. How much in-migration is there from rural areas within or outside the country? What work do immigrants do and how are they financed?

11. Is modernisation creating unemployment (e.g. new large scale industries undermining small scale or handicraft production)? Should or could the incidence of this be reduced by using more appropriate technology?

12. Is large-scale enterprise creating work for small-scale firms? How can these links be strengthened?

13. How can small-scale industry be made more competitive?

How does labor value justify?

#### Rural Employment

One needs the same basic facts about the structure of employment and unemployment as are listed above for urban areas, especially questions 1 to 4 and 9. In addition there are the following special questions:

14. How much out-migration is there? Is this having adverse effects on productivity, and if so, how can they be mitigated?

15. Can the number of acres under cultivation be increased?

16. Can employment per acre be increased?

17. Is it possible to locate more new industries in rural areas, and to make existing rural industries more competitive?

18. Can more service employment be provided in rural areas?

19. What are the direct and secondary effects on employment of expenditure on rural infrastructure?

20. To what extent can new seasonal non-agricultural activities be promoted, to alternate with the agricultural peak?

#### 2. World Bank Needs

The World Bank is performing two functions, with different needs. One function is that it monitors economic development in each of its borrowing members. The other is that it makes loans for particular projects.

As a monitor of economic development the Bank needs the answers to all the questions listed above, and can legitimately devote part of its resources to exploring any of them. On the other hand it could in most countries do a reasonably good job of monitoring without knowing the answers to most of them.

Its needs for designing projects are narrower. In the forefront would seem to be

5. Relations between education and employment.
8. Projects for training juvenile labour.
9. Projects using female labour.
10. Backwash effects of projects.
12. Links between large and small scale firms.
13. Strengthening small-scale industry.
14. Increasing the cultivable acreage.
15. Increasing employment per acre.
16. Locating industry in rural areas.
17. Employment effects of rural infrastructure projects.
20. Dovetailing non-agricultural activities in rural areas.

I have identified research papers on the following:

10. Backwash effects ?
12. Links between large and small scale firms.
13. Strengthening small scale industry.
17. Locating new industry in rural areas.
19. Employment effects of rural infrastructure projects.

I have not identified Bank research on:

8. Training juvenile labour.
9. Using female labour.
15. Increasing the cultivable acreage.



16. Increasing employment per acre.
17. Locating industry in rural areas.
20. Dovetailing non-agricultural activities.

That I have not yet identified such work does not mean that it does not exist. For example, Bank officials are presumably always on the lookout for projects involving (15) increasing the cultivable acreage. What I have seen however gives a first impression that the Bank research pays too little attention to ways of increasing employment in rural areas, which is also the most effective way of reducing unemployment in urban areas.

### 3. World Bank Research

Though the Bank must give priority to subjects with direct bearing on Bank projects, I see no need to restrict Bank research to such subjects. The Bank needs, especially for its monitoring functions, answers to all the questions listed in the first section of this paper, and can legitimately use its funds for any of them.

*To Bank?* I have been asked whether a reading of its papers yields clues as to its comparative advantage. The answer is in the negative. I have now read 23 Bank monographs on employment in a short period, and am suffering from a degree of indigestion which adds to the unreliability of my judgement. For what it is worth, I thought that 13 of these papers made substantial contributions, and 10 did not. Of the 13, 5 had direct relationships to projects, 5 added or explored general empirical knowledge, and 3 were theoretical clarifications. Of the 10, 3 were in the area of general empirical knowledge and 7 were theoretical.

I do not conclude that Bank officers should not write theoretical papers. I think that whenever the Bank is considering a new subject, general surveys should be written of the current theory and empirical knowledge. Such surveys should also be repeated from time to time. Otherwise, Bank officers should be encouraged to write as many theoretical papers as they please, but not on Bank time.

After giving the highest priority to project-related topics, I would give the next highest priority to projects which build up the data base. These are particularly suitable for collaboration between the Bank and regional or country institutions. It is tempting for research workers to concentrate on analysing the three or four countries that already have good data. The temptation should be resisted; the Bank has no comparative advantage in analysing data already available to good

regional or country institutions. Its comparative advantage is in helping to build the data base, and the institutions, in regions and countries which are less well favoured.

The 1980 Censuses will provide a great opportunity for strengthening data bases, and the Bank should make a major effort in a number of these countries.

Although each of the 20 questions on my list is interesting and important, the Bank could not tackle them all simultaneously. It is desirable to have three or four people working on the same topic as it applies to different parts of the world, and fertilising each others' thinking. So the Bank should establish for itself a list of topics within which it will confine itself for the time being. Such a list depends partly on the staff members on the roster, their interests and capabilities; so beyond suggesting that priority be given to project-related questions, and to research that builds up the data base, outsiders can give little help in drawing up such a list.

November 22, 1977



RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

October 13, 1977

Sir W. Arthur Lewis  
Department of Economics  
Princeton University  
Princeton, New Jersey 08540

Dear Sir Arthur:

For the record I enclose a summary of the assignment of the work load that was agreed on October 12. The next meeting is scheduled for December 13-15 and I shall be arranging travel and accommodations in due course. Since the main purpose of this meeting will be to discuss our various drafts, you should arrange that your draft be sent directly to the members of the Panel including myself so that it arrives no later than December 6. For this purpose, I also attach the addresses that you will require.

Please let me know if there are any further documents that you require.

Yours sincerely,

Michael Beenstock  
Policy Planning Division  
Room D441

enclosures (2)



# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> September 1977	<b>Document Type</b> Forms and letter			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> Consultant - Personnel Action and Request for Consultant forms for Sir W. Arthur Lewis				
<b>Exception(s)</b> Personal Information Corporate Administrative Matters				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
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<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			



Travel Office

October 3, 1977

Michael Beenstock, EPRPP

Consultants' Travel

Further to travel requests sent you on September 26, 1977 for Arthur Lewis, Simon Kuznets and Leopoldo Solis, please reserve accommodations for them at the Park Central Hotel instead of the DuPont Plaza Hotel as was originally requested. Arthur Lewis informs me that he already made his own arrangements at the Park Central Hotel.

:gm

September 20, 1977

Sir W. Arthur Lewis  
Department of Economics  
Princeton University  
Princeton, New Jersey 08540

Dear Sir Arthur:

As promised in Professor Fishlow's letter to you of September 15, I enclose the fourth attachment describing the research programs of the income distribution and employment divisions written by their respective division chiefs.

Our first meeting is now almost certainly to take place on October 10-12. I will cable you as soon as I can confirm this.

Yours sincerely,



Michael Beenstock

Enclosure



LEWIS *f.l.*

FORM No. 89  
(2-66)

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT  
ASSOCIATION

INTERNATIONAL FINANCE  
CORPORATION

NAL AFFAIRS

ROUTING SLIP		Date August 26, 1977
Name		
Mr. Karasmanoglu		Room No. E1243
<i>Mr. B. King</i>		
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<input type="checkbox"/>	Approval	Prepare Reply
<input type="checkbox"/>	Comment	Per Our Conversation
<input type="checkbox"/>	Full Report	Recommendation
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Remarks		
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From		<i>M. S. Stroud</i> M. S. Stroud

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Princeton University

WOODROW WILSON SCHOOL

OF PUBLIC AND INTERNATIONAL AFFAIRS

PRINCETON, N.J. 08540

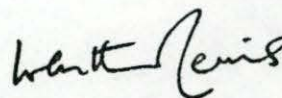
August 23, 1977

Mr. Robert S. McNamara  
Office of the President  
International Bank for  
Reconstruction and Development  
Washington, DC 20433

Dear Mr. McNamara,

I shall be happy to serve on Albert  
Fishlow's panel on research into income  
distribution.

Yours sincerely,



W.A. Lewis  
Professor of Political  
Economy

WAL:bg



August 11, 1977

Dear Sir Arthur:

As you may be aware, the Bank has over the last five years carried on a program of economic research on a substantially larger scale than hitherto. Although we regularly review within the Bank individual research projects as they are completed, this appears to be a good time to seek external advice on our progress to date and on future directions. Accordingly, I am initiating a series of panels on groups of related research projects. The first such panel will be on research into income distribution and employment. Professor Albert Fishlow, who is currently Professor of Economics at Berkeley, has agreed to act as chairman of the panel. I would much appreciate it, if you could spare the time to serve as a member of the panel.

The precise way in which the panel conducts its business will, of course, be up to its members. However, I would expect that there would be two meetings in Washington, one in September/October 1977 and one near the end of the year. It is hoped that the duration of these meetings could be kept down by supplying reading material beforehand and that they would not exceed three days each on average. The Bank would, of course, make travel arrangements as needed and pay for all travel expenses, together with an honorarium.

Professor Fishlow will also be writing to you, explaining in more detail how he hopes to proceed.

Sincerely,

Robert S. McNamara

Sir Arthur Lewis ✓  
Department of Economics  
Princeton University  
Princeton, New Jersey 08540

BBKing:gm  
cc: for Mr. McNamara's Office (2)

August 10, 1977



25th anniversary special Gold Medal, 1970; Royal Medal, Royal Soc., 1972. *Publications*: Electrical Counting, 1942; articles in Wireless Engineer, 1929, 1932 and 1936; papers in Proc. Royal Society A, 1931, 1932, 1933, 1934, 1936, 1940; etc. *Recreation*: walking. *Address*: Box 189, 13 Beach Avenue, Deep River, Ontario K0J 1P0. *T*: 613-584-3561; Physics Department, Queen's University, Kingston, Ontario K7L 3N6. *T*: (office) 613-547-2869, (residence) 613-544-7460.

✓ **LEWIS, Sir (William) Arthur**, Kt 1963; Ph.D. BCom (London); MA (Manchester); James Madison Professor of Political Economy, Princeton University, since 1968; b 23 Jan. 1915; 4th s of George F. and Ida Lewis, Castries, St Lucia; *m* 1947, Gladys Jacobs; two *d*. *Educ*: St Mary's Coll., St Lucia; London Sch. of Economics. Lecturer at London Sch. of Economics, 1938-47; Reader in Colonial Economics, University of London, 1947; Stanley Jevons Prof. of Political Economy, University of Manchester, 1948-58; Principal, University Coll. of the West Indies, 1959-62; Vice-Chancellor, University of the West Indies, 1962-63; Prof. of Public and International Affairs, Princeton Univ., 1963-68; Pres., Caribbean Development Bank, 1970-73. Assigned by United Nations as Economic Adviser to the Prime Minister of Ghana, 1957-58; Dep. Man. Dir., UN Special Fund, 1959-60. Temp. Principal, Board of Trade, 1943, Colonial Office, 1944; Consultant to Caribbean Commn., 1949; Mem. UN Group of Experts on Under-developed Countries, 1951; Part-time Mem. Board of Colonial Development Corporation, 1951-53; Mem. Departmental Cttee on National Fuel Policy, 1951-52; Consultant to UN Economic Commission for Asia and the Far East, 1952; to Gold Coast Govt, 1953; to Govt of Western Nigeria, 1955. Mem. Council, Royal Economic Soc., 1949-58; Pres. Manchester Statistical Soc., 1955-56. Chancellor, Univ. of Guyana, 1966-73. Hon. LHD: Columbia, Boston Coll.; Hon. LLD: Toronto, Wales, Williams, Bristol, Dakar, Leicester, Rutgers, Brussels, Open Univ.; Hon. LittD: West Indies, Lagos; Hon. DSc, Manchester. *Corresp.* Fellow, British Acad., 1974; Hon. Fellow, LSE; For. Fellow Amer. Acad. of Arts and Sciences; Mem., Amer. Phil. Soc.; Hon. Fellow Weitzmann Inst; Distinguished Fellow, Amer. Economic Assoc., 1970. *Publications*: Economic Survey, 1918-1939, 1949; Overhead Costs, 1949; The Principles of Economic Planning, 1949; The Theory of Economic Growth, 1955; Politics in West Africa, 1965; Development Planning, 1966; Reflections on the Economic Growth of Nigeria, 1968; Some Aspects of Economic Development, 1969; Tropical Development 1880-1913, 1971; articles in technical, economic and law jls. *Address*: Woodrow Wilson School, Princeton University, Princeton, NJ 08540, USA.

