5980101 – (5)

(PP) FACE SHEET)
PROJECT PAPER (PROP) PD-AAB-527-B1

16p.
PAGE 1 of ___ PAGES

I. PROJECT IDENTIFICATION

1. PROJECT TITLE
- Development
ican Institute for Free Labor Development (AIFLD

APPENDIX ATTACHED
[X] YES [ ] NO

2. PROJECT NO. (M.O. 1095.3)
598-15-410-101

RECIPIENT (specify)
[ ] COUNTRY
[X] REGIONAL LA [ ] INTERREGIONAL

4. LIFE OF PROJECT
BEGINS FY 62
ENDS FY 75

5. SUBMISSION 1/25/73
[ ] ORIGINAL
[X] REV. NO. #1 12/15/73
CONTR. PASA NO. CM-1a-73-10

II. FUNDING (000) AND MAN MONTHS (MM) REQUIREMENTS

A. FUNDING BY FISCAL YEAR	B. TOTAL $ (000's)	C. PERSONNEL (1) $	C. PERSONNEL (2) MM	D. PARTICIPANTS (1) $	D. PARTICIPANTS (2) MM	E. COMMODITIES $	F. OTHER COSTS $	G. PASA/CONTR. (1) $	G. PASA/CONTR. (2) MM	H. LOCAL EXCHANGE CURRENCY RATE: $ US ___ (U.S. OWNED) (1) U.S. GRANT LOAN	(2) COOP COUNTRY (A) JOINT	(2) COOP COUNTRY (B) BUDGET
1. PRIOR THRU ACTUAL 73	53,577	32,652		16,625		-	4,300					
2. OPRN FY 74	5,036	3,072		1,561		-	403					
3. BUDGET FY 75	5,100	3,111		1,581		-	408					
4. BUDGET +1 FY												
5. BUDGET +2 FY												
6. BUDGET +3 FY												
7. ALL SUBQ. FY												
8. GRAND TOTAL	63,713	38,835		19,767			5,111					

9. OTHER DONOR CONTRIBUTIONS

(A) NAME OF DONOR	(B) KIND OF GOODS/SERVICES	(C) AMOUNT

III. ORIGINATING OFFICE CLEARANCE

1. DRAFTER George W. Phillips	TITLE Chief, ARA-LA/MRSD/L	DATE 3/15/74
2. CLEARANCE OFFICER Donor M. Lion	TITLE Director, ARA-LA/MRSD	DATE

IV. PROJECT AUTHORIZATION

1. CONDITIONS OF APPROVAL

2. CLEARANCES

BUR OFF.	SIGNATURE	DATE	BUR OFF	SIGNATURE	DATE
LA/MRSD	D.M. Lion		PPC/DPRE/PPC	Frank Kimball / P. Birnbaum	4/2/74
O/LAB	D. Good draft	3/8/74	GC	A.Gardiner, Jr.	3/25/74
LA/GC	I. Levy	3/15/74	LA/DP	L.Harrison / Tate	3/1/74

3. APPROVAL AAA OR OFFICE DIRECTOR

SIGNATURE	DATE
Assistant Administrator and Deputy U.S. Coordinator	3/22/74

4. APPROVAL AID S&T M.O. 1095.1 (V.C.)

SIGNATURE	DATE
Philip Birnbaum for Daniel Parker Administrator (A.I.D.)	4/5/74

Introduction

This revised non-capital Project Paper, covering the Latin American Labor development program on a regional basis, is essentially a continuation of the existing program established in 1962 with the American Institute for Free Labor Development (AIFLD) as contractor (jointly sponsored by U.S. Labor, private enterprise, and the U.S. Government). Under the current program, AIFLD country Missions have been established in nearly all L.A. countries. In the U.S., advanced training facilities have been established for 40 persons per cycle on a residential basis for 5 to 7 cycles per year at Front Royal, Va. and a special Labor-Economics course for 20 participants per year was established at Georgetown University. A.I.D. has been the principal source of funds during the past funding period, and appears likely to remain so, at least for the near future. The A.I.D. annual funding level has averaged $5.7 million since FY 1968, ranging from a high of $6.1 million obligations in 1968 to a low of $5.0 million in 1971 1/. The labor plans for individual country programs have been proposed by AIFLD and the AID-funded portions have been implemented in accordance with the recommendations of individual Country Teams (normally including both Embassy and USAID).

