

**AIRGRAM**

DEPARTMENT OF STATE

UNCLASSIFIED  
CLASSIFICATION

5240054 (4)

524-054

PD-AAB-099-D1

For each address check one ACTION | INFO

DATE REC'D.

TO - AID/W

TOAID A- 145 X

01

A.I.F.D.  
Reference Copies  
Box 1656 HS

15p.

DATE SENT

August 26, 1971

DISTRIBUTION  
ACTION

INFO.

FROM - Managua

SUBJECT - PROP Submission

REFERENCE - (a) TOAID A-66 dated 8/21/70; (b) AIDTO CIRC A -24  
dated 1/29/71 (c) PAR Serial No. 72-1

35 copies  
to Mail Room

The attached C. T. PROP revision is submitted as requested in references (a) and (b) and promised by reference (c). The AIFLD/N CPD's comments are also attached and are, we feel, self-explanatory.

SHELTON

PAGE 1 OF 1 PAGES 1

DRAFTED BY <i>HC</i> HCordova:xb	OFFICE DEVPLN	PHONE NO.	DATE 8/24/71	APPROVED BY <i>WRH</i> William R. Haynes, Director
AID AND OTHER CLEARANCES DEVPLN:AGoldstein <i>AS</i> POL:DTurnquist <i>DT</i>		UNCLASSIFIED CLASSIFICATION		OD:CBJohnson <i>CBJ</i> DCM:REWhite <i>REW</i>

NonCapital Project Paper (PROP)

**Title: Manpower Planning, Development and Utilization**

**No. 524-15-490-054**

**Date: August 23, 1971**

**A. Statement of Goal:**

**1. The Goal:**

To support private sector participation in the development process and increase the access to financial and technical resources of the lower income group.

**2. Measurements of Goal Achievement:**

- a. Total membership of the democratic trade union movement will (by project's end) reach 10,000 members of which 7,000 will be regularly paying dues.
- b. At least 85% of the active, registered trade unions of Nicaragua will be members of, or will be affiliated with, the Regional Inter-American Labor Organization (ORIT).
- c. At least 80% of the active, registered trade unions will adhere to statutes which requires regularly scheduled meetings and elections and that policy decisions will be determined by membership vote.
- d. At least 60% of the active, registered trade unions will be covered by collective agreements.

**3. Assumptions About Goal Achievement.**

- a. Affiliation with ORIT implies that a union is free from external influence.
- b. Adhere to 2.c. above characterizes a democratic union.
- c. The information in 2.d above will be a matter of public record and available for examination and the level of contractual coverage would imply an acceptable level of union effectiveness.
- d. There will be no significant adverse alteration in the GON's policies toward the trade union movement.

**B. Statement of Project Purpose**

- 1. **The purpose of this project is to create and motivate a nucleus of informed individuals and organizations in the principles and practices of current democratic labor relations.**
- 2. **Conditions expected at the end of project:**
  - a. **Ninety per cent of union officers will have successfully completed advanced labor relations seminars.**
  - b. **Twenty per cent of the active, registered trade unions in Nicaragua shall have implemented at least one socio-economic service project for its membership.**
  - c. **Employers will have initiated improvements in worker benefits or working conditions.**
  - d. **Increased participation in union meetings.**
- 3. **Basic Assumptions:**
  - a. **Socio-economic service projects will be in addition to the normal benefits conferred by union membership such as better wages, job security and improved working conditions. It is further assumed that AIFLD will arrange outside financing to support these projects.**
  - b. **Information about attendance at union meetings will be readily available.**

**C. Statement of Project Outputs:**

1. **Outputs and Output Indicators:**

<u>Outputs</u>	<u>Output Indicators</u>
a. Seminars for non-trade unionists on the purposes, aspirations and objectives of a free labor movement.	a. Attendance at seminars of at least 2,050 persons with a desired goal of at least 2,200 by March 1974.
b. Educational programs for:	b. Provision of:
(1) labor union members emphasizing collective	(1) basic courses to 4,000 union members; (2) special course

**negotiating and organizational procedures; and (2) labor union leaders emphasizing dues collection methods and procedures. (Via basic, special and residential course work).**

**work seminars to 2,500 unionists; and (3) residential course work material to 450 union leaders.**

**c. Union leaders trained in on-the-job programs.**

**c. Thirty-three man-years of OJT provided.**

**d. Labor leadership with advanced training in the U. S. in the areas of labor economics and trade unionism.**

**d. Twenty-four graduates of advanced trade unionism programs and five graduates of labor economics program.**

**e. Project Progress evaluation report.**

**e. Report received.**

**The emphasis for the training under 1.a. above will be directed at unorganized workers.**

#### **D. Statement of Project Inputs:**

##### **1. Inputs: (all USAID):**

**a. Through 6/30/70 consisted of:**

- (1) Direct hire US technicians**
- (2) PASA US technicians**
- (3) Contract US and local and TCN technicians**
- (4) Participant Training**
- (5) Commodities**
- (6) Other Costs**