**LEWIS, William Edmund Ames**, OBE 1961; Charity Commissioner, 1962-72; b 21 Sept. 1912; s of late Ernest W. Lewis, FRCS, Southport, Lancashire; *m* 1939, Mary Elizabeth, *e d* of late C. R. Ashbee; two sons *d*. *Educ*: Merchant Taylors', Great Crosby; Emmanuel Coll., Cambridge. *Barrister-at-law*, Inner Temple, 1935. Entered Charity Commission, 1939; Asst Commissioner, 1953-61; Sec., 1961-69. Served in RAF, 1941-46. *Recreations*: music, painting. *Address*: Watermans, Ewhurst Green, Robertsbridge, East Sussex. *T*: Staplecross 523. *Club*: United Oxford & Cambridge University.

**LEWIS, Wilmarth Sheldon**, FSA, FRSA, FRSL; Hon. MA (Yale 1937); Hon. LittD (Brown, 1945; Rochester, 1946; Delaware, 1961; Cambridge 1962); Hon. LHD (Trin. Coll., Hartford, 1950; Bucknell 1958; Melbourne, 1972); Hon. DLitt (NUI, 1957); Hon. LLD (Yale 1965; Hartford 1972); Yale Medal, 1965; Founder and Editor

Yale Edn of Horace Walpole's Correspondence since 1933; b 14 Nov. 1895; s of Azro N. and Miranda Sheldon Lewis; *m* 1928, Annie Burr Auchincloss (*d* 1959). *Educ*: Thacher Sch.; Yale Univ. (BA 1918). Served European War as 2nd Lt 144 Field Artillery, 1917-19; War of 1939-45 as Chief, Central Information Div., Office of Strategic Services, 1941-43; Research Assoc., Yale Univ., 1933-38; Fellow of Yale Univ., 1938-64; Fellow Amer. Acad. of Arts and Sciences; Mem., Amer. Philosoph. Soc. Chairman: Yale Library Assoc., 1933-45; Librarian's Council, Library of Congress, 1941-47; John Carter Brown Library Assoc., 1943-46; Hon. Fellow, Pierpont Morgan Library, 1970. Trustee: Institute for Advanced Study, Princeton, 1945; Thacher Sch., 1940-46, 1954; Brooks Sch., 1946-49; Miss Porter's Sch., 1941-65; Watkinson Library, 1941; Redwood Library, 1946; Henry Francis duPont (Winterthur) Museum, Delaware, 1954; John Carter Brown Library, 1955; Heritage Foundn, 1962; John F. Kennedy Library, 1964; Mem. Commission: on National Portrait Gallery (Washington), 1964; National Coll. of Fine Arts, 1958-73. Donald F. Hyde Award (Princeton), 1968. *Publications*: Tutor's Lane, 1922; Three Tours Through London, 1748, 1776, 1797 (Colver Lectures, Brown Univ.), 1941; The Yale Collections, 1946; Collector's Progress, 1951; Horace Walpole's Library (Sandars Lectures), 1957; Horace Walpole (A. W. Mellon Lectures), 1960; One Man's Education, 1967; See for Yourself, 1971. Editor: A Selection of Letters of Horace Walpole, 1926, 1951, 1973; Horace Walpole's Fugitive Verses, 1931; (with Ralph M. Williams) Private Charity in England, 1747-57, 1938; Yale Edition of Horace Walpole's Correspondence, 39 vols., 1937-74, with completion (50 vols) about 1980. *Address*: Farmington, Conn, USA. *Clubs*: Athenaeum (London); Century, Grolier, Yale (New York); Tavern (Boston); Metropolitan (Washington); Pacific Union (San Francisco).

**LEWIS-JONES, Captain Robert Gwilym**, CBE 1969; RN; Director, Fleet Management Services, since 1973; b 22 Feb. 1922; s of Captain David Lewis Jones and Olwen Lewis Jones (*nee* Evans), Corris and Dolgellau; *m* 1946, Ann Mary, *d* of David and Margaret Owen, Dolgellau; two s. *Educ*: Tywyn Grammar Sch.; Gonville and Caius Coll., Cambridge. CEng, AFRAes, MBIM, FAA Observers Course, 1942-43; 842 Sqdn in HM Ships Indefatigable, Furious and Fencer on Murmansk and Atlantic convoys, 1943-45; Long Air Communications Course, 1945-46; Long Air Electronics/Electrical Course, 1946-47; RRE Malvern, 1947-49; Long Ships Electrical Course, 1950; RAE Farnborough, 1950-53; Sen. Aircraft Engr Off., HMS Albion, 1953-56; Dep. Comd Engr Off., Staff of Flag Officer Naval Air Comd, 1956-58; Head of Air Electrical Comd, RN Air Stn Brawdy, 1958-61; Sqdn Weapons Off., HMS Caesar and 8th Destroyer Sqdn, 1961-63; Exec. Off. and 2nd in Comd, HMS Condor, 1963-65; Gen. Man., RN Aircraft Yard, Belfast, 1965-67; Dir of Aircraft Armament, MoD (N), 1967-68; Jt Services Planning and Co-ordinating Off. responsible for Armed Forces participation in Investiture of Prince of Wales, 1967-69; Sen. Officers War Course, RNC Greenwich, 1969-70; Staff of Dir Gen. Ships (Directorate Naval Ship Production), 1970-72. Lt-Comdr 1952; Comdr 1958; Captain 1967. Croydon Borough Comr, Scout Assoc. *Recreations*: golf, Association and Rugby football, choral music, and Welsh language. *Address*: Fir Tops, Kenley Lane, Kenley, Surrey. *T*: 01-660 9168; Erw Wen, Dolgellau, Gwynedd.

**LEWISHAM, Viscount; William Legge**; accountant; b 23 Sept. 1949; *e s* and *heir* of 9th Earl of Dartmouth, *qv*. *Educ*: Eton; Christ Church, Oxford. Secretary, Oxford Union Soc.,



G. SICAT



# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
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<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			



RAPIDE

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May 31, 1978  
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GERARDO SICAT, NEDAPHIL

MANILA,, PHILIPPINES

REUR TELEX TO BEENSTOCK, PLEASE HAVE CENTRAL BANK OF THE PHILIPPINES BILL THE WORLD BANK FOR THE TICKETS. ATTACH COPIES OF AIRLINE INVOICE TO THE BILL. ALSO PLEASE SUBMIT STATEMENTS OF YOUR EXPENSES ENROUTE AND IN WASHINGTON WITH HOTEL BILLS ATTACHED. REGARDS, LOWTHER, ADMINISTRATIVE OFFICER.

RAPIDE - SICAT

cc: / M. Beenstock, PPRPP  
M. Lopez-Silvero, CTRAE (re RPO 670-92)

Jack Lowther

Jack Lowther

Policy Planning & Program Review

May 2, 1978

Mr. Gerardo Sicat  
Director-General  
National Economic & Development Authority  
P.O. Box 1116  
Manila, Philippines

Dear Mr. Sicat:

I enclose the final version of the RAPIDE Report which will be submitted to Mr. McNamara. I hope you will agree that it reflects the views of the panel as a whole and will provide a solid basis for the Bank to plan its future research efforts. I should point out that other panels are reviewing other areas of Bank research and that in due course a 'super-panel' will pull together these various panel reviews to restructure the Bank's effort as a whole.

On behalf of Al Fishlow, let me thank you for your cooperation and the promptness to which your various assignments were performed.

Yours sincerely,

Michael Beenstock



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FROM: MANILA

HAVE FINISHED MY TRIP TO KUALA LUMPUR AND BANGKOK STOP  
WILL RENDER REPORT UPON ARRIVAL IN WASHINGTON

GERARDO SICAT NEDAPHIL

JV

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7780 NED PH DECEMBER 6, 1977

INCOMING TELEX

(Telex No.)  
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MICHAEL BEENSTOCK

INTBAFRAD

WASHINGTON DC

FROM: MANILA

HAVE FINISHED MY TRIP TO KUALA LUMPUR AND BANGKOK STOP  
WILL RENDER REPORT UPON ARRIVAL IN WASHINGTON

GERARDO SICAT NEDAPHIL

JV

248423 WORLDBANKE

248423 WORLDBANK

DISTRIBUTION

Mr. Beenstock

1977 DEC -6 AM 8: 34



WORLD BANK / IFC  
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TO: GERARDO SICAT  
 DIRECTOR GENERAL  
 NATIONAL ECONOMIC & DEVELOPMENT  
 AUTHORITY, MANILA

DATE: Dec. 2, 1977

ORIGINATOR'S EXT.: 76001

COUNTRY: PHILIPPINES

CLASS OF  
SERVICE: LT

CABLE NO. & TEXT:

PLEASE LET ME KNOW ABOUT THE STATUS OF YOUR VISIT TO KUALA LUMPUR  
FOR RAPIDE.

MICHAEL BEENSTOCK

NOT TO BE TRANSMITTED

REFERENCE:	AUTHORIZED BY (Name): S.J. Burki
DRAFTED BY:	DEPARTMENT: Policy Planning & Program Rev.
CORRECTIONS AND COPY DISTRIBUTION:	SIGNATURE (Of individual authorized to approve): <i>Shahid Jamil Idum</i>
	SECTION BELOW FOR USE OF CABLE SECTION
	CHECKED FOR DISPATCH:



**The World Bank** / 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 393-6360 • Cables: INTBAFRAD

Ms. Ann Corrick  
Reservations Manager  
Park Central Hotel  
705 18th Street NW  
Washington, DC

November 29, 1977

Dear Sir:

This is to reconfirm the following reservation at your hotel:

Name: Mr. G. Sicat  
Consultant

Type of Accommodation:

Single with Bath OK @ \$28.00  
Double with Bath \_\_\_\_\_

Commencing: December 11, 1977

Terminating: December 15, 1977

(Number of nights 4 )

This reservation was confirmed by phone with Ada November 28, 1977

Any courtesies extended will be greatly appreciated.

Very sincerely yours,

**NOTE TO STAFF MEMBER:**  
*This is a GUARANTEED reservation. You should arrange for cancellation if your plans change.*

*Carol J. Phillips*  
for Raymond P. Messerly  
Chief, Travel and Shipping Division

**WORLDBANK GUARANTEES RESERVATION**

cjp



RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

October 27, 1977

Mr. Gerardo Sicat  
Director-General  
National Economic & Development Authority  
P.O. Box 1116  
Manila, Philippines

Dear Mr. Sicat:

I enclose the dossier for your trip to Malaysia in connection the work for RAPIDE.

I shall leave the detailed arrangements of your trip to yourself, although the Malaysians know you are coming.

Yours sincerely,

Michael Beenstock  
Policy Planning Division  
Room D441

enclosure

October 25, 1977

Mr. Sherif Kasim  
National Planning Division  
Economic Planning Unit  
Prime Minister's Department  
Kuala Lumpur, Malaysia

Dear Sherif:

The World Bank recently invited a distinguished panel of experts to examine and report on the research work being done throughout the Bank on income distribution and employment issues. This raises two matters which I would like to take up with you.

Firstly, one of the panel members is Mr. Gerardo Sicat, Director General, National Economic and Development Authority, Manila, Philippines. He has taken a particular interest in our joint work with you and the Department of Statistics on social accounting matrices and models. Sicat plans to visit Malaysia during November and you will no doubt be receiving notification of this through other channels. Meanwhile, I thought I might tell you of this proposal in advance. My understanding is that Sicat is particularly interested in research collaboration between the Bank and member countries from the latter's point of view. Anything you could do, therefore, to explain the historical background and current status of our collaboration would be greatly appreciated.

A second member of the panel is Professor Simon Kuznets. He has shown a special interest in the SAM work and asked for copies of available material. I imagine I should be writing to Ramesh to advise him of this, and trust that he will have no objection. However, since Ramesh's movements are uncertain at this time, I felt I should advise you on this point also.

We are near completion of a final draft on the social accounting matrix for Malaysia and will be sending you copies for comment by the end of next month. I think it is going to prove an interesting document which the Bank will want to publish in due course.