In FY 1973 the former bilaterally-funded AIFLD country programs were combined into a new regional program in order to better reflect the regional nature of AID's assistance to the labor movement. In the past year this regionalization effort has relieved administrative burdens for both A.I.D. and AIFLD, and provided the opportunity for greater ease and flexibility to permit funding transfers between country programs, as occasions arose. Such regionalization has not, however, diminished the basic inputs of the Country Teams into program substance, the funding level, and administration in each country as CTs assist AID/W in the implementation of this labor program.

A. The Project Goal

1. Goal Statement

The project contributes toward the broad goal of popular participation in the task of economic development, leading to a more equitable distribution of income within the framework of a pluralistic society and based on democratic institutions.

2. Measurements of Goal Achievement

Evidence of progress toward the goal should be reflected in:

(a) Increases in real income of workers;

(b) Larger proportion of the total labor force actively associated with free, democratic labor organizations;

(c) More active and effective participation of these national labor groups in international activities.

1/ Excludes Union to Union Grant Program

3. Basic Assumption of Goal Achievement

Goal achievement will depend not only on the direct impact and effective delivery of the project inputs but also on the economic and political climate in the respective countries. It is assumed that in the participating countries there will be relatively stable political situations and no serious economic declines; and that the governments concerned will continue to adhere to the objectives expressed in the Charter of Punta del Este regarding the strengthening and improvement of labor organizations, the upgrading of human resources and a more equitable distributions of national income.

B. The Project Purpose

1. Statement of the Purpose

To establish financially viable, self-sufficient labor organizations. The major means employed will continue to be educational programs to heighten the effectiveness of labor leadership and administration at all levels. Other types of assistance will include fostering social projects related to labor organizations (e.g., credit unions, housing and consumer cooperatives, community development).

Another aspect of this project is to strengthen communication and collaboration between labor organizations within each country and between them and the principal appropriate international labor organizations -- the Inter-American Regional Organization of Workers (ORIT) and the International Trade Secretariats (ITS), as well as the AFL-CIO itself, since such associations will complement other measures to enhance the stature of individual labor organizations and to assist their progress toward free, democratic, and responsible unionism.

2. Conditions Expected at End of Project (Targets)

General growth in labor union membership, income from dues receipts, union financial strength, and the number, quality and coverage of collective agreements are anticipated as a result of the AIFLD country programs as detailed more specifically in the attached country matrices. (Annex 1). Attempts to measure such quantitative changes are difficult because available country data are often not reliable and it is sometimes hard to establish direct causal relationships and/or linkages as a result of this labor program. Conversely, growth may be stopped or even reversed at times because of unforeseen political factors which negate the best efforts of the contractor. Therefore, the EOPS targets, as indicated in the attached country matrices, may vary on the amount of specific, quantifiable data depending on the quality of information available at the host country level. In certain cases EOPS of longer than two years is indicated; however, for consistency to this

regional PROP, only a two-year approval of the regional labor program is requested in order to cover all AIFLD programs anticipated to be in operation for FY 1974-1975.

During this two-year period of the regional labor PROP the following items will be emphasized as appropriate in each country:

(1) The long run mandate to strengthen free democratic trade unions remains valid, but the current and prospective LA political environment suggests that the approach should be changing from what it has been for several years. Also, in personnel and institutional terms, the needs for traditional kinds of AIFLD training and educational programs are declining;

(2) thus, for many reasons some substantial changes are required both in terms of defined objectives and the methods employed, although these cannot be implemented overnight;

(3) AID must continue to improve the design of labor programs to maximize their development impact and to improve their contribution to the attainment of AID priority objectives of helping the poorer people in the rural as well as urban areas. Illustrations of more specific areas of possible application might be:

(a) Increasing union self-help and institutionalization of all union program activities to move toward a situation where local unions plan, implement, and evaluate their own organizing, social welfare, educational etc. activities;

(b) reduction of traditional basic level AIFLD training support to low levels and for a limited time period only;

(c) devolve AIFLD responsibility for national training centers to host country trade union personnel as rapidly as feasible. (Examples of such steps might include local establishment of curriculum, scheduling of courses, selection of participants, establishment of charges, etc.);

(d) reduce the administrative component of AIFLD costs;

(e) increase local fund-generating activities, to include not only training in support of local trade union organization, collective bargaining, check offs, and increased dues payers, etc. but also special efforts, where appropriate, toward funding local trade union headquarters operational costs, and,

(f) regional approaches to selected types of activities, which might include development of union research-documentation service centers or advanced university level training (e.g. for utilization of

trained professionals as local staff support for collective bargaining and other union-related activities).