**b. From 7/1/70 projected through the end of the project on 3/31/74 will consist of:**

- (1) One US Country Program Director**

**UNCLASSIFIED**

- (2) One TCN Program Officer
- (3) Two secretaries
- (4) One chauffeur/messenger
- (5) Participant Training for 8-10 Nicaraguans/year.
- (6) Other costs for in-country training.

2. Budget:

a. Technical Assistance (●-\$000's) through:

	<u>6/30/70</u>	<u>FY 71</u>	<u>FY 72</u>	<u>FY 73</u>
(1) US Direct Hire	108	-	-	-
PASA	11	-	-	-
Contract	426	29	26	29
(2) Local & TCN DH	16	-	-	-
Contract	25	21	21	21
(3) Participant Training				
AID Direct	3	-	-	-
Contract	5	3	3	3
(4) Commodities				
AID Direct	136	1	-	-
Contract	10	-	-	-
(5) Other Costs				
AID Direct	17	-	-	-
Contract	62	42	45	42
Totals	<u>819</u>	<u>96</u>	<u>95</u>	<u>95</u>

**3. Basic Assumptions:**

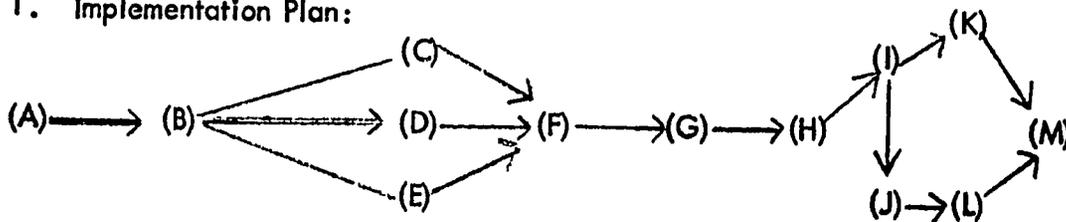
- a. There will not be a significant increase in the cost of contractual services.
- b. Past in-country and Participant Training costs are a reasonable guide to like future costs.
- c. Past commodity inputs will continue serviceable through the end of the project.

**E. Rationale:**

- 1. There are currently about 620,000 persons of working age in Nicaragua of whom about 165,000 are employed in occupations which could be organized into unions. By the March 31, 1974, physical completion date of this project, there will be about 710,000 persons of working age of whom about 190,000 will be employed in occupations which could be organized into unions.
- 2. This project, from inception to its planned completion date, will provide basic training in trade unionism to 6,200 organized and potentially organizable workers. While we can't be sure that a nucleus of this size can, in fact, provide the impetus leading to an effective trade union movement in Nicaragua; given the discreetly but clearly expressed political antipathy toward organized labor in Nicaragua: any attempt to train more workers or to train the same number over a shorter period would very likely be contra-productive.
- 3. Again, while we can't assert that better wages, working conditions, etc. will accrue to an individual because of his current union membership; over the long run (5-10 years) an effective trade union movement in Nicaragua would seem to offer one of the better bets available to the workers.

**F. Course of Action:**

**1. Implementation Plan:**



- a-b. Conduct survey of potentially available classroom facilities and groups to be taught.
- b-c. Select site and group to be taught.
- b-d. Recruit and sign up student participants.
- b-e. Arrange rental of classroom and facilities.
- c,d+e-f. Prepare curriculum, select lesson plans and training aids and schedule instructors and students.
- f-g. Conduct enrollment testing.
- g-h. Conduct classes.
- h-i. Conduct post-training testing.
- i-j. Select potential leaders for more advanced training.
- i-k. Conduct annual union-membership-status survey of a stratified random sampling of all the persons given motivational training 1, 2, 3 and 4 or more years before.
- j-l. Conduct ad hoc surveys of identified potential leaders to determine union membership status and availability for more advanced training.
- k+l-m. Select students for advanced training.

## 2. Narrative Statement:

The PERT plan noted above: a. covers the sequence of activities and events that must be realized at any one of the first three (basic, special course work and residential) levels of training being offered by this project; and, b. suggests some of the considerations (demonstrated academic ability, leadership potential, union membership status and availability for training) leading to the selection of an individual for the next higher level of training including advanced training at the Front Royal Institute and/or attendance at the Georgetown University course in labor economics.