Frank's stay here was most valuable and he and Montek have some interesting new results. We look forward to seeing him again at around the turn of the year, at which time we are hoping that you and others from EPU will be visiting us for an exchange of views and results on the modeling work. Can you let me know dates for your visit yet? There is no great urgency on this from our end, but we would be glad to make whatever arrangements may be necessary when we know your plans.



With best wishes,

Yours sincerely,

*Graham Pyatt*

Graham Pyatt  
Senior Adviser  
Development Research Center

*R. Wink*

(Letter prepared by Graham Pyatt  
and signed in his absence)

cc: Mr. Ramesh Chander  
Department of Statistics  
Kuala Lumpur, Malaysia

Bussink) AEA  
Young )

Ahluwalia, DRC

Beenstock, EPR

WORLD BANK / IFC  
OUTGOING MESSAGE FORM  
(TELEGRAM/CABLE/TELEX)

IBRD  
 IDA  
 IFC  
 ICSID

TO: MR. GERARDO SICAT  
DIRECTOR-GENERAL  
NATIONAL ECONOMIC & DEVELOPMENT  
AUTHORITY, MANILA  
COUNTRY: ~~MALAYSIA~~ PHILIPPINES

DATE: Oct. 27, 1977

ORIGINATOR'S EXT.: 6001

CLASS OF  
SERVICE: LT

CABLE NO. & TEXT:

I AM SENDING YOU BY AIR-MAIL THE DOSSIER FOR YOUR MALAYSIA TRIP TODAY.  
I HOPE THE DELAY HAS NOT AFFECTED YOUR PLANS.

REGARDS

MICHAEL BEENSTOCK  
(RAPIDE)

NOT TO BE TRANSMITTED

REFERENCE:	AUTHORIZED BY (Name): S.J. Burki
DRAFTED BY:	DEPARTMENT: Policy Planning & Program Review
COPIES AND COPY DISTRIBUTION:	SIGNATURE (Of individual authorized to approve): <i>Shahid Javed Burki</i>
	SECTION BELOW FOR USE OF CABLE SECTION
	CHECKED FOR DISPATCH:



RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

October 13, 1977

Mr. Gerardo Sicat  
Director-General  
National Economic & Development Authority  
P.O. Box 1116  
Manila, Philippines

Dear Mr. Sicat:

For the record I enclose a summary of the assignment of the work load that was agreed on October 12. The next meeting is scheduled for December 13-15 and I shall be arranging travel and accommodations in due course. Since the main purpose of this meeting will be to discuss our various drafts, you should arrange that your draft be sent directly to the members of the Panel including myself so that it arrives no later than December 6. For this purpose, I also attach the addresses that you will require.

Please let me know if there are any further documents that you require. I shall be contacting you shortly about your Malaysia visit.

Yours sincerely,

Michael Beenstock  
Policy Planning Division  
Room D441

enclosures (2)



# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> May - July 1978	<b>Document Type</b> Forms and letter			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> Statement of Expenses, Request for Payment for Professional Services forms for Gerardo P. Sicat				
<b>Exception(s)</b> Personal Information Corporate Administrative Matters Financial Information iv				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td><b>Withdrawn by</b> Sherrine M. Thompson</td><td><b>Date</b> May 09, 2019</td></tr></table>	<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019
<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			



248423 WORLDBANK

INCOMING

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sj

RCAML 907 1723

From: Manila

7780 NED PH SEPTEMBER 15, 1977

Distribution:

MR BEENSTOCK

17 SEP 15 11 7:47 Mr. Beenstock

INTBAFRAD

COMMUNICATIONS  
SECTION

WASHINGTONDC

WOULD PREFER INCOME DISTRIBUTION AND EMPLOYMENT

FIRST WEEK OCTOBER IF POSSIBLE OTHERWISE OCTOBER

TEN TO TWELVE ALRIGHT

GERARDO SICAT NEDAPHIL

JVP

248423 WORLDBANKO

RCAM0425-15

GERARDO SICAT  
NATIONAL ECONOMIC & DEVELOPMENT  
AUTHORITY  
P.O. BOX 1116, MANILA  
PHILIPPINES

9/13/77

4543

OUR PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT AT THE WORLD  
BANK IS HOPING TO HAVE ITS FIRST MEETING ON OCTOBER TEN TO  
TWELVE IN WASHINGTON DC STOP PLEASE CONFIRM IF THIS IS  
POSSIBLE TO BEENSTOCK WORLD BANK

FISHLOW

M. Beenstock

PP & PR



ICS IPHINA ISS  
 ISS FM RCA 24 0219  
 PMS OF CALIFORNIA BERKLEY CA  
 WUF7357 PHU005 TL52 NED20/TR  
 UNRX CO PHMA 048  
 MANILA 24 1923  
 PROFESSOR ALBERT FISHLON  
 DEPARTMENT OF ECONOMICS  
 UNIVERSITY OF CALIFORNIA  
 BERKLEYCALIFORNIA

I ACCEPT INVITATION TO SERVE ON WORLD BANK RESEARCH  
 COMMITTEE SUBJECT TO APPROVAL OF HIGHER AUTHORITY  
 WHICH IS EXPECTED I LOOK FORWARD TO RECEIVING  
 MATERIAL AND MEETING YOU  
 GERARDO SIGAT NEDAPHIL

EF 01 (12-69)



August 11, 1977

Dear Mr. Sicat:

As you may be aware, the Bank has over the last five years carried on a program of economic research on a substantially larger scale than hitherto. Although we regularly review within the Bank individual research projects as they are completed, this appears to be a good time to seek external advice on our progress to date and on future directions. Accordingly, I am initiating a series of panels on groups of related research projects. The first such panel will be on research into income distribution and employment. Professor Albert Fishlow, who is currently Professor of Economics at Berkeley, has agreed to act as chairman of the panel. I would much appreciate it, if you could spare the time to serve as a member of the panel.

The precise way in which the panel conducts its business will, of course, be up to its members. However, I would expect that there would be two meetings in Washington, one in September/October 1977 and one near the end of the year. It is hoped that the duration of these meetings could be kept down by supplying reading material beforehand and that they would not exceed three days each on average. The Bank would, of course, make travel arrangements as needed and pay for all travel expenses, together with an honorarium.

Professor Fishlow will also be writing to you, explaining in more detail how he hopes to proceed.

Sincerely,

Robert S. McNamara

Mr. Gerardo P. Sicat ✓  
Director-General  
National Economic & Development Authority  
P.O. Box 1116  
Manila, Philippines

BBKing:gm  
cc: for Mr. McNamara's Office (2)  
Messrs. Hawkins/Gould

August 10, 1977



L. SOLIS

May 2, 1978

Mr. Leopoldo Solis  
Subdirector General  
Bank of Mexico  
5 De Mayo #2, Fifth Floor  
Mexico 1, D.S.  
Mexico

Dear Mr. Solis:

I enclose the final version of the RAPIDE Report which will be submitted to Mr. McNamara. I hope you will agree that it reflects the views of the panel as a whole and will provide a solid basis for the Bank to plan its future research efforts. I should point out that other panels are reviewing other areas of Bank research and that in due course a 'super-panel' will pull together these various panel reviews to restructure the Bank's <sup>research</sup> effort as a whole.

On behalf of Al Fishlow, let me thank you for your cooperation and the promptness to which your various assignments were performed.

Yours sincerely,

Michael Beenstock



September 20, 1977

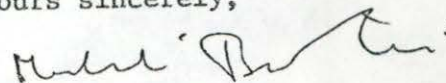
Mr. Leopoldo Solis  
Subdirector General  
Bank of Mexico  
5 De Mayo #2, Fifth Floor  
Mexico 1, D.S.  
Mexico

Dear Mr. Solis:

As promised in Professor Fishlow's letter to you of September 15, I enclose the fourth attachment describing the research programs of the income distribution and employment divisions written by their respective division chiefs.

Our first meeting is now almost certainly to take place on October 10-12. I will cable you as soon as I can confirm this.

Yours sincerely,



Michael Beenstock

Enclosure

BANXICO INT MEX

T 63 MEXICO DF DEC 9, 1977 ROV HS 18.25

MR MICHAEL BEENSTOCK

POLICY PLANNING DIVISION

ROOM D441

INTBAFRAD

WASHINGTON D C

U S A

RECEIVED

1977 DEC 10 AM 9:01  
COMMUNICATIONS  
SECTIONDistributing:

Mr. Beenstock

U R G E N T

=====

REGRET INFORM YOU I WILL NOT BE ABLE ATTEND RAPIDE DUE TO FACT  
I JUST RESIGNED MINISTRY OF COMMERCE AS UNDERSECRETARY (STOP)  
MY PAPER IS BEING MAILED TODAY (STOP) BEST WISHES (STOP)  
LEOPOLDO SOLIS

BANXICO



248423 WORLDBANK

INCOMING TELEX

sj

BANXICO INT MEX

T 63 MEXICO DF DEC 9, 1977 ROV HS 18.25

MR MICHAEL BEENSTOCK

POLICY PLANNING DIVISION

ROOM D441

INTBAFRAD

WASHINGTON D C

U S A

RECEIVED

1977 DEC 10 AM 9:01

COMMUNICATIONS  
SECTION

Distributing:

Mr. Beenstock

U R G E N T

=====

REGRET INFORM YOU I WILL NOT BE ABLE ATTEND RAPIDE DUE TO FACT  
I JUST RESIGNED MINISTRY OF COMMERCE AS UNDERSECRETARY (STOP)  
MY PAPER IS BEING MAILED TODAY (STOP) BEST WISHES (STOP)  
LEOPOLDO SOLIS

BANXICO

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BANXICO INT MEX

I 64 MEXICO DF DEC 9, 1977 ROV HS 18.28

MR MESSERLY

WORLDBANK

WASHINGTON D C

1977 DEC 10 AM 9 01  
COMMUNICATIONS  
SECTION

Distribution:

Travel Ofc.

U R G E N T

=====

PLEASE CANCELL RESERVATIONS PARK CENTRAL HOTEL AS IT WILL BE  
IMPOSSIBLE FOR ME TO ATTEND RAPIDE (STOP) BEENSTOCK ALREADY  
INFORMED (STOP) THANKS FOR KIND HELP (STOP) REGARDS  
LEOPOLDO SOLIS

BANXICO

Note: Mr. Beenstock informed by telephone on Saturday.

248423 WORLDBANK

BANXICO INT MEX

HS 18.30



ROUTING SLIP		DATE: 4/30/77
NAME		ROOM NO.
Mr. Favis		D441
APPROPRIATE DISPOSITION		NOTE AND RETURN
APPROVAL		NOTE AND SEND ON
CLEARANCE		PER OUR CONVERSATION
COMMENT		PER YOUR REQUEST
FOR ACTION		PREPARE REPLY
INFORMATION		RECOMMENDATION
INITIAL		SIGNATURE
NOTE AND FILE		URGENT
REMARKS:		
<p>we have cabled Mr. Solis on this hotel confirmation.</p>		
FROM:	ROOM NO.:	EXTENSION:
C. Montoya	C201	2056

The World Bank / 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 393-6360 • Cables: INTBAFRAD

Ms. Ann Corrick  
Reservations Manager  
Park Central Hotel  
705 18th Street NW  
Washington, DC

November 29, 1977

Dear Sir:

This is to reconfirm the following reservation at your hotel:

Name: Mr. L. Solis  
Consultant

Type of Accommodation:  
Single with Bath OK @ \$28.00  
Double with Bath \_\_\_\_\_

Commencing: December 12, 1977

Terminating: December 15, 1977

(Number of nights 3 )

This reservation was confirmed by phone with Ada November 28, 1977

Any courtesies extended will be greatly appreciated.

**NOTE TO STAFF MEMBER:**

*This is a GUARANTEED reservation. You should arrange for cancellation if your plans change.*

Very sincerely yours,



*fp* Raymond P. Messerly  
Chief, Travel and Shipping Division

cjp

WORLDBANK GUARANTEES RESERVATION



RAPIDE  
→

*Subdirector General*

*del*

BANCO DE MEXICO, S. A.