It is expected that the in-country activities of the project (e.g., operation of national training programs and social projects) will have been partially taken over by labor organizations throughout the region by the time of final termination of AID funding to this project. In some cases this will depend partly upon an increase in the income and staff of the principal appropriate international labor organizations--the Inter-American Regional Organization of Workers (ORIT) and the International Trade Secretariats (ITS), so that they could supplement the capacity of the less-developed labor movements to carry out educational programs and social projects. The same could also be said of the relationship between stronger and weaker labor organizations within each country. Consequently, a strengthening of ties (through increased affiliations and dues contributions) between labor organizations both nationally and internationally will be an important condition precedent to the end of the AID-financed project.

3. Basic Project Assumptions

The basic assumption concerning design of this project is that workers in the other countries of the region can best be helped to achieve the goal by an organization closely related to the labor movement in the United States. This assumption proceeds from matters of technical expertise as well as feelings of fraternal solidarity, and was the underlying reason for making the American Institute for Free Labor Development (AIFLD) the chosen instrument of A.I.D. for this project. Another important assumption is that the governments of the several countries will continue to permit AIFLD to operate within their jurisdictions, and will honor their international commitments favoring labor organizations (see above "Basic Assumption of Goal Achievment"). It is further assumed that economic conditions and employer attitudes will be reasonably compatible with the project objectives.

C. Project Outputs

1. Training courses in the various Latin American countries commonly deal with fundamental labor union themes such as labor law and practice, social security law and practice, collective bargaining and grievance procedures, parliamentary procedure and public speaking, history of the international labor union movement, social theory, labor union accounting, communications and public relations. Such courses are given at basic, intermediate and advanced levels of presentation, plus courses for agrarian rural workers (campesinos) and special courses for teachers and for members of cooperatives associated with labor unions.

Two hundred graduates of local courses come to the United States

annually for higher level, specialized training at the AIFLD center at Front Royal, Virginia. Examples of courses given at the Front Royal Institute include the following:

1974 COURSES
AIFLD FRONT ROYAL INSTITUTE

COURSE TITLE

The Role of Trade Unions in the Andean Pact

Advanced Collective Bargaining

Principles of Democratic Trade Unionism

Labor Relations in Developing Countries

Adult Education Methods (Special ITF Course)

Advanced Collective Bargaining

Trade Union Leadership (Women's Course)

Communications and Public Relations (Women's Course)

Labor Relations in Developing Countries (Brazil Course)

Adult Education Methods (Caribbean Course)

Collective Bargaining & Research (Special FETRETEL Course - Venezuela)

Automation & Mechanization

Collective Bargaining (Special FIET Course)

Principles of Democratic Trade Unionism

There will also be one group of 20 in CY 1974 who will receive a special curriculum in labor economics at Georgetown University. Such participants will come from the Caribbean area and study labor economics to strengthen their individual unions in their area, as well as the Caribbean Confederation of Labor (CCL). It is expected that CY 1974 will be the final labor economics program at Georgetown University and that in future years additional resources may be applied to other types of advanced training for Latin America.

AIFLD collaborates with ORIT and several ITSes by paying travel expenses for labor unionists to attend seminars and conferences in third countries.

AIFLD provides technical assistance in project management for credit unions and other cooperatives related to labor organizations. This activity not only benefits workers but also enhances the prestige and attraction of free labor unions.

2. Output Indicators

Estimated annual outputs by category of AIFLD courses, in addition to Front Royal and Georgetown are as follows:

(a) Kinds of Outputs	(b) Maugnitudes of Outputs	
	Courses	Participants
Basic	420	13,000
Intermediate	210	5,300
Advanced	35	1,500
Special	100	3,000
Campesino	60	2,200
Cooperative	90	2,200
Total	915	27,200

AIFLD files quarterly reports on its activities. In addition, there will be periodic reviews of AIFLD programs by AID/W in collaboration with country missions to assess the quality as well as quantity of outputs and their relevance to attainment of the goal.

3. Basic Output Assumption

a. The various national and international labor organizations will collaborate with AIFLD in working toward the local and regional objectives of the project.

b. The kinds of education courses developed for participating labor unions, federations, and confederations will be adequate and relevant for continuing and progressive union development.

c. Development of trade union movements in the conduct of basic education courses will move forward on schedule as AIFLD moves on to more sophisticated program activities.

d. Dues collection and collective bargaining agreements will be increased as a result of AIFLD in-country activities, in concert with

local unions in the host countries so that more union financial stability can be achieved.

e. Administrative capabilities of union management will increase as a result of AIFLD efforts.

D. Project Inputs

1. Kinds of Inputs

U.S. Government

a. Funds for general program and administrative expenses

b. Logistic support (motor pool, furniture)

c. Advisory services (intermittent personal services)

Other Donors

a. Funds for special project activities (AFL-CIO funds for impact projects)

b. Logistic support (use of free classroom space and instructors)

c. Advisory services (intermittent personal services)

2. Magnitude of Inputs (annually)

U.S. Government

Estimated costs of the program to the U.S. Government over the PROP period have been set on the basis of experience with the predecessor programs in some 17 countries and at AIFLD/W Headquarters over the period since 1968. Although experience has varied by country and by time period, the totals reveal an order of magnitude of $5 to $6 million, as follows:

1968	1969	1970	1971	1972	1973
$6.1	$5.4	$6.6	$5.0	$5.6	$5.4

(figures in millions)

For FY 1974 the largest element in the headquarters backstop operation, which totals $2.2 million, is personnel -- approximately $1.0 million for salaries plus $0.2 million for benefits. In 1971 a detailed audit of this matter was conducted by the Auditor General who recommended a level of 86 positions to support a total AIFLD program at roughly the same as the current level. Accordingly, AIFLD's staff authorization was reduced to 88 positions, a number determined by the AA/LA as "reason-

able in view of AIFLD's current backstopping responsibilities for its overseas Missions" (July 3, 1973). 1/ other important U.S. cost elements are the Front Royal facilities for 40 resident participants per 5 cycles per year ($600,000) and the 20 participants for Georgetown Univeristy Labor Economics Course ($200,000). U.S. costs also include approximately $100,000 for rent and utilities and $100,000 for equipment and supplies. In FY 75 it is expected that additional personnel reductions can be effected so that the overall backstop headquarters operation will be reduced to $2.1 million. Sharper reductions in headquarters expense do not appear to be feasible, since staff reductions continue to be offset to a great extent by salary increases and cost of living adjustments required by the AIFLD employees' union contract.

During the period of the total program (since 1962) substantial progress has been made in several areas. Training programs and facilities have been established overseas and in the U.S. (e.g., 11 national training centers and 4 rural centers established in LA; an advanced training center at Front Royal, and the Georgetown University Labor Economics Course in the U.S.). Social project activities have been carried out under the sponsorship of labor organizations in most of the countries where AIFLD has programs. AIFLD provided technical assistance and helped arrange financing for the establishment of savings and loan cooperatives and housing projects for members of labor organizations. Some 18,000 housing units in 12 countries have been constructed under such arrangements. Through AID grants of $625,000 AIFLD now has a Regional Revolving Loan Trust Fund to provide low interest loans to labor organizations of amounts ranging from $5,000 to $ 50,000 for various projects, with the requirement that there must be a substantial degree of self-help. AIFLD also administers funds provided by AFL-CIO for small ($5,000 or less) projects with developmental impact. A total of over $600,000 has been provided to AIFLD by AFL-CIO for this purpose. Significant, but varying gains have also been made in key areas such as union membership, dues-paying and contract coverage in the different countries and attempts will be made to stress continued progress in this area. However, in the past most of the financing for the program has come from AIFLD (i.e., primarily from A.I.D.). In light of all the relevant considerations, it appears sensible to assume the need for A.I.D. funding at roughly the present level, at least for the short-term future.

Regional funding under this PROP will include, in addition to activities directed toward both urban and rural workers under individual country programs, a centrally-managed program known as Agrarian Union Development Services (AUDS), which has been administered by the Social Projects Department of AIFLD/Washington since 1968. This sub program has a special significance, since it offers access to the low-income rural worker. A promising start has been made with rural unions and labor centers in several countries. The level of AID assistance has been relatively low (about $25,000 per year), but this small input appears to be producing useful results, due in large part to the low cost of activist salaries and other expenses in the countryside. AUDS plans to supplement rural educational efforts in about 10 Latin countries 2/

1/ memo-AA/LA H. Kleine to Auditor General - Tennant.

2/ Currently, Bolivia, Colombia, Costa Rica, Dominican Republic, Ecuador, Guatemala, Honduras, Nicaragua, Panama, Uruguay

with social projects of development impact (e.g., consumer and producer cooperatives, community medical centers) to improve living conditions for the low-income rural population through a coordinated approach involving information, credit and technical assistance.

U.S. Government Inputs (Recap) FY 1974

a. $4.9 million --total (AID/AIFLD expense)

$2.7. million in local country programs;

$2.2 million for activities in U.S., including $1.2 million for salaries and benefits, $0.6 million for Front Royal courses, $0.2 million for Georgetown University Labor Economics courses, and $0.2 million for rent, utilities, equipment, supplies, and miscellaneous expense.

b. Minor, non-allocable costs for AID monitoring of the program.

c. $0.1 million for reimbursable expenses of the US Dept. of Labor in backstopping Union-to-Union exchange of other participants in the U.S.

Other Donors Inputs

a. $0.3 million ---total

$0.2 million - AFL-CIO contribution

$0.1 million - private enterprise contributions

b. Minor, non allocable costs (no data available to USG)

c. Incidental to labor organizations' own activities (no data available to USG).

3. Basic Input Assumptions

a. For the foreseeable future, the bulk of AIFLD financing will come from AID, supplemented by relatively small contributions from labor and business elements in the private sector. (AFL-CIO contributions have stabilized at $200,000 annually, but business has reportedly slipped below $100,000).

b. The amount of funds available will be enough to sustain an effective program.

c. AIFLD will be able to employ adequate numbers of appropriate competent professional staff.

d. The U.S. labor movement will made substantial contributions ot ORIT and several ITS, as well as continue to finance AFL-CIO Impact Projects and some AIFLD activities.

e. Labor organizations in other countries will continue and increase their support to various aspects of the project, primarily in the form of contributions of space, personal services and materials.

Rationale

Section 601 of the Foreign Assistance Act of 1961, as amended, declares it to be the policy of the United States to encourage efforts to strengthen free labor unions in less developed countries. It continues to be AID policy to strengthen the development capabilities of labor unions to enhance the skills, employment opportunities, productivity, freedom and welfare of working men and women. In a Policy Determination Paper signed last May 2, 1973, former Administrator Hannah stated the following:

> "Economic growth is not the end purpose of development, but rather is one of the means for attaining development objectives. A major such objective is to meet the aspirations of workers and their families for a better life, with dignity and freedom, and to help spread the benefits of economic progress among the wage and salary components of the labor force. In providing development assistance, AID should encourage the development of strong, independent, responsible, and democratic organizations of workers, which can engage in collective bargaining and perform other useful functions in the improvement of the economic and social life of their members."

The Policy paper further states: "Free and responsible labor unions, enjoying the right to engage in collective bargaining, can have an important role in the process of modernization and the social and economic development of the less developed countries. For example, by acting as forums for the exchange of information and instruments for attitudinal change on vital development issues, such as bringing to the fore difficult questions of social welfare and equitable distribution of income, seeking to improve the conditions under which the commitment of labor to industry takes place, and helping advance population and family planning goals, labor unions may strengthen the forces in a society which are impelling it to modernize."

AIFLD was chosen as the principal vehicle for movement toward that objective by reason of its unique status and capacity, as follows:

AIFLD is an incorporated private entity with tripartite support from the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO), the American business community, and the U.S. Government. AIFLD, as a private organization closely associated with the AFL-CIO, not only offers the flexibility typical of A.I.D. contractors but also brings to the Latin American labor program the expertise, prestige and support of the U.S. labor movement. This in turn has facilitated collaboration between AIFLD and labor organizations in other countries of the hemisphere.

AIFLD is working with labor organizations representing the majority of organized labor in more than two-thirds of the countries in which it has currently active programs. Virtually the only significant unions which do not collaborate with AIFLD are those a) which are associated with Marxist political parties or b) which are dependent for financial support upon the "Latin American Confederation of Workers" (CLAT).

Since its inception in 1962, AIFLD has built up the institutional and facility base necessary to carry on a range of labor education and social development activities in nearly all countries of the hemisphere, supplemented by stateside training and other support activities, which have contributed to the existence and effectiveness of significant labor organizations in many countries of Latin America.

Significant progress has been made in Latin America concerning national and international cohesion of labor organizations, their quality of leadership and financial strength, and the extent to which the labor force is benefited by collective agreements, as well as with regard to the training program and social projects directly sponsored by AIFLD. A number of political, economic and cultural factors which have hampered such progress--such as the low level of education of most Latin American workers, high population growth rates, impoverished living standards, and the political power of interests antagonistic to labor organization--are being slowly modified under the cumulative impact of modernizing forces operating to varying extents throughout Latin America.

Still much remains to be done in all the areas mentioned in the paragraph above before we can expect to approach the ultimate goal of a strong, free, democratic labor movement throughout the region.

There is no alternative organization in the U.S. which might replace AIFLD as prime contractor for the program, in view of AIFLD's unique relation to U.S. labor, business and government. The following international organizations (ORIT, the ITSs) have no funds or prospects for raising funds which would qualify them to assume a responsibility of this magnitude.

ORIT is a confederation of national labor centers in Latin America and the United States, which is itself affiliated to the International Confederation of Free Trade Unions (ICFTU) headquartered in Brussels. ORIT is now scheduled to undergo major reorganization and refinancing in CY 1974. ORIT heretofore received modest subsidies from ICFTU, but in the future ORIT may have to depend entirely upon its components for financial sustenance. Thus far the only ORIT component to make appreciable remittances is the AFL-CIO, since very few Latin American labor organizations have the resources to contribute substantially to ORIT; typically they lack adequate income even for their own immediate concerns. ORIT maintains a residential training center at Cuernavaca,

Mexico, but it has not had sufficient financing to carry out its own educational programs elsewhere.

The International Trade Secretariats (ITSs) are specialized groupings of labor organizations by functional categories (e.g., transport workers), which operate worldwide (except for totalitarian countries); all but one have their headquarters in Europe. Several ITSs devote appreciable attention to servicing affiliated unions in Latin America, but even these rely to a considerable extent upon indirect financial assistance from AID via AIFLD, since most ITSs have only modest income from their component organizations in the more developed countries and spend more money to assist affiliates throughout the less developed world than they expect to receive from such affiliates.

The International Labor Organization (ILO), which relies upon contributions from its member governments for all its income, tends to spend more on general technical assistance to the poorer countries than it receives from their governments, and it has limited funds from other governments to compensate for that imbalance and to cover administrative overhead. The ILO principally works with governmental agencies and does only a small amount of worker education in collaboration with unions; that is spread rather thin worldwide to cover most member countries and to include unions of all political orientations within those countries.

The Organization of American States (OAS), which depends largely upon the U.S. Government for support, mainly directs its activities in the labor field toward the various Latin American governments in the form of technical assistance and tries to enhance the security of their officials concerned with general labor and social welfare administration. Similarly to the ILO, the OAS is committed to foster a favorable climate for responsible labor organizations. However, neither the ILO nor the OAS has the identity with labor which might enable them to substitute for the role of AIFLD.

Course of Action

Under the current thrust of the regional AIFLD program, in-country activities in the field will continue generally along presently established lines; that is, with primary emphasis on educational programs and secondary emphasis on social projects, and a heavy component of participant training. Programs will vary widely between countries, as program proposals are developed through AIFLD planning documents (prepared in accordance with AID-mission guidelines) and are finally negotiated to reflect the judgments of the U.S. country team with respect to all AID-funded activities. Programs will also vary in each country from time to time depending on the degree of interest and accomp-

tivity on the part of the host governments and the local labor sector to U.S. aid in general, and to AIFLD in particular. They will reflect changes in the balance of power between the Free Labor Movement and other labor organizations, and within the Free Labor Movement itself, as well as the alignments of top labor leaders.

Over time A.I.D. expects a general trend in the nature of country programs in the direction of reducing the overall numbers of personnel educated in basic courses, to reflect an increasing degree of sophistication in the membership at large and an increase in the amount of training being done at local expense. We also expect an increase in the amount of advanced level training and a concentration upon top-level union leadership, as well as increased use of third-country training sites.

The possibility of obtaining alternate private financing in amounts great enough to substantially reduce AID's responsibility under a continuing program does not appear very great at this time.

OBLIGATIONS FOR AIFLD PROGRAMS BY COUNTRY FY 68 - 72

Table I

COUNTRY	FY 68	FY 69	FY 70	FY 71	FY 72
ARGENTINA 4/	$ 255	$ 160	$ 140	$ 240	$ -
BOLIVIA	200	216	51	234	125
BRAZIL	480	536	777	468	530
CHILE	329	200	295	3	125
COLOMBIA	240	145	245	193	273
COSTA RICA	70	60	98	75	134
DOMINICAN REPUBLIC	175	175	296	190	219
ECUADOR	208	305	305	195	195
EL SALVADOR	33	113	139	165	120
GUATEMALA	58	48	72	145	94
GUYANA	259	238	117	134	88
HONDURAS	80	110	114	140	170
MEXICO	35	45	-		-
NICARAGUA	80	93	114	95	87
PANAMA	75	100	126	135	141
PARAGUAY	-	-	-	-	95
PERU 3/	190	2 201	251	55	-
ROCAP	183	269	270	145	261
URUGUAY	258	325	359	210	210
VENEZUELA	116	55	-	-	-
Regional HQ Funding AID/W 5/					
Grant for Loan Fund (RRLF) 1/	500	-	-	125	-
Caribbean 2/	-	-	-	-	184
Peru 3/	-	-	-	-	70
Argentina 4/	-	-	-	-	205
TOTAL 6/	6,080	5.400	6,594	4.989	5,602

1/ The Regional Revolving Loan Fund (RRLF) is administered by AIFLD/W with specific grant funds from AID/W.

2/ The Caribbean program for non-Latin island areas has been funded by AID/W through AIFLD/W since its inception in FY 72.

3/ The AIFLD country program in Peru terminated July 31, 1971. The present special program carried on by severval ITS has been regionally funded by AID/W through AIFLD/W commencing in late FY 72.

4/ The AIFLD country program in Argentina was locally funded until FY 72. AID/W supplied FY 71 money for a program to 12/31/73.

5/ Headquarters funding includes all expenses for operation of the AIFLD training center at Front Royal, Va , and the labor economics courses at Georgetown Univ. Since 1/1/73, it also covers regional expenses for the Agrarian Union Development.

6/ Excludes union-to-union (ITS) program.

Table II

Regional Obligations for AIFLD Programs FY 73-75[a]

Country	FY 73	FY 74 (est.)	FY 75 (est.)
Argentina	$ -	$ 44[b]	$ -
Bolivia	125	125	125
Brazil	450	320	320
Caribbean	120	100	100
Chile	125	125	125
Colombia	250	243	243
Costa Rica	98	98	98
Dominican Republic	215	195	170
Ecuador	205	205	205
El Salvador	140	-	-
Guatemala	108	118	108
Guyana	97	101	101
Honduras	185	233	233
Nicaragua	100	144	152
Panama	140	140	140
Paraguay	100	100	100
ROCAP	255	200	200
Uruguay	222	175	210
Venezuela	140	80	-
AIFLD HQs	2,300	2,200	2,100
Labor Dept. Participant Services	-	-	-
TUEPD	-	90	90
Other - Andean group-ORIT	-	-	40
- El Salvador- ITS	-	-	90
- RRIF	-	-	150
TOTAL	$ 5,375	$ 5,036	$ 5,100

a - excludes Union-Union (ITS) and special Peru Programs.
b - termination costs for Argentine program funded in FY 1971 (T.O. 598-4)