The plan deliberately glosses over the difficulties associated with, for example, site and student-group selection -long-term vs short-term advantages, political expediency, budgetary constraints, etc. And, since this is a mature project, the plan assumes the reader is aware of the availability of previously trained instructors, lesson plans, training aids, a history of past educational undertakings, etc.

SHELTON

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by several loops and a final flourish.

**AID  
NON CAPITAL PROJECT PAPER (PROP)**

Instruction: 1. Originator complete Parts I, II and II. 2. Reviewing AID/W Bureau or Office complete Part IV.

**I. Project Identification**

<p><b>1. Project Title</b></p> <p>Manpower Planning Development and Utilization</p>	<p>Appendix Attached</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Page 1 of <u>2</u> Pages</p> <p>2. Project No. 524-15-490-054</p>
<p><b>3. Recipient</b></p> <p><input checked="" type="checkbox"/> Country <u>Nicaragua</u></p>	<p><b>4. Life of Project</b></p> <p>Begins FY <u>64</u> Ends FY <u>73</u></p>	<p><b>5. Submission</b></p> <p><input type="checkbox"/> Original <input checked="" type="checkbox"/> Revision</p> <p>Date _____ Revision No. <u>1</u></p>

**II. Funding (In thousands of US Dollars) and Manpower (man-months= MM) Requirements**

A. Funding by Fiscal Year	B. Total \$	C. Contractor		D. Personnel		E. Participants		F. Commodity \$	G. Other Costs \$	H. Local Exchange Date	
		(1)	(2)	(1)	(2)	(1)	(2)			Currency US= \$ 7	US owned
		\$	MM	\$	MM	\$	MM			(1) US \$ Grant/loan	(2) Coop. Country Joint GON Budget
1. Prior thru Actual FY	915	623		636		11		147	121		
2. OPRN FY 72	95	95		47	60	3	12	-	45		
3. Budget FY 73	95	95		50	60	3	12	-	42		
4. Budget FY+1											
5. Budget FY+2											
6. Budget FY+3											
7. Subseq. FY											
<b>8. Grand Total</b>	<b>1105</b>	<b>813</b>		<b>733</b>		<b>17</b>		<b>147</b>	<b>208</b>		

**9. Other Donor Contributions**

a. Name of Donor	b. Kind of Goods or Services	c. Amount (US dollars)
None		
4. Budget		
5. Budget		

*H Cordova*

1. Drafted by: H Cordova  
Title : Asst. Program Officer

III. Mission Clearances

2. Clearance WRHaynes  
Title : Director, USAID/Nicaragua

Date:

I. Conditions of Approval

IV. Project Authorization

2. Clearances

Bureau/Office	Signature	Date	Bureau/Office	Signature	Date

3. Approval-Regional Administrator or Office Director

Approval-A/AID

Signature	Date	Signature	Date

Title

Administrator  
Agency for International Development

by Approval  
Signature

Title

Administr  
Agency for

it have been

Attachment to Airgram

**INSTITUTO AMERICANO PARA EL DESARROLLO DEL SINDICALISMO LIBRE**  
**N I C A R A G U A**

Del Guayacán No. 1, 3 cuadros  
al Sur y media al Oeste.  
Apartado Postal No. 2008  
MANAGUA

TELEFONO 87-178

Cable y Telégrafo

FREELAB

MEMORANDUM

August 5, 1971

To: Mr. Harold P. Cordova  
Assistant Program Officer, USAID/N

From: Herbert S. Weast  
Country Program Director *HW*

Subject: Draft PROP

The draft PROP you furnished me on July 9, 1971, is enclosed.

This draft contains matrix information. Consequently, I am obliged by AIFLD/W instructions to forward it to Mr. Samuel Haddad, Regional Director, North, so that he can make a determination as to whether this information is in line with our Country Labor Plan.

I would appreciate receiving a copy of this draft so that I can forward it to Mr. Haddad.

Enclosure  
HSW/dbe

**AIRGRAM**

**DEPARTMENT OF STATE**

**UNCLASSIFIED**  
CLASSIFICATION

55p

2c

For each address check one ACTION | INFO

DATE REC'D.

DISTRIBUTION  
ACTION  
**LA**  
INFO.

TO - MANAGUA AIDTO-A 46

DATE SENT

10-9-71

**AAID**  
**EVAL**  
**EXSEC**  
:  
**GC**  
**OLAB**  
**OA**  
**AAPC 7**

FROM - AID/Washington

SUBJECT - PROP Review Manpower Planning, Development  
and Utilization Project No. 524-15-490-054

REFERENCE

**LAB**  
~~STATE~~  
**STATE**

1. The L.A. Bureau PROP review panel discussed this PROP revision on September 10, 1971. This was the first "new format" PROP to be received in the Bureau and your effort to test the usefulness of this format is appreciated.

2. In reviewing the PROP the panel compared it with the project's PAR 72-1 submitted June 30, 1971. The panel noted an inconsistency in the goal statements of the two documents. The "measurements of goal achievement" do not adequately measure the broadly stated goal of the PROP, since membership in unions, affiliation with ORIT, etc. do not necessarily tell much about "private sector participation in the development process. . ." These measures relate to achievement of project purpose and would fit well in section B. 2. Both PAR and PROP should reflect the agreed goal for this project, and measurements should be developed which adequately test achievement of this goal.

3. The panel also noted the Mission's recognition of a basic constraint in the Nicaraguan context to increasing the size of this project. While unable to comment in detail on whether or not the purpose of the project can be achieved though the project itself deals with only 5% of the Nicaraguan labor forces, panel would appreciate some additional comment in section E, rationale, of the PROP in regards to whether the project expectations are realistic. A key assumption that must be made is that the membership of the trade union movement which will be affected by this project falls within the lower income group in Nicaragua.

**MANAGUA**  
**AIDTO**

PAGE 1 OF 2 PAGES

DRAFTED BY: <b>GAHill:pga</b>	OFFICE: <b>LA/OPNS</b>	PHONE NO.: <b>29882</b>	DATE: <b>9-24-71</b>	APPROVED BY: <b>LA/DP:JIHeller</b>
----------------------------------	---------------------------	----------------------------	-------------------------	---------------------------------------

AID AND OTHER CLEARANCES

**LA/PCD:LEicher (Draft)**    **LA/CEN:RCamau (Draft)**    **LA/DP:PSchraud**  
**LA/OPNS:HMyers (Draft)**    **UNCLASSIFIED**

CLASSIFICATION

4. Panel suggests that the Mission consider coordinating complementary elements of the Country Labor Plan, now being drafted, in the revision.
5. Although in general agreement with the scope and size of this project, the panel deferred approval of this PROP pending resolution of the above questions.

JOHNSON

**AIRGRAM**

**DEPARTMENT OF STATE**

Proj. No 5240054  
PH

**UNCLASSIFIED**  
CLASSIFICATION

For each address check one ACTION | INFO

DATE REC'D.

DISTRIBUTION

ACTION

INFO.

TO - AID/W

TOAID A-~~145~~ 174 X

PA 10 24

*M.A. Room*  
*35*

FROM - Managua

DATE SENT

October 21, 1971

SUBJECT - PKOF Review Manpower Planning, Development and Utilization  
Project No. 524-15-490-054

REFERENCE - (a) TOAID A-145 dated 8/26/71 ; (b) AIDTO A-46 dated 10/9/71

1. The Mission wishes to affirm that the Manpower project is but one of four grant projects that contribute to the satisfaction of the CAP goal of supporting private sector participation in the development process and increasing the access to financial and technical resources of the lower income group. The Community Development project -047, the SDA -058 and the Institutional Cooperative Development -092 projects each make a contribution to the same goal. In addition, the Small Industry and the Rural Electric Coops loans, as well as other aspects of the USAID's overall program strategy, contribute towards this goal achievement.
2. The Mission concurs, however, in the desirability of consistency in the statement of the Goal for the Manpower project in the recent PAR and PROP presentations; and it hereby amends the PROP to include the italicized material noted:

A. Statement of Goal:

1. The Goal:

To support ... income group.

*(This specific project will concern itself with the development of a free, democratic and effective trade union movement in Nicaragua.)*

PAGE 1 OF 2 PAGES

DRAFTED BY HCordova <i>xb</i>	OFFICE DEVPLN	PHONE NO.	DATE 10/20/71	APPROVED BY <i>WRH</i> William R. Haynes, Director
----------------------------------	------------------	-----------	------------------	--

AID AND OTHER CLEARANCES

DEVPLN:AGoldstein (in draft)

**UNCLASSIFIED**  
CLASSIFICATION

OD:CBJohnson *(in draft)*

DCM: REWhite *TRH*

### 3. Assumptions about Goal Achievement:

- e. It is assumed that the development of a free, democratic and effective trade union movement in Nicaragua will afford greater union (private sector) participation in the development process and increase the access to financial and technical resources of workers (the lower income group) and that 2a, b, c and d above are adequate measures of this specific project's contribution to the satisfaction of a multi-project goal.

3. Given the very low level of labor organizing activity that is permitted by the environment in Nicaragua, it is doubtful that this project's ability to realize its expectations would be significantly increased by extending the life of the project.

SHELTON