Mexico City,  
October 24, 1977

Ref. LS/77C-126

Mr. M. Beenstock, Rm. D441  
The World Bank  
1818 H. Street N. W.  
Washington D. C. 20433  
U. S. A.

Dear Mr. Beenstock:

Herewith you will find Statement of Expenses and Request for Payment for Professional Services corresponding to my participation in the Research Advisory Panel on Income Distribution and Employment, carried at The World Bank during October 10/12 of the present year.

I look forward to hear from you.

Very truly yours,

  
Leopoldo Solís

Encl. (2)

RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

October 27, 1977

Mr. Leopoldo Solis  
Sub-Director General  
Bank of Mexico  
5 de Mayo No. 2, 5th Floor  
Mexico 1, D.F., Mexico

Dear Mr. Solis:

I enclose the dosier for your trip to ECLA in connection with the work for RAPIDE. Since you did not stop by for any papers when you were here for the first meeting, I hope this meant that the original batch of papers arrived safely in Mexico.

I shall leave the detailed arrangements of your trip to yourself, although the ECLA people have been warned about your visit.

Yours sincerely,

Michael Beenstock  
Policy Planning Division  
Room D441

enclosure



## OFFICE MEMORANDUM

TO: Mr. Leopoldo Solis

FROM: Montek S. Ahluwalia (DRCID) *MS*

SUBJECT: ECLA Visit

DATE: October 28, 1977

This memo summarises the background in which the joint ECLA-IBRD research project was evolved and the current stage of the research.

I. Chronology

The project was initiated in mid-1973 as a first step in undertaking extensive work on improving the empirical basis for our understanding of distributional problems in developing countries. At that time, our ongoing review of published data, which later led to the publication of *The Size Distribution of Income: A Compilation of Data*, by Shail Jain, had already begun to reveal the limitations of working with published data. Such sources typically provided a very limited number of tabulations and it was felt that for systematic study of the distribution of income in different countries we should attempt to go back to the primary data sources.

The project was conceived as a joint IBRD-ECLA project on the grounds that ECLA would have the benefit of both location and an established direct access to the statistical office of various Latin American countries. The project was initiated with Mr. Oscar Altimir (consultant) as the principal researcher based with ECLA in Santiago. A brief statement of the research objectives and the original research proposal submitted to the Research Committee is given in Annex I.

In October 1975 Mr. Altimir was appointed Chief of the Statistics Division of ECLA. This event substantially affected the schedule of work envisaged for the project. Mr. Altimir continued to be the principal researcher and attempts were made to find an additional researcher to work on the project. In mid-1976 we were able to recruit Mr. Sebastian Pinera to work jointly with Mr. Altimir on this project.

II. Research Output

For the reasons described above, the project is seriously behind schedule. Thus far, the following final products have been completed and are currently being reviewed by Professor Kuznets:

- (1) "Income Distribution Estimates from Household Surveys and Population Censuses in Latin America: An Assessment of Reliability", Oscar Altimir, November 1976 (mimeo).
- (2) "Decomposition Analysis of the Inequality of Earnings in Latin American Countries", Oscar Altimir & Sebastian Pinera, August 1977 (mimeo).

In addition to these two items, the project will produce the following distinct final products:

- (3) A summary picture of the distribution of income in the various countries covered. This would include socio-economic characteristics of different income groups.
- (4) Estimates of comparable absolute poverty levels across countries.
- (5) Estimates of the extent of poverty in each country using (3) above and a picture of the characteristics of the poor.

Work on each of these is proceeding at ECLA but no draft papers are as yet available for circulation. A recent statement of the current stage of work is contained in Annex II.

It is unlikely that these various distinct products will be completed before March 1978. At that time they can be reviewed together and hopefully combined into a single volume.



ANNEX I

## Evaluation of Latin American Data on Income Distribution

*Ref. No. 670-83*

A major limitation of empirical work on income distribution and the relationship between inequality, poverty, and development is the poor quality of available information. This project is part of a broad program of work aimed at improving the data base for the systematic study of distributional problems (see also Ref. No. 670-85, page 10, and Ref. No. 671-08, page 13).

The objectives of this project are to identify, for each country in Latin America, a recent data set suitable for the analysis of patterns of income distribution and to use these data to present a detailed picture of the different aspects of income distribution. Initially, 31 household surveys in 13 countries were identified as suitable for analysis. Access was obtained to 22 surveys for 11 countries (Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Honduras, Panama, Peru, Uruguay, and Venezuela). Multiple tabulations of the data have been prepared, accompanied by statements of their basic characteristics. The final report of the project will present a detailed picture of different aspects of income distribution, including the overall degree of inequality as conventionally measured by Lorenz curves or various indices of inequality (e.g., the Gini coefficient, the Theil index, etc.), and the socioeconomic characteristics of different income groups. An attempt will then be made to examine the validity of various hypotheses about causes of income inequality by examining correlates of inequality in selected surveys.

The final report will also provide an assessment of the quality of available data in Latin America as well as an evaluation of the degree of comparability in income distribution data across countries.

*Responsibility: Development Research Center*—Montek S. Ahluwalia. The project is being undertaken jointly by the World Bank's Development Research Center and the Economic Commission for Latin America (ECLA). The principal researcher is Oscar Altimir (formerly a World Bank consultant and now Chief of the ECLA Statistics Division).

*Completion date: June 1977.*



Review number

WORLD BANK RESEARCH PROGRAM  
Project Proposal

Date of Submission:

April 20, 1973

PART I. PROJECT IDENTIFICATION

**Title:** EVALUATION OF LATIN AMERICAN DATA ON INCOME DISTRIBUTION

**Department Responsible:** DRC

**3. Staff Member Responsible:** Mr. Ahluwalia

**No. of Contracts:** 2

**5. Total Estimated Cost:** \$37,500.00

**Total Estimated Staff Time:**  
**Professional:**

**Special Services:**

Part II. COORDINATION AND APPROVAL

**In departmental Coordination:**

Department	Name & Signature	Support Project	Do not Support Project-Comments Submitted
Latin American Region	D. Avramovic, Chief Economist <i>D. Avramovic</i>		

**Approval:**

Montek S. Ahluwalia *Montek S. Ahluwalia*  
Division Chief

Jorge Cauas *Jorge Cauas*  
Department Director



PART III. IMPLEMENTATION

1. Date Work to Start: May 1, 1973

2. Date First Draft Expected: 12/31/73

3. Final Report Due: April 30, 1974

4. Implementation Method:

- a. Bank Staff.
- b. Individual Consultants.
- c. LDC Contractor/Institute.
- d. Developed Country Contractor/Institute.
- e. Seminar

5. Reports Expected in Current Fiscal Year:

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PART IV. FINANCIAL AND STAFF DATA

1. Dollar Costs (Estimated Disbursements by Fiscal Year):

	FY	FY 74	FY	After FY	Total
a. Contractual		28,000.			\$28,000.
b. Travel		8,000.			8,000.
c. Data Processing		1,500			1,500.
Total		37,500			37,500.

2. Staff Requirements (man-months):

	FY 73	FY	FY	After FY	Total
a. Professional	-	0.5			
b. Special Services					
Total					



PART V. PROJECT SUMMARY  
(Use Additional Sheets if Necessary)

1. Research Objectives:

Support basis for Bank Policy	3
Support for Bank Operation in Projects or Sectors	5
Support for Country Economic Work	2
Increase Knowledge of the Basic Development Process	1
Develop Institutional Capacity for Research in LDC's	4

2. Description:

- a. Problem
- b. Method
- c. Coordination
- d. Implication for Bank Policy and Operations.
- e. Project Organization

A detailed account of the project is given in the attachment.

- a) To work with original data for about 10 countries available with ECLA with a view to evaluating this data, presenting a detailed picture of income distribution patterns in these countries, and designing an in-depth study of two or three countries.
- b)
  - (i) Use original data tapes to obtain multiple tabulations of data for descriptive purposes.
  - (ii) Devise cross checks with national accounts and other primary sources.
  - (iii) Relate income distribution to sector of origin and category of income (wages, profits, etc.) to set the stage for further analytical work.
- c) Joint research with ECLA in Santiago. The Income Distribution Division will coordinate this project to relate it to ongoing work in the Division on size distribution and with the needs of the Latin American Departments.
- d) Provides much better information on the most important countries in Latin America.
- e) The team consists of one Bank consultant, one ECLA Staff Member and two ECLA Research Assistants based in Santiago. The IDD will monitor the project closely to ensure continuous interaction. Two "work review" meetings are planned.





NACIONES UNIDAS

COMISION ECONOMICA PARA AMERICA LATINA  
EDIFICIO NACIONES UNIDAS  
AVENIDA DAG HAMMARSDJOLD  
CASILLA 179 D  
SANTIAGO, CHILE

REFERENCIA: ECO 625/1 (2)

CABLE: UNATIONS

14 March 1973

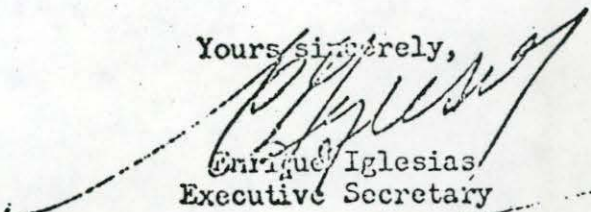
Dear Mr. Cauas,

The attached notes summarize the conclusions reached during discussions held last week between staff members of both organizations with a view to outlining a joint work programme in the field of income distribution.

In this respect, I am very happy to inform you that I am fully agreeable to having the text used as a basis for carrying out the above mentioned project.

I wish to express my satisfaction at the possibilities of co-operation between the two organizations afforded by this joint work programme, and trust that in the future we may have the opportunity of incorporating other areas of common interest within the framework of mutual co-operation.

Yours sincerely,

  
Enrique Iglesias  
Executive Secretary

Mr. Jorge Cauas, Director  
Development Research Center  
International Bank for Reconstruction  
& Development  
1818 H. Street, N.W.  
Washington, D.C. 20433  
U.S.A.



The following is a preliminary outline of a proposed joint research project between the Bank and ECLA in the field of income distribution in the Latin American region. The research team will consist of Mr. Oscar Altimir (Bank Consultant) and Mr. Horacio Santamaría (Chief, National Accounts Section, ECLA) working with two research assistants in Santiago. The project is expected to last approximately one year and may lead to further research projects in this field to be determined at the conclusion of this stage.

PART A: THE PROPOSAL

The research proposal consists of three separate stages:

I. Presentation and Analysis of available data

(a) The main object in this stage will be to prepare multiple tabulations of survey data for about 12 countries (covering approximately 25 surveys) currently available with ECLA. The tabulations to be prepared will be selected following the guidelines given in Annex I. These tabulations will be accompanied by statements of the basic characteristics of the data with a view to assessing degrees of comparability between countries.

(b) At a later stage (see part B: Timing) the project will develop appropriate "control devices" to check the consistency of the survey data with the following:

(i) national accounts data on personal income and its components (wages, profits, etc.);

(ii) population and employment data.

These "control devices" will be developed and presented for each of the 12 countries.



II. Comparison with alternative data sources

In the second stage the analysis of income distribution data will be extended to include other data sources. The main aim in this part of the project is to examine possible methodologies for comparing income distribution data from household surveys with other primary data relating to income distribution e.g.:

- (i) Income tax data
- (ii) Social security data
- (iii) Economic census (both agricultural and industrial censuses)
- (iv) Other sources

The output of the second stage will be in two parts:

- (a) Working paper discussing the conceptual problems in this area and identifying possible operational procedures to make cross checks. The paper will evaluate how far these comparisons can extend our knowledge of income distribution derived from household surveys.
- (b) Application of these procedures to some of the countries covered under item I (a) and (b) depending upon data availability. It is expected that such application may be possible for two or three countries which can be covered in depth. In each case the analysis will incorporate the results of investigations under I (b) above. The results of these investigations will be presented in a separate report on each country. The report will evaluate the the problems of measurement of income distribution and the extent to which these problems can be overcome by developing appropriate control procedures. The report will



pay special attention to familiar problems of measuring non-monetary income in rural areas and especially in the subsistence sector.<sup>1/</sup>

III. A research proposal

The third stage of this joint effort will attempt to develop a research proposal for an in-depth country case study of factors affecting income distribution for one or more countries of the region. The aim of such a proposal should be to go behind the statistical patterns yielded by size distribution and the proposal should focus on how to relate such patterns to the functional distribution within sectors and the sectoral pattern of production and growth. The basic methodology proposed will be intensively discussed before determining the feasibility of future research in this direction.

PART B: TIMING

The research proposal outlined above will be conducted according to the following time table:

- |             |  |
|-------------|--|
| (1) Aug. 1  | Discussion of the first draft of Ia.<br>Discussion of the first draft of IIa.                              |
| (2) Dec. 31 | Discussion of final draft I(a) & (b).<br>Discussion of first draft (or report on work in progress) of IIb. |
| (3) April 1 | Discussion of final draft II(a) & (b).<br>Submission of research proposal for in depth studies.            |

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<sup>1/</sup> We hope that these in depth studies will serve as a basis for developing a general methodology on how to collect and present income distribution data. Work on such a methodology is necessarily long term and can be undertaken by a special task force as deemed necessary.

PART C: ADMINISTRATION

- (i) The Bank will pay for the consultant and will meet travel costs of the consultant (including subsistence) while on official travel;
- (ii) ECLA will provide office facilities and counterpart staff and their travel costs. It is estimated that two research assistants will be necessary, one of which will be assigned to Mr. Altimir to work directly with him.<sup>2/</sup>
- (iii) Computer and Programming resources up to \$ 3 000 may be needed and will be equally shared up to that total amount by the Bank and ECLA.

---

<sup>2/</sup> His selection will be discussed with Mr. Altimir.



## TABULATIONS FOR DATA ON INCOME DISTRIBUTION

1. Total population, by age groups according to sex.
2. Units of occupied household, by tenure form and number of rooms, according to number of persons in the unit.
3. Total households, by age groups of head of household and sex, according to household type.
4. Total households, by number of persons per household, according to household type.
5. Total households, by number of children per household, according to household type.
6. Population over 10 years, by age groups and sex, according to activity.
7. Population over 10 years, by age groups and sex, according to unemployment characteristics.
8. Population over 10 years, by conjugal status and sex, according to activity condition.
9. Economically active population, over 10 years, by kind of economic activity according to occupational situation and sex.
10. Economically active population over 10 years, by occupation, according to occupational situation and sex.
11. Economically active population over 10 years, by occupational category, according to occupational situation and sex.
12. Occupied population over 10 years, by kind of economic activity and sex, according to age groups.
13. Occupied population over 10 years, by occupation and sex, according to age groups.
14. Occupied population over 10 years, by occupational category and sex, according to age groups.
15. Economically active population over 10 years, by kind of economic activity and sex, according to age groups.
16. Economically active population over 10 years, by occupation and sex, according to age groups.



17. Economically active population over 10 years, by occupational category and sex, according to age groups.
18. Occupied population over 10 years, by occupation and educational attainment, according to kind of economic activity.
19. Economically active population over 10 years, by occupation and educational attainment, according to kind of economic activity.
20. Occupied population over 10 years, by educational attainment and sex, according to kind of economic activity.
21. Occupied population over 10 years, by occupational category and sex, according to kind of economic activity.
22. Economically active population over 10 years, by occupational category and sex, according to kind of economic activity.
23. Occupied population over 10 years, by hours worked during week and sex, according to kind of economic activity and occupational category.
24. Occupied population over 10 years, by socioeconomic groups and sex, according to income groups.
25. Economically active population over 10 years, by socioeconomic groups and sex, according to income groups.
27. Wage-earner population over 10 years, by hours worked during week and sex, according to income groups.
28. Occupied population over 10 years, by age groups and sex, according to income groups.
29. Occupied population over 10 years, by kind of economic activity and sex, according to income groups.
30. Occupied population over 10 years, by occupation and sex, according to income groups.
31. Occupied population over 10 years, by occupational category, educational attainment and sex, according to income groups.
32. Occupied population over 10 years, by kind of economic activity and occupational category, according to income group.
33. Population, by relationship to head of household, according to income groups.
34. Households by socioeconomic group of head of household, according to household income groups. 1/



35. Households by number of members in the household, according to income groups. 2/
36. households, by household type, according to household income groups.
37. Households by educational attainment of head of household; according to household income groups. 3/
38. Households, by age group of head of household and sex, according to household income groups. 2/-
39. Households, by socioeconomic group of head of household, according to size of household. 2/
40. Consumption expenditure, by object expenditure, according to socioeconomic group of head of household.
41. Consumption expenditure, by object expenditure, according to household income groups. 4/
42. Consumption expenditure, by object expenditure, according to size of household.
43. Households, by size of household, according to household consumption groups.
44. Households, by household consumption groups, according to household income groups. 5/
45. Income: by source of income, according to income groups. 6/
46. Households, by changes in the asset and liability, according to household income groups.

---

1/ In the cell: number of households, number of members, amount of household income and number of recipients.

2/ In the cell: number of households, number of recipients and amount of household income.

3/ In the cell: number of households, number of members and amount of household income.

4/ In the cell: number of households, number of members and amount of household expenditure.

5/ In the cell: number of households and number of members.

6/ Designed for recipients, can also be used for families.

14 March 1973

Dear Mr. Iglesias,

I am in receipt of your letter of 14 March expressing your complete agreement with the proposed joint programme on income distribution prepared by a group of staff members of both organizations, as a result of the meetings held in Santiago from 5 to 9 March 1973.

In this connection, I wish to inform you that I fully approve the work programme and, in order to fulfill this project within the dates fixed, we will take the necessary administrative steps to obtain Mr. Oscar Altair's services as consultant for the programme.

I sincerely hope that this joint venture will lead to further co-operation between the two organizations in the future.

Yours sincerely,

Jorge Cauas  
Director  
Development Research Center  
International Bank for Reconstruction  
and Development

Mr. Enrique Iglesias  
Executive Secretary  
Economic Commission for Latin America  
Santiago



ANNEX II



NACIONES UNIDAS  
COMISION ECONOMICA PARA AMERICA LATINA  
EDIFICIO NACIONES UNIDAS  
AVENIDA DAG HAMMARSKJOLD  
CASILLA 179 D  
SANTIAGO, CHILE

REFERENCIA: ECO 625/1(2)

CABLE: UNATIONS

26 September 1977

Dear Montek,

... I am enclosing a status report of the ECLA/World Bank project on Evaluation and Analysis of Latin American Income Distribution, as discussed during our previous phone conversation.

I think it is a fair enough over-view of results already accomplished and under way, but please do not hesitate to ask me for further details if some of the points are not clear enough.

Best regards,

A handwritten signature in cursive script, appearing to read "Oscar".

Oscar Altimir  
Chief

Division of Statistics &  
Quantitative Analysis

Mr. Montek Ahluwalia  
Development Research Center  
International Bank for Reconstruction  
and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
U. S. A.



EVALUATION AND ANALYSIS OF LATIN AMERICAN DATA  
ON INCOME DISTRIBUTION : STATUS REPORT

1. The data base

The project envisaged, from the start, to support its analysis on as wide a data base as feasible. This purpose gave rise, during the implementation of the project, to the creation at CEPAL of a data file from household surveys for the acquisition, sistematization and storage for multiple purposes of the main surveys produced by the statistical offices of the region.

The data base for income distribution analysis was thus enlarged. Routines were established, as part of the maintenance of the permanent data file, for analysing the technical characteristics of each sample, for describing the variables and for evaluating the reliability of the results. These procedures provided the means to select for the analysis of income distribution those among the surveys available for each country, which were more reliable and for which the specification of the data was satisfactory enough. Attachment N° 1 gives details of household surveys constituting at present the data base for the analysis of income distribution. It must be noted that tapes with microdata are available for some of the surveys, thus allowing for multivariate analysis, whereas for other surveys only ready-made tabulations are available.

2. Detailed tabulations

Detailed tabulations relating income to different socio-economic characteristics of the individuals or the households were systematically produced from microdata files or extracted from already published sets. During the initial phase of the project such tabulations were circulated in the form of booklets, containing also a technical description of each sample. Fifteen of such booklets have been produced, all of them in Spanish (see Attachment N° 2).

3. Summary tables

For each of the surveys constituting the data base two sets of summary tables have been prepared: one for household distributions and another for the size distributions of individual recipients. These standard summary tables include the decile distribution by income group, the profiles of each income group in terms of their socio-economic characteristics and estimated mean incomes by employment status, kind of economic activity, occupation and education.



4. Evaluation of the reliability of the income data

A paper was produced on "Income Distribution Estimates from Household Surveys and Population Censuses. An Assessment of Reliability". This paper analyses the limitations of the data base, its coverage, the representativeness of the sample populations, the sample composition, the concepts of income used in the surveys and censuses, and the discrepancies between household incomes estimated on the basis of the surveys and the national accounts estimates. The paper concludes with some caveats on the measurement of income in the different types of surveys. It was found that Latin American surveys frequently underestimate between 10 and 20 per cent of total household income as measured from national accounts and that in some surveys this discrepancy may reach 25 per cent and may even exceed 30 per cent of the total income. Furthermore, for most of the surveys entrepreneurial incomes average between 25 and 45 per cent below the corresponding national accounts estimates, whereas wages and salaries are either broadly consistent with macro-economic estimates or 10 to 20 per cent below these totals.

5. Estimates of the distribution of income by type

Both for describing the distribution of income flows originated in each economy and for carrying out systematically the consistency checks just mentioned, a sectoral-functional-institutional breakdown of GDP estimates was needed. Official estimates usually fall short of providing the necessary detail, particularly by type of income originated in each industry and accruing to households. The results of systematizing available estimates and filling the existing gaps were circulated by means of a booklet on "Estimates of the functional distribution of income originated in each sector of economic activity, 1960-1972" (E/CEPAL/L.115/12). These series are being updated as the basis for a paper describing the sectoral and institutional generation of primary incomes in Latin American countries.

Estimates of the labor force by employment status and industry were also carried out on the basis of census benchmarks, as a necessary complement to those estimates on the distribution of income by type and industry, both for descriptive purposes and for the consistency checks of survey results.



6. Estimates of the overall income distribution by size

Differences in coverage, concepts and reliability render the direct comparison of uncorrected survey distributions ineffectual to obtain reasonable assessments of the overall inequalities in Latin American countries, and of inter-country differences.

The analysis of the consistency between survey results and national accounts undertaken to evaluate the reliability of the data, provides the elements for filling the gaps and making adjustments in order to approximate from survey distributions the likely distribution of income by size in the national economies.

These exercises in adjustment are under way and their results will serve to prepare a paper giving an overview of income inequalities in Latin American countries on a comparable basis.

7. The profile of income distribution by size in the urban sector

The summary tables referred to in (3) above, and the corresponding income differentials provide the basis for a systematic description of the main characteristics which differentiate - or are either common to - the different quintile groups in the urban income distribution of each of the countries considered. The mean income differentials also enable the working out of a descriptive approximation to specific inequalities underlying income concentration, although the systematic treatment of the determinants of income inequalities is attempted elsewhere (see (10) below).

A "Note on earnings inequalities in Latin America" was produced, presenting income differentials and concentration ratios for different breakdowns of the earners in each employment status (according to sex, age, education, kind of economic activity, and occupation).

8. The dimensions of poverty

Absolute poverty lines were drawn for ten different Latin American countries applying a food-based method. A paper on "The dimensions of poverty in Latin America" has been prepared and is in the stage of final revision and translation. It discusses the conceptual problems in measuring poverty, explains the procedures followed in drawing the poverty lines, gives an assessment of the number of households below the poverty line in each of the countries considered and in the region as a whole, and provides estimates of the corresponding poverty gaps in terms of consumption.



9. The profile of urban poverty

Poverty profiles depicting the characteristics of the urban poor are being drawn for eight Latin American countries for which reliable microdata from surveys are available. The entire population is classified on the basis of the poverty lines mentioned in (8), according to the household's per capita income, into poor and non-poor households, and the poor subclassified into those in a state of indigence and the rest. Profiles are being drawn for the three groups in an attempt to:

- (a) describe the characteristics of each group in terms of those of the head of the household (sex, age, education, type of activity, employment status, kind of activity, occupation, time worked, migration status, willingness for additional work) and of some characteristics of the household itself (size, age structure, participation rates, location, housing and utilities);
- (b) describe the formation of household income in each group;
- (c) determine the probability to be poor given each characteristic of the household and also relevant combinations of characteristics, and to look for those combinations of characteristics which maximize the poverty risk;
- (d) analyse the discrepancy ratios between the profiles for the poor and the profiles for the non-poor for each characteristic or relevant combination of them.

10. Factors affecting earnings inequalities

A paper was produced on "Decomposition Analysis of the Inequality of Earnings in Latin American Countries", which applies the decomposition of the Theil index to the data from thirteen household surveys in order to assess the role and relative importance of personal and employment variables in determining earnings.

The findings showed a remarkable uniformity across countries. The standard seven variables considered jointly explain between 80 and 90 per cent of urban inequalities and from 50 to 70 per cent of rural inequalities. The joint contribution of the personal variables to the explanation of earnings/ <sup>inequalities</sup> is roughly similar to the contribution of the employment variables, (any of the groups explaining between 45 and 60 per cent of urban inequalities).



11. A volume on "Income Distribution in Latin American Countries"

The final versions of the different papers mentioned above would be edited into a single volume, with an introductory chapter giving the conceptual and accounting framework, and the inclusion of supporting material (references, descriptions of the data base, a selection of detailed tabulations), in Annexes.



ATTACHMENT 1

HOUSEHOLD SURVEYS CONSTITUTING THE DATA BASE FOR THE  
ANALYSIS OF INCOME DISTRIBUTION

Country	Survey Identification <sup>a/</sup>	Geographic coverage <sup>b/</sup>	Type of survey	Year	Data Available <sup>c/</sup>
Argentina	6	MA	Income & Expenditure (ECIEL)	1970	ET
	7.20	MA	Employment	1970	MD
	10.1	MA	Employment	1972	MD
Brasil	3	3MC	Income & Expenditure (ECIEL)	1968	ET
	4.12	N	Employment	1970	ET
	5.21	N	Employment	1972	ET
	5.2.2	N	Income	1972	ET
	Population Census	N	-	1970	ET
Colombia	3	4MC	Income & Expenditure (ECIEL)	1968	ET
	4.1	N	Employment	1970	ET
	4.2	7MC	Income & Expenditure	1970	ET
	4.6	N	Employment	1972	MD
	4.9	7MC	Employment	1975	MD
Costa Rica	2.1	N	Employment	1967	MD
	2.7	U	Employment	1971	MD
	4	N	Income & Expenditure	1971	ET
Chile	5.5	N	Employment	1968	ET
	5.6	N	Income	1968	ET
	5.13	N	Income	1971	MD
	6	MA	Income & Expenditure (ECIEL)	1969	ET
	9	MA	Employees' earnings	1967/1968	MD
Ecuador	2.4	N	Employment	1969	MD
	3	2MC	Income & Expenditure	1968	ET
Guatemala	3	U	Income & Expenditure	1969	ET
Honduras	1	N	Income & Expenditure	1967	ET
México	6	N	Income & Expenditure	1968	ET
	8	N	Employment	1976	MD
	Population Census	U	-	1970	ET



Panamá	2.8	N	Employment (employees)	1970	ET
	2.10	N	Employment (employees)	1972	ET
	3	N	Income	1970	MD
Perú	4.1	U	Employment	1970	MD
	7	MA	Income & Expenditure	1969	ET
	8	N	Income & Expenditure	1972	ET
Uruguay	2	MA	Income & Expenditure	1967	ET
	3.1	MA	Employment	1968	ET
Venezuela	3.4	MA	Income & Expenditure	1966	ET
	3.5	MC	Income & Expenditure	1968	ET
	5.13	N	Employment	1971	MD
	6.5	MA	Employment	1971	MD

a/ According to the permanent inventory of household surveys carried by CEPAL

b/ MA: Metropolitan Area

MC: Main cities

N: National

U: Urban

c/ MD: Micro data CEPAL actually has

ET: Existing (already made) tabulations



ATTACHMENT 2

BOOKLETS WITH DETAILED TABULATIONS PRODUCED

Country	Survey Code	Survey Title	Number
Uruguay	2	Encuesta de gastos e ingresos de las familias de Montevideo, 1967	E/CEPAL/L.115/1
Colombia	4.1	Encuesta Nacional de hogares	E/CEPAL/L.115/2
Panama	2.8	Encuesta permanente de mano de obra	E/CEPAL/L.115/3
Panama	2.10	Encuesta permanente de mano de obra	E/CEPAL/L.115/4
Chile	5.5, 5.6.1, 5.6.2	Encuesta de mano de obra y encuesta nacional sobre ingresos familiares	E/CEPAL/L.115/5
Venezuela	6.4	IV Encuesta de hogares por muestreo del área metropolitana de Caracas	E/CEPAL/L.115/6
Venezuela	5.12	Encuesta de hogares por muestra	E/CEPAL/L.115/7
Brasil	4.12	Encuesta nacional por muestra de domicilios	E/CEPAL/L.115/8
Brasil	5.2.1	Encuesta nacional por muestra de domicilios: Mano de Obra (PNAD-1)	E/CEPAL/L.115/9 (PARTE I)
Brasil	5.2.1	Encuesta nacional por muestra de domicilios: Mano de Obra (PNAD-1)	E/CEPAL/L.115/9 (PARTE II)
Uruguay	3.1	Encuesta de hogares	E/CEPAL/L.115/10
Honduras	1	Encuestas de ingresos y gastos familiares	E/CEPAL/L.115/11
Costa Rica	2.1	Encuesta de hogares por muestreo	E/CEPAL/L.115/13



Costa Rica	2.7	Encuesta de hogares por muestreo	E/CEPAL/L.115/14
Brasil	5.2.2	Encuesta nacional por muestra de domicilios: Encuesta de ingresos (PNAD-2)	E/CEPAL/L.115/15
Argentina	7.20	Encuesta de empleo y desempleo	E/CEPAL/L.115/16 (being printed)



WORLD BANK / IFC  
OUTGOING MESSAGE FORM  
(TELEGRAM/CABLE/TELEX)

IBRD  
 IDA  
 IFC  
 ICSID

TO: MR. LEOPOLDO SOLIS  
SUB-DIRECTOR GENERAL  
BANK OF MEXICO  
5 DE MAYO NO. 2, 5th FLOOR  
COUNTRY: MEXICO 1, D.F., MEXICO

DATE: October 27, 1977

ORIGINATOR'S EXT.: 6001

CLASS OF  
SERVICE: LT

CABLE NO. & TEXT:

I AM SENDING YOU BY AIR-MAIL THE DOSSIER FOR YOUR VISIT TO ECLA TODAY.

I HOPE THE DELAY HAS NOT AFFECTED YOUR PLANS.

REGARDS

MICHAEL BEENSTOCK  
(RAPIDE)

NOT TO BE TRANSMITTED

REFERENCE:	AUTHORIZED BY (Name): S.J. Burki
DRAFTED BY:	DEPARTMENT: Policy Planning & Program Review
CLEARANCES AND COPY DISTRIBUTION:	SIGNATURE (Of individual authorized to approve): <i>Shahid Jamil Burki</i>
	SECTION BELOW FOR USE OF CABLE SECTION
	CHECKED FOR DISPATCH:



RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

October 13, 1977

Mr. Leopoldo Solis  
Sub-Director General  
Bank of Mexico  
5 de Mayo No. 2, 5th Floor  
Mexico 1, D.F., Mexico

Dear Mr. Solis:

For the record I enclose a summary of the assignment of the work load that was agreed on October 12. The next meeting is scheduled for December 13-15 and I shall be arranging travel and accommodations in due course. Since the main purpose of this meeting will be to discuss our various drafts, you should arrange that your draft be sent directly to the members of the Panel including myself so that it arrives no later than December 6. For this purpose, I also attach the addresses that you will require.

Please let me know if there are any further documents that you require. I shall be contacting you shortly about your ECLA visit.

Yours sincerely,

Michael Beenstock  
Policy Planning Division  
Room D441

enclosures (2)



# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> September - October 1977	<b>Document Type</b> Forms and letter			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> Consultant - Personnel Action and Request for Consultant forms for Leopoldo Solis				
<b>Exception(s)</b> Personal Information Corporate Administrative Matters				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td><b>Withdrawn by</b> Sherrine M. Thompson</td><td><b>Date</b> May 09, 2019</td></tr></table>	<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019
<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			



Travel Office

October 3, 1977

Michael Beenstock, EPRPP

Consultants' Travel

Further to travel requests sent you on September 26, 1977 for Arthur Lewis, Simon Kuznets and Leopoldo Solis, please reserve accommodations for them at the Park Central Hotel instead of the DuPont Plaza Hotel as was originally requested. Arthur Lewis informs me that he already made his own arrangements at the Park Central Hotel.

:gm

September 20, 1977

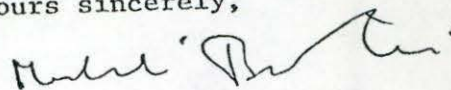
Mr. Leopoldo SOLIS  
Subdirector ( )  
Bank of Mexico  
5 De Mayo #2, Floor  
Mexico 1, D.S.  
Mexico

Dear Mr. Solis:

As promised in Professor Fishlow's letter to you of September 15, I enclose the fourth attachment describing the research programs of the income distribution and employment divisions written by their respective division chiefs.

Our first meeting is now almost certainly to take place on October 10-12. I will cable you as soon as I can confirm this.

Yours sincerely,



Michael Beenstock

Enclosure



Leopoldo Solís, Manjarrez

Born 1929

(From R. Norton)

Director of Economic Studies, Bank of Mexico (to 1970)

Director of Bureau of Social & Economic Programs,  
Ministry of the Presidencia (to 1975)

Woodrow Wilson School 1976

Currently Sub-director general, Bank of Mexico and  
vice-minister of Commerce

Books

Mexican Financial Development (with Dwight Brothers, 1966

Estructura Financiera y Desarrollo Economico (with  
Dwight Brothers, Guido di Tella and others), 1968

La Realidad Economica Mexicana, 1970

Los Problemas Nacionales (with others), 1971

Controversias Sobre el Crecimiento y la Distribucion, 1972

La Economia Mexicana, 1973.

Tel. 905-521-0720

SOLIS' FILE

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE CORPORATION

ROUTING SLIP

Date  
August 29, 1977

Name		Room No.
Mr. Karasmanoglu		E1243
Mr. B. B. King		
	To Handle	Note and File
<input checked="" type="checkbox"/>	Appropriate Disposition	Note and Return
	Approval	Prepare Reply
	Comment	Per Our Conversation
	Full Report	Recommendation
	Information	Signature
	Initial	Send On
Remarks		
<p>Copies to Francesca Stone, Duloy, Beenstock <u>Original</u> <u>Rapid file</u></p>		
From		
M. S. Stroud		



*Subdirector General*  
*del*  
BANCO DE MEXICO, S.A.

Mexico City,  
August 22, 1977.

Ref.: LS/77C-111.

Mr. Robert McNamara  
President  
World Bank  
Washington, D.C. 20433  
U. S. A.

Dear Mr. McNamara:

I have received your letter dated August 11, in which you kindly invite me to participate as a member of the panel on research in income distribution and employment.

It is with great pleasure that I accept to attend it and to cooperate with Professor Fishlow in the success of this panel.

I look forward to seeing you soon.

Sincerely yours,

*Leopoldo Solís*  
Leopoldo Solís

'lmfa.

August 11, 1977

Dear Mr. Solis:

As you may be aware, the Bank has over the last five years carried on a program of economic research on a substantially larger scale than hitherto. Although we regularly review within the Bank individual research projects as they are completed, this appears to be a good time to seek external advice on our progress to date and on future directions. Accordingly, I am initiating a series of panels on groups of related research projects. The first such panel will be on research into income distribution and employment. Professor Albert Fishlow, who is currently Professor of Economics at Berkeley, has agreed to act as chairman of the panel. I would much appreciate it, if you could spare the time to serve as a member of the panel.

The precise way in which the panel conducts its business will, of course, be up to its members. However, I would expect that there would be two meetings in Washington, one in September/October 1977 and one near the end of the year. It is hoped that the duration of these meetings could be kept down by supplying reading material beforehand and that they would not exceed three days each on average. The Bank would, of course, make travel arrangements as needed and pay for all travel expenses, together with an honorarium.

Professor Fishlow will also be writing to you, explaining in more detail how he hopes to proceed.

Sincerely,

Robert S. McNamara

Mr. Leopoldo Solis ✓  
Sub-Director General  
Bank of Mexico  
5 de Mayo No. 2, 5th Floor  
Mexico 1, D.F., Mexico

BBKing:gm

cc: for Mr. McNamara's Office (2)

Messrs. Pfeffermann/Dutt

Karaosmanoglu/Chenery/Avramovic/Duloy/Ahluwalia/Leiserson

Professor Fishlow

August 10, 1977



J. RWEYEMAMU

May 2, 1978

Mr. Justinian Rweyemamu  
Independent Commission  
on International Development Issues  
56 rue de Mouillebeau  
1211 Geneva 28

Dear Mr. Rweyemamu:

I enclose the final version of the RAPIDE Report which will be submitted to Mr. McNamara. I hope you will agree that it reflects the views of the panel as a whole and will provide a solid basis for the Bank to plan its future research efforts. I should point out that other panels are reviewing other areas of Bank research and that in due course a 'super-panel' will pull together these various panel reviews to restructure the Bank's <sup>Research</sup> effort as a whole.

On behalf of Al Fishlow, let me thank you for your cooperation and the promptness to which your various assignments were performed.

Yours sincerely,

Michael Beenstock



Rapide Feli

INCOMING TELEX

Jan 26 78

Distribution:

Mr. Beenstock D441

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FOR BEENSTOCK. SEND ME RAPIDE REPORT AT ICIDI, RUE DE MOILLEBEAU 56  
CH-1209-GENEVA. J.RWEYEMAMU

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28188 ICIDI CH⊕

64)45 WORLDBANK

1978 JAN 26 AM 9:57  
COMMUNICATIONS

Mr. Rweyemamu  
Independent Commission  
on International  
Development Issues

56, rue de Mouillebeau  
1211 Geneva 28

Phone: 022 349104  
(OR 05)



THE UNITED REPUBLIC OF TANZANIA

Telegrams: "CABINET", DAR ES SALAAM.

Telephone: 23261-23266.

In reply please quote:

Ref. No. ....

PRESIDENT'S OFFICE,

THE STATE HOUSE,

P.O. BOX 9120,

DAR ES SALAAM.


28th December, 1977

Michael Beenstock  
Room D441  
The World Bank  
1818 H Street  
N.W. Washington D.C. 20933

Dear Michael,

Please find enclosed the duly filled forms for claims of honorarium and expenses incurred. I have not requested reimbursement of expenses in Geneva as these were marginal. I expect to be in Geneva by end of second week, but will have to return to Dar before the end of January. It would be best to send the draft to Dar. I hope you had a Merry X'mas with your new baby. Best wishes for the New Year.

My warm regards



(J.F. Rweyemamu)

PERSONAL ASSISTANT TO THE PRESIDENT  
(ECONOMIC AFFAIRS)

---

Enc.

From: Dar Es Saalam

INCOMING TELEX

Distributin;

sj

Dec. 5, 1977

~~XXXXXXXXXXXX~~

Mr. Beenstock  
Travel Ofc.

COMMUNICATIONS SECTION  
441

1007. BEANSTALK COPY MESSERLY. \_\_\_\_\_ as received.

MR. J. RWEYEMAMU INSISTS ON TRAVELLING FIRST CLASS INSTEAD OF  
ECONOMY CLASS DUE TO LONG NONSTOP JOURNEY AND STATES HE REFUSES  
TO TRAVEL ECONOMY. PLEASE ADVISE. ALSO PLEASE CHANGE HIS HOTEL  
RESERVATION TO READ IN DECEMBER 12 INSTEAD OF DECEMBER 11.

REGARDS HANSEN



From: Dar Es Saalam

INCOMING TELETYPE

Distribution:

83

Dec. 5, 1977

~~XXXXXXXXXXXX~~

COMMUNICATIONS SECTION  
DEC 10 10 20

Mr. Beenstock  
Travel Ofc.

1007. BEANSTALK COPY MESSERLY. \_\_\_\_\_ as received.

MR. J. RWEYEMAMU INSISTS ON TRAVELLING FIRST CLASS INSTEAD OF ECONOMY CLASS DUE TO LONG NONSTOP JOURNEY AND STATES HE REFUSES TO TRAVEL ECONOMY. PLEASE ADVISE. ALSO PLEASE CHANGE HIS HOTEL RESERVATION TO READ IN DECEMBER 12 INSTEAD OF DECEMBER 11.

REGARDS HANSEN

RAPIDE FICE

Feb. 8 78

INCOMING TELETYPE

0207 1323 011

Distribution: Mr. Deane

FOR MICHAEL BEENSTOCK. RECEIVED RAPIDE REPORT. I CONGRATULATE YOU AND FISHLOW FOR SUCH EXCELLENT REPORT. COVERS WELL MOST ISSUES WE DISCUSSED. I WOULD ADD TWO POINTS. ONE, WE DO NOT COME OUT ENCOURAGING THE BANK TO DO SOME RESEARCH ON BASIC NEEDS WITH THE CAVEATS I POINTED OUT IN MY REVIEW. I SUGGEST THIS BE ADDED IN VIEW OF ITS IMPORTANCE AND INTEREST. SECONDLY I SUGGESTED THAT THE BANK'S PRIMARY CONCERN ON POVERTY WITHIN NATIONAL BOUNDARIES IS WELL TAKEN BUT MUST BE SUPPLEMENTED BY ITS CONCERN WITH INTERNATIONAL DISPARITIES, AND FOCUS PART OF ITS RESEARCH THERE.

J. KWEYEMAMU

ICIDI

248423 WORLDBANK

25138 ICIDI CNEO

248423 WORLDBANK



The World Bank / 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 393-6360 • Cables: INTBAFRAD

Ms. Ann Corrick  
Reservations Manager  
Park Central Hotel  
705 18th Street NW  
Washington, DC

November 29, 1977

Dear Sir:

This is to reconfirm the following reservation at your hotel:

Name: Mr. J. Rweyemamu  
Consultant

Type of Accommodation:

Single with Bath OK @ \$28.00

Double with Bath \_\_\_\_\_

Commencing: December 11, 1977

Terminating: December 15, 1977

(Number of nights 4 )

This reservation was confirmed by phone with Ada November 28, 1977

Any courtesies extended will be greatly appreciated.

**NOTE TO STAFF MEMBER:**  
*This is a GUARANTEED reservation. You should arrange for cancellation if your plans change.*

Very sincerely yours,



Raymond P. Messerly  
Chief, Travel and Shipping Division

cjp

WORLD BANK GUARANTEES RESERVATION



INCOMING CABLE

INT-OSC -8 21-7-13

DEC 8 1977  
COMMUNICATIONS

Distribution:

Personnel

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ZCZC AWA527 VIA ITT CTB550 RDA402 AC669

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DARESSALAAM 11 8 1005

Dec. 8 77

ETAT

BEENSTOCK

INTBAFRAD

WASHINGTON

Consultant

Send to Mrs Beenstock.

scw  
12/8/77.

ARRIVING 12/12 STOP PA067 ENDS

J RWEYEMAMU

440098 WORLDBANK



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Distributions

Personnel

Dec. 8 77

ETAT

BEENSTOCK

INTBAFRAD

WASHINGTON

Consultant

Send to Mr Beenstock.

SLW  
12/8/77

ARRIVING 12/12 STOP PA067 ENDS

J RWEYEMAMU

440098 WORLDBANK



INCOMING CABLE

ITT6/8 DEC

Distribution:

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Personnel

UIWA CY TADM 011

DARESSALAAM 11 8 1005

Dec. 8 77

ETAT

BEENSTOCK

INTBAFRAD

WASHINGTON

*Consultant*

*Send to Mr. Beensstock.*

*see  
12/9/77.*

ARRIVING 12/12 STOP PA067 ENDS

J RWEYEMAMU

440098 WORLDBANK



ROUTING SLIP		DATE:	12/6
NAME		ROOM NO.	
Mrs. Favis		D 441	
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS:			
FROM:		ROOM NO.:	EXTENSION:
Travel office		C201	2056

The World Bank / 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 393-6360 • Cables: INTBAFRAD

Ms. Ann Corrick  
Reservations Manager  
Park Central Hotel  
705 18th Street NW  
Washington, DC

December 06, 1977

Dear Sir:

This is to reconfirm the following reservation at your hotel:

Name: Mr. J. Rweyemamu  
Consultant

Type of Accommodation:

Single with Bath OK @ \$28.00

Double with Bath \_\_\_\_\_

Commencing: December 12, 1977

Terminating: December 15, 1977

(Number of nights 3 )

This reservation was confirmed by phone with Ada December 06, 1977

Any courtesies extended will be greatly appreciated.

**NOTE TO STAFF MEMBER:**  
*This is a GUARANTEED reservation. You should arrange for cancellation if your plans change.*

Very sincerely yours,



*for* Raymond P. Messerly  
Chief, Travel and Shipping Division

cjp

WORLD BANK GUARANTEES RESERVATION



Nov. 28 77

INCOMING TELEX From Dar Es Salaam

sd

1977 NOV 28 AM 8 29  
RECORDS AND  
COMMUNICATIONS

Distribution:

Mr. Beanstock D41

987. BEANSTALK. PLEASE CONFIRM MR. J. RWEYEMAMU TRAVELLING DAR/  
WASHINGTON/WASHINGTON/AMSTERDAM/DAR ON DECEMBER 11 ON BANK  
BUSINESS AND AUTHORIZE ISSUE OF TICKET.

REGARDS PEREIRA

AS RECEIVED

October 18, 1977

RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

Mr. Justinian Rweyemamu  
Office of the President  
State House  
P.O. Box 9120  
Dar es Salaam, Tanzania

Dear Mr. Rweyemamu:

I enclose some further papers that you may find  
useful.

Yours sincerely,

Michael Beenstock

Enclosures



RESEARCH ADVISORY PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT

October 13, 1977

Mr. Justinian Rweyemamu  
Office of the President  
State House  
P.O. Box 9120  
Dar es Salaam, Tanzania

Dear Mr. Rweyemamu:

For the record I enclose a summary of the assignment of the work load that was agreed on October 12. The next meeting is scheduled for December 13-15 and I shall be arranging travel and accommodations in due course. Since the main purpose of this meeting will be to discuss our various drafts, you should arrange that your draft be sent directly to the members of the Panel including myself so that it arrives no later than December 6. For this purpose, I also attach the addresses that you will require.

Please let me know if there are any further documents that you require.

Yours sincerely,

Michael Beenstock  
Policy Planning Division  
Room D441

enclosures (2)

INCOMING CABLE

RALPH

sd

Distribution:

Mr. Beenstock D441

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BEENSTOCK

Oct. 5 77

INTBAFRAD

WASHINGTONDC

WILL BE ARRIVING 9/10 BY NA403

J RWEYEMAMU

1977 OCT -5 AM 9:57  
RECORDS AND  
COMMUNICATIONS

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WORLDBANK WSH





# Record Removal Notice



<b>File Title</b> General Research Advisory Panel Income Distribution and Employment (RAPIDE) - v.2		<b>Barcode No.</b>  1546810		
<b>Document Date</b> September - October 1977	<b>Document Type</b> Forms and letter			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> Consultant - Personnel Action and Request for Consultant forms for Justinian Rweyemanu				
<b>Exception(s)</b> Personal Information Corporate Administrative Matters				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td><b>Withdrawn by</b> Sherrine M. Thompson</td><td><b>Date</b> May 09, 2019</td></tr></table>	<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019
<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> May 09, 2019			



INCOMING TELEX From Dar Es Salaam

sd

Oct. 4 77

Distribution:

Mr. Beenstock Dhh1

815. FOR BEENSTOCK.

DR. JUSTINIAN RWEYEMAMU HAS NOT RECEIVED HIS TRAVEL AUTHORIZATION  
OR TICKETS TO PROCEED TO WASHINGTON FOR BANK MEETING TO REVIEW  
RESEARCH IN INCOME DISTRIBUTION. HE PLANS TO DEPART DAR OCTOBER 8.  
DO YOU WANT THIS OFFICE TO ISSUE AIR TICKET TO HIM? IF SO TELEX  
AUTHORITY TO US.

REGARDS HANSEN



September 13, 1977

Dr. J. F. Rweyemamu  
Personal Advisor to the  
President (Economic Affairs)  
Office of the President  
State House  
P. O. Box 9120  
Dar es Salaam, Tanzania

Dear Dr. Rweyemamu:

I am very pleased that you have accepted membership on the Panel and look forward to seeing you at our first meeting. As you already know, we have set our first meeting provisionally for October 10-12. The Panel consists of yourself, Messrs. Simon Kuznets, Arthur Lewis, Leopoldo Solis, Gerardo Sicat and me. It promises to be a lively experience.

I am enclosing with this letter several attachments.

The first set contains a brief statement describing the evolution of income distribution and employment research in the Bank in the last five years. A short description of the unfolding of the entire research program is being prepared and should be made available to you before our meeting. Some of that information can also be gleaned from the Bank reports on the research program that have also been included.

The second is a draft terms of reference that we can discuss fully at our meeting. I will welcome your reactions. As one means of fulfilling objectives 2 and 3, it would seem that a small number of particular case studies of certain projects would be the most useful way of proceeding. A somewhat broader sample of research could enhance our evaluation of its quality. Because the research within the Bank has been conducted differently in the various divisions it seems important to cast our net widely and to see how those differences influence the character and quality of the product.

The third group of attachments includes a list of completed reports on income distribution and employment prepared in the two divisions of the Bank primarily responsible for research in these fields. They have been organized into broad functional and subject categories, and a representative sample of the material is enclosed for your perusal. We are seeking to put together a more inclusive catalogue of total Bank research which should be available by the time we meet. Some few samples of this other work already identified have also been included. At our meeting,



September 13, 1977

I hope that we will be able to begin substantive discussion on this material, as well as to decide among ourselves how further to proceed in our evaluation. One possibility is to allocate principal responsibility for particular topics to individual members of the Panel.

An important output by the Bank on income distribution is Redistribution with Growth - An Approach to Policy by Hollis B. Chenery, et al, published by the Oxford University Press, 1974. Unfortunately our Publications Department is out of stock of this volume at the present. However, your own libraries may well have a copy for you to consult.

A final set of attachments will be sent along by the end of the week. They will consist of statements by the heads of the income distribution and employment divisions setting out their view of past and future priorities for Bank research in these fields.

At our first meeting, I anticipate that we will be spending about half our time talking among ourselves, and the other half speaking with Bank officials and researchers. A rough draft schedule is enclosed. We can modify it as seems useful at the time. I hope that we will be able to complete our deliberations no later than the early afternoon of October 12.

If there are any questions do not hesitate to get in touch with me. Michael Beenstock, (202) 477-4543, has been appointed by the Bank to assist the Panel, and will, among other matters, assure that the Bank Travel Office will be in touch with you to make the necessary arrangements.

Sincerely yours,



J. F. Rweyemamu  
pp. A. Fishlow

Attachments

P.S. In view of your forthcoming visit to the Annual Meeting, please contact Mr. Beenstock directly for the sample of papers.



JUSTINIAN RWEYEMAMU  
THE STATE HOUSE  
P.O. BOX 9120, DAR ES SALAAM  
TANZANIA

SEPTEMBER 13, 1977

4543

OUR PANEL ON INCOME DISTRIBUTION AND EMPLOYMENT AT THE WORLD  
BANK IS HOPING TO HAVE ITS FIRST MEETING ON OCTOBER TEN TO  
TWELVE IN WASHINGTON DC STOP PLEASE CONFIRM IF THIS IS  
POSSIBLE STOP OCTOBER THREE TO FIVE IMPOSSIBLE PLEASE  
CONFIRM TO BEENSTOCK WORLD BANK

PISHLOW

M. Beenstock

PP & PR

THE WORLD BANK  
REQUEST FOR CONSULTANT

THROUGH: TO : Personnel Department (Consultants Section)  
Jack Lowther  
FROM: B.B. King *Bank*

DATE : September 8, 1977

DEPARTMENT: DPS 600

DIVISION : VPD 99

1. CONSULTANT'S NAME AND DISCIPLINE:

- (a) Name: JUSTINIAN RWEYEMAMU
- (b) Address:
- (c) Discipline:

2. PLEASE ATTACH CV if no file exists in Personnel. The following information is required if not included in cv:

- (a) Present nationality: Tanzanian
- (b) Date of birth:
- (c) Social Security No.:
- (d) Place of birth:
- (e) Visa status, if applicable:
- (f) Any close relatives in the Bank or IFC?

3. NAME, ROOM NO. AND EXTENSION OF MISSION LEADER OR ASSIGNMENT CHIEF:

B.B. King, ext. 6001, Room F1233

4. COUNTRY, TYPE OF MISSION OR ASSIGNMENT AND BRIEF TERMS OF REFERENCE:

To participate on the Research Advisory Panel on Income Distribution and Employment (RAPIDE).

5. PERIOD OF MISSION OR ASSIGNMENT:

	FROM	TO
(a) Advising <del>in</del> in Washington or _____	9 / 20 / 77	12 / 31 / 77
(b) Field work or _____ in _____	/ /	/ /
(c) Report writing in Washington or _____	/ /	/ /

(If intermittent, give approximate dates of phases of assignment.)

6. REMARKS: (e.g., arrangements Department made with Consultant, if any)

- (a) Has consultant's availability been confirmed? yes
- (b) Fees, if any, quoted by consultant: -
- (c) Department's recommendation re fee or fee limit (the Department should not agree to a fee without Personnel's prior agreement): Appropriate to his current position and stature.
- (d) For firms: indicate ceiling on mandays or total cost, if desired:

7. SPECIAL CONDITIONS TO BE INCORPORATED IN LETTER OF APPOINTMENT/AGREEMENT AND OTHER RELEVANT INFORMATION:

Travel as requested by the Bank.

8. NAME AND ROOM NOS. OF PERSONS REQUIRING COPIES OF APPOINTMENT LETTER:

- B.B. King
- M. Beenstock
- J. Lowther



Mr. J. Rweyemamu  
Personal Adviser to the Pres.  
(Economic Affairs)  
Office of the President  
State House  
P.O. Box 9120  
Dar es Salaam  
Tanzania

Evaluation

[Rachel's piece]

In last year's report (para. 1.33) the intention of reviewing groups of completed projects on related subjects was stated in order to give a broader overview of how research is proceeding; this would be done by outside panels. The first such panel--on income distribution and employment--was appointed in September 1977 with the following members: Albert Fishlow (US, chairman), Simon Kuznets (US), Sir Arthur Lewis (UK), Justinian Rweyemamu (Tanzania), Gerardo Sicat (Philippines) and Leopoldo Solis (Mexico). The panel held two meetings one at the beginning of October and the other in the middle of December. Their report will contain not only an evaluation of past research, but also recommendations about its future content; a draft is expected in early February.

Other external panels will review other subjects during the course of the next two years, although they will not necessarily focus exclusively on research. As already announced, the [Committee] under the chairmanship of Mr. David Bell will be reviewing the Bank activities in the field of education. During the course of 1978, it is intended that a panel on research on trade and industry will be appointed. The scope and timing of possible panels on public utilities and transportation and on agriculture are also under consideration.



MEETING WITH MESSRS. LEISERSON, STOUTJESDIJK, SQUIRE AND MAZUMDAR

Squire            Research is biased towards country analysis rather than project analysis.

Stoutjesdijk    Bank is involved in project appraisal rather than design, research audience should reflect this. .

Leiserson        Loan pressure generates ad hocness in data gathering in the "give me the latest data estimate" syndrome.

Mazumdar        Malaysia educational research has not fed into education projects because of Bank institutional problems.

RAPIDE - 2nd Meeting: Minutes

- WAL By "project-oriented" he means something wider than Bank projects per se. Research should relate to the Bank's activities in general and the Bank should be the authority on its own areas of activity.
- WAL Employment data are worth getting but don't spend a penny on Lorenz curves.
- JR Bank research has focussed on the "easy" countries and tries to apply the results to the "difficult" ones that happen also to be the very poor ones.
- WAL Bank should train professionals in LDCs.
- JR Research efforts seem to have had a preconceived model and have tried to squeeze what little evidence there is into this mould.
- JS Regional income distribution should be emphasized.
- SK Intellectual resources at the Bank for data processing are inadequate, i.e. not just a cash problem.
- JAL Indirect beneficiaries of projects should be researched. This should be a priority to get away from the bi-polar view that electricity projects are non-grata while only immediate poverty projects are ok.
- WAL Employment work was better than income distribution work. Employment-Education paper on Malaysia was good. So was Non-Farm Rural Employment paper. Household labor supply work was not much of a contribution.
- WAL Bank should not emphasize migration modelling since migration is not operable to single economic model.
- WAL Emphasis should be given to employment of juveniles, school-leavers, women.
- WAL The employment problem in LDCs can only be solved in the countryside. The Bank should be the expert on this.
- JR In basic needs, linkages and delivery systems should be emphasized. The other issues have been explored elsewhere, e.g. at ILO.



- JS The marginal cost to the Bank in implementing SAM in the Philippines would be little because there already exists an indigenous capability. But this might not apply elsewhere.
- JS If the Bank works with the government it should try to involve non-government research institutes.
- SK Time is running out re: 1980 census.
- WAL There is a trade-off to be considered between
- JR LDC researchers are more knowledgeable about problems in their own countries. Bank could benefit by moving away from "oldboy" network.
- WAL Bank tends to highlight income distribution as an end rather than its role as a means. We wouldn't want to cut down the cocoa trees in Ghana!
- WAL Research Committee should not assume strategic role in research planning.
- WAL Program staff should be transferred on a temporary basis to DPS to do research.
- JR For policy research, researchers should have practical operational experience.
- WAL Staff paper good idea.
- JS Staff paper good idea.
- JS &  
JR Dissemination missions are a good idea, but the form should be flexible reflecting government attitudes.



RAPIDE

Meeting with Ahluwalia and Pyatt

- MA Preparing input for say 15 countries, re 1980 census would require a large institutional effort by the Bank.
- MA Depth for say, 5-6 countries rather than breadth for 60 plus countries is an excellent idea.
- GP Employment and income distribution are interwoven, but conceptual issues would have to be solved before a merger should be considered.
- GP UN should take on board the 'who gets what' issue as part of the reconciliation between GDP estimates and its distribution. At present, the UN may be planning to implement household survey capabilities in LDC's. Should the Bank put the case to the UN to go the 'who gets what' route?
- GP SAM cells may be politically sensitive and Bank may be under pressure not to publish.
- MSA 5-6 country effort will require high involvement with the regions. This is why Malaysian experience has been productive.
- GP Bank has expertise for a task force re 1980 census.
- MA 1980 census data on incomes would be rough because people may be reluctant to state their incomes.
- WAL There should be a focus on child mortality, life expectancy, etc., rather than so much emphasis on the distribution of income.
- MA It is not easy to transfer people from operational divisions to research divisions on temporary assignments.



MA N. American research institutes have an advantage in processing RPOs because of their proximity to the Bank. Maybe a fund should be arranged for financing the travel costs to Washington of LDC research institutes.

JS The Bank should make an active effort to identify research consultants in LDC's.

GP Maybe the Bank should transfer staffers to LDC's to foster indigenous research institutes.