

I. PROJECT IDENTIFICATION

1. PROJECT TITLE		APPENDIX ATTACHED	
Free Labor Development: American Institute for Free Labor Development		<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
3. RECIPIENT (Specify)		2. PROJECT NO. (M.O. 1095.2)	
<input type="checkbox"/> COUNTRY _____		598-15-410-101	
<input checked="" type="checkbox"/> REGIONAL <u>LA</u> <input type="checkbox"/> INTERREGIONAL _____		5. SUBMISSION	
		<input type="checkbox"/> ORIGINAL	
		<input checked="" type="checkbox"/> REV. NO. 5 <u>5/4/76</u>	
		DATE	
		CONTR./PASA NO. _____	
		4. LIFE OF PROJECT	
		BEGINS FY <u>62</u>	
		ENDS FY <u>77</u>	

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

A. FUNDING BY FISCAL YEAR	B. TOTAL \$	C. PERSONNEL		D. PARTICIPANTS		E. COMMODITIES \$	F. OTHER COSTS \$	G. PASA/CONTR.		H. LOCAL EXCHANGE CURRENCY RATE: \$ US _____ (U.S. OWNED)		
		(1) \$	(2) MM	(1) \$	(2) MM			(1) \$	(2) MM	(2) COOP COUNTRY		
										(1) U.S. GRANT LOAN	(A) JOINT	(B) BUDGET
1. PRIOR THRU ACTUAL FY	62,967							62,967				
2. OPRN FY	4,600							4,600				
3. BUDGET FY	1,400							1,400				
4. BUDGET 11 FY												
5. BUDGET 12 FY												
6. BUDGET 13 FY												
7. ALL SUBO. FY												
8. GRAND TOTAL	68,967							68,967				

9. OTHER DONOR CONTRIBUTIONS		
(A) NAME OF DONOR	(B) KIND OF GOODS/SERVICES	(C) AMOUNT

III. ORIGINATING OFFICE CLEARANCE

1. DRAFTER	TITLE	DATE
George W. Phillips, LA/MRSD/L	Chief	5/13/76
2. CLEARANCE OFFICER	TITLE	DATE
George W. Phillips, LA/MRSD/L	Chief	5/13/76

IV. PROJECT AUTHORIZATION

1. CONDITIONS OF APPROVAL

Revision Number 4 approved 3/31/76 authorized funding of the AIFLD Project through March 31, 1977. This PROP revision is for an additional \$140,000 six (6) months university level training course for mid-level Latin American labor leaders.

2. CLEARANCES					
BUR. OFF.	SIGNATURE	DATE	BUR. OFF.	SIGNATURE	DATE
LA/MRSD	P. Boughton (draft)	5/12/76	PPC/DPRE	J. Shannon (Draft)	5/13/76
CA/DP	F. W. Tate <i>F. W. Tate</i>	5/13/76			
LA/GC	L. Lundy (draft)	5/13/76	GC	L. Grant (draft)	5/13/76
LA/DP	B. Goldstein (draft)	5/12/76			
AA/LA	H. Kleine		O/LAB	R. Senser (Draft)	5/13/76
3. APPROVAL AA OR OFFICE DIRECTORS			4. APPROVAL AID (See M.O. 1025.1 VI C)		
SIGNATURE	DATE	SIGNATURE	DATE	SIGNATURE	DATE
<i>H. Kleine</i>	5/14/76				
TITLE		ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT			
AA/LA					

The purpose of this revision is to approve a sub-project: a university level mid-career training program for Latin American labor leaders, to be carried out approximately from May 1 to December 15, 1976.

1. Introduction:

From 1967 through 1974 the AIFLD administered eight International Labor Economics Programs which gave Latin American trade unionists two semesters of university-level training in economics and statistics to help their unions build up their research capabilities. In 1975 AIFLD additionally sponsored a Central American Regional Special Labor Economics Program which emphasized labor's role in the economic integration process of Central America.

Twelve graduates of the Labor Economics program, AIFLD's previous university-level effort, are currently staffing the successful new research centers serving Central America and the Caribbean; others serve as secretaries-general of large and influential unions; function in important staff advisory positions - particularly in matters relating to the economics of collective bargaining and international economics - and teach the more highly specialized course offerings in L.A. union education departments. The most recent annual review, covering all the graduates from 1967 to 1973, indicated the following utilization for the 130 participants:

1. With Labor unions	108
2. With governments	7
3. With business	1
4. With international organizations	2
5. With institutions of higher learning	3
6. Never did apply their economics	5
7. No information available	<u>4</u>
TOTAL:	130

Of the labor union category, 56 work full-time and eight on a part-time paid basis with their unions; 11 work full-time and three on a part-time paid basis with the AIFLD; and 30 work as unpaid volunteers whenever their services are required. From an overall standpoint, the utilization of the services of the graduates is considered high.

In presenting these nine programs the AIFLD Education Department's Washington Staff has amassed a wealth of experience in both the academic programming and the logistical support of Latin American and Caribbean trade unionists studying in Washington at the university level over extended periods of time. In addition, AIFLD has developed close contacts with Georgetown University and Mt. Vernon College through working together on these programs. An experienced bi-lingual faculty which knows the problems and psychology of Latin American trade unionists has been built up, drawing upon specialists from Georgetown University, Mt. Vernon College, The Brookings Institution, and Howard University. The experience, the contacts, and the faculty team will all be helpful in launching the broader program of mid-career labor studies proposed in this paper.

## 2. The Need

The idea for a mid-career university level training course stems from numerous discussions over the past two years with top Latin American labor leaders who expressed concern over the lack of second-generation leadership adequately trained in national and international economic and political issues. The Barbados Workers Union is sending one or two of its staff to England or to U.S. for training, but they are English speakers from a union with financial resources. The Latins do not have comparable opportunities. Thus, real concern over this training need has been expressed by trade union leaders in Colombia, Chile, Honduras, and other countries.

We believe the concern expressed by these leaders, is valid. Most Latin American unions of any present size were built into powerful organizations by the "heroic generation" of leaders which emerged after the Second World War as the traditional dictatorships fell or weakened and mass unionism became more feasible. These men are now growing old. These same unions have a fairly strong base of younger local leaders trained in the basic techniques of trade unionism: bargaining, organizing, finances, and public relations. Many of these people received part of that training in national courses sponsored by AIFLD or at the Front Royal Institute six (6) week courses. Their proficiency has given them a chance to compete for national leadership positions as the post-World War II generation fades from the scene. However, the times call for a national labor leadership which will articulate the interests of its members on national and international issues. The older leadership learned these issues fairly well over a period of decades, through experience. With national economies becoming ever-more interdependent, the "seat-of-the-pants" approach of the older generation is not enough any more, and the new generation of leadership cannot afford to learn the issues gradually, "on-the-job." They need training now, so they can move directly into action matters such as trade, ideological competition, economic integration, labor migration, and commodity pricing systems. The Front Royal Institute, which is providing the basic union techniques, to a broader spectrum of trade unionists, is not intended to provide such sophisticated training. The former labor economics program, which performed a useful function by putting trained research specialists on to the staffs of many Latin American unions, was a help, for these researchers will be providing the studies and statistics which the new generation of "elected leaders" will need to back up their arguments. The missing piece now is the training of this second generation of "dirigentes". That is what the University Program is designed to do.

### 3. The Project

#### A. The Project Goal

##### 1. Goal Statement

The Project contributes toward the broad goal of more effective participation of organized labor in national and international activities.

##### 2. Measurements of Goal Achievement

Evidence of progress toward the goal of popular participation should be reflected in: larger proportion of the total labor force who are members of free trade unions.

##### 3. Basic Assumptions for Goal Achievement

Achievement of the goal will depend on whether (1) complementary labor development programs are successfully implemented, and (2) political and economic circumstances permit free labor activity.

#### B. Project Purpose

##### 1. Statement of the Purpose

Purpose: To enhance the capacity of mid-career labor union leaders to deal effectively with leaders of the government and private sector on broad economic, social and political issues. It will assist rising young Latin American trade-union leaders who have received training in basic labor skills (organizing, bargaining, finances, etc.) and who have acquired experience in practice of these skills, but who lack understanding of the "big picture" which they will need as they move up to national-level union positions. e.g. (Recent trends in international labor organizations - ICFTU, ILO; comparative political philosophies; effects of international economic changes on national employment, incomes, and productivity; etc.).

Latin American business now has access to graduate schools of business administration, Latin American armies have their centers of higher military studies, but the trade unionists who must deal with the business and military elites do not now have such mid-career educational opportunities, especially since few trade unionists hold university degrees. The University Labor Studies Program will fill this gap.

2. Conditions Expected at End of Project (Targets)

All participants will be elected or appointed union officials who are currently making policy decisions. As graduates, they will return to their former positions - their policy making roles - and within a reasonable period of time occupy higher-level union policy-making jobs, and represent their unions at more national committees and conferences in higher positions.

3. Basic Project Assumption

The graduates will be re-elected or re-appointed in future years.

C. Project Output

The project output is fifteen Latin American labor leaders trained at the university level in national and international economic, social and political issues.

This output probably will exceed the number of rising trade-union leaders receiving this type of training this year from all other non-Communist sources combined.

The training will be conducted in Spanish at Trinity College and taught by professors from the Consortium of D.C. area Universities. The program can be described as follows:

1. Duration

The program will be divided into three eight-week semesters. Between semesters, two field-study trips of one week each will be taken. In all, with the addition of one-half week of orientation and a one-half week evaluation period, the total length of the course amounts to twenty-seven weeks.

2. Course Content:

The courses would be programmed as follows:

First Semester:

Survey of Basic Economics. - The basic points of both macro and micro economics will be surveyed, touching on supply and demand, savings and investment, national income analysis, the role of the market in determining production and prices, etc. The students will learn how to present data relating to these topics in tabular and graphic form.

International Relations. - The world balance-of-power system. Relations between the Eastern and Western blocks. Relations between developed and developing countries. Relations among developing countries. Economic and political forces as determinants of international alignments.

Industrial Sociology. - Comparative industrial relations systems, structure of trade-union organizations, company labor-relations departments, government labor ministries, determination of health and safety standards, etc.

Survey of Contemporary Latin America. - Covering the history, demography, geography, social structure, politics, economics, and international relations of the area. The purpose is to provide the student with a background on those Latin American nations other than his own.

Second Semester:

Economic Development. - The process of industrialization and growth and the role of labor, capital, resources, and technology in the process. Special attention will be given to human resources: vocational training, and professional education.

The Trade-Union Movement and Workers' Rights. - A course oriented to the discussion of labor legislation regarding workers rights, as individuals, as members of the unions and as members of the work force, and the relationship between workers' rights and general human rights. The right to organize to determine the conditions of employment will be analyzed as part of fundamental human rights. A survey of major legislation and administrative bodies to implement their provisions will be discussed. Comparative social and labor legislation. How to protect workers rights.

Labor Economics. - Economic problems of particular interest to the trade unionist: theories of wage determination, causes of inflation, migration of labor, economic effects of trade union organizations, etc.

Comparative Political Philosophies . - A typical academic course on the history of political philosophies, a comparison of their strengths and weaknesses, and their relation to economics, using a standard college textbook. It will also stress the application of democratic theory to the developing areas.

Third Semester:

International Economics. - The problem of development in Latin America in relations with the international terms of trade. A basic discussion of the balance of payments, international trade and the comparative theory, tariff protection and freedom of trade. Bilateral and multilateral agreements. Poor nations and rich nations, the terms of trade and the problem of development. Impact of multinational companies, the process of regional integration and the global economy.

In addition, each student will take one of the following two courses:

The Andean Pact. - The students from Venezuela, Colombia, Ecuador, Peru, Bolivia, and Chile will study the provisions of the Andean Pact, the course of their implementation thus far, and the effects of that implementation on trade-

union interests: jobs, skills, and wages.

Labor Relations in Latin America. - Students from the other countries will take this seminar oriented to the discussion of major problems in the area of labor relations in Latin-America. The ideologies and organization patterns of unions in the area, the scope and nature of management, the role of governmental agencies in developing labor relations. Each student will study a country and present a final paper for discussion. Trends in industrialization and ideologies.

Individual Projects. - The afternoons in the third semester will be devoted to projects fitting the particular interests of each student. Many will be placed with Spanish-speaking counterparts in U.S. trade-union research sections in Washington, D.C., or with the IDB and OAS, for on-the-job training. Others will research and write studies on a problem of particular concern to their union. (Should any student have failed one of the courses in the first two semesters, part of this time could be used for remedial tutoring to master the material so the student could qualify for a diploma for the complete course.)

### 3. Magnitude of Output

The graduates will return to union positions as high or higher as those they formerly held and assist their unions, federations and confederations in their efforts to improve the share of national wealth won by the democratic labor organizations for their workers.

### 4. Assumptions

Qualified candidates are available and will complete the course.

D. Project Inputs

1. Kinds of Inputs

a. U.S. Government

- (1) Program director and secretary
- (2) Student travel, to and from U.S.
- (3) Field trip Per Deim
- (4) Sub-contract with Trinity College for lodging and classroom
- (5) Sub-contract with Georgetown University for administration of the Consortium relationship
- (6) Other costs for education materials, etc.
- (7) Instructors, fees

b. Labor organizations (directly, or through a negotiated arrangement with employers to pay)

- (1) Salaries of participants and contributions for books.

2. Magnitude of Inputs

- a. AID \$140,000
- b. Labor organizations or Latin American employers, \$31, 500 (estimated salaries, or lost time pay for 15 participants), plus contributions of textbooks and other minor costs.

Total Inputs of \$171,500

3. Basic Input Assumptions

Latin American unions or employers (public and private) will pay lost time salaries.

#### 4. Selection of Students

The University Program of the AIFLD will select proven, mature labor policy-makers - either elected or appointed staff employees of the unions - train them and return them to their unions and their employment. Selection would be made from among a number of candidates, whose qualifications will be reviewed by in-country Labor Attaches, as well as AIFLD. This method of selection, plus the union (or employer) investment in lost time payments, should help eliminate the mortality experienced in some previous university programs because the individual will be taken from and returned to his union position of long standing. In addition, the selection process is concentrating on older "mid-career" people who will be less likely to change their career goals.

#### 5. Costs

The cost per student of the program (approximately \$9,600) although relatively high, is common for high level, long-term training programs. On a cost per week per student basis, it is lower than the cost of the Front Royal Institute or previous Labor Economics Courses, or the standard AID participant cost for special studies. The expectations of reduced mortality, as compared to previous university-level programs also help to justify the cost per student.

#### 6. Alternative Sources of Similar Training

At present the on-coming generation of national labor leadership in Latin America is not educated on broad national and international economic and political issues. The most immediate source of such education would normally be the universities in the various Latin American countries. However, for a number of reasons, the rising labor leaders are seldom university products. The university in Latin America serves primarily the professional and owning classes. Class barriers are still high, and economic difficulties acute. Few working-class young people can seriously hope to complete a university degree. In many countries the universities are presenting political and economic courses from a Marxist viewpoint which is unpalatable to democratic trade unionists, who in any event would not be accepted by leftist professors and upper-class student "radicals". When it does happen,

going from a working-class background to a full course of university studies in Latin America means breaking through class barriers economically, socially, and psychologically. Once through the barriers, few Latins would care to go back to the working class.

As for the possibility of sending Latin American trade unionists to U.S. universities as part of their regular program, the costs would be prohibitive. At least six months to one year of language training would be needed, plus all the tuition costs. In addition, the universities in the United States are designed for the general interests of U.S. young people, not for Latin American labor leaders.

The proposed AIFLD University Program would provide an intensive course of economics and politics geared specifically to the needs of Spanish-speaking trade-union leaders, given within the sphere of the Inter-American trade union movement, within a time frame (6 months) which they can afford without losing their jobs. The Program will reinforce, rather than dilute, the participants' commitment to the labor movement. It can train leaders who probably could not afford such training anywhere else, and if they could get it, would receive it only at the price of breaking their ties to the labor movement.

There are no other international labor training programs in the free world currently offering general mid-career training in economics and politics. The ILO has a center in Geneva which does offer a university-level program of labor studies, but this center serves primarily officials of Ministries of Labor in developing nations. Few, if any, second-generation labor leaders in Latin America have attended the Geneva center.

The Israeli labor movement maintains a training program in Tel Aviv for trade unionists from developing nations, but its curriculum is closer to that of the Front Royal Institute than to that of the proposed University Program, with some specialization in agricultural extension services added on. At present the only places we know of offering courses similar to the proposed economic and political curriculum of the University Program are the Patrice Lumumba University in Moscow and two or three international labor training centers in Sofia, East Berlin, and possibly Havana, but the entire approach, of course is completely different. In short, the

AIFLD University Program will be an academically-respectable, objective, solid course of studies which few Latin American labor leaders can hope to receive anywhere else.

#### 7. The Target Group

There are probably between 500 and 1,000 individuals in the Latin American labor movement who could be classified as "mid-level labor leaders who have performed at the local level sufficiently well to have established a claim for a shot at national-level leadership". (Assuming there are about ten such persons in ten smaller countries and about 40 such persons in about ten larger countries, the 500 figure would result.) Training 15 people out of all the organized workers in Latin America would not be significant, but training 15 out of 500 can be, particularly if some of them become persons of influence in the labor movement at a national level.

If the 1976 program is successful, it would be useful to repeat it for a total of three to five years, so as to increase the number of leaders trained and thus have an impact on a larger portion of the target class of individuals. Over a 5-year period the program could train 75-100 leaders, which would amount to between 5 and 10 percent of the target group. If as a result the University Program came to be viewed as a prestige program, indicating that a person had been ear-marked as a "comer" and was being groomed for top leadership posts, this type of training course could become accepted in the minds of Latin American trade unionists as a new model of what they expect in a top-level leader. In addition to the traditional expectations of facility with words and ability at building a personal following, there would be added an expectation of knowledgeability about national and international economic and political issues. Such an expanded set of expectations as to the qualifications of a leader would move the Latin American labor movement a significant notch forward on the road to modernity. This might also make it possible that a Latin American educational institution might take on this function, once it became established in the continent as a prestige program.

#### 8. Women

Women have participated actively and increasingly in recent AIFLD programs as follows:

Labor Economics ('72-5) = 13% women students  
Front Royal ('71-5) = 16% women students  
Field Programs ('74) = 22% women students

There is a small but growing proportion of women in the mid-level labor leader target group for this project. We will press AIFLD to obtain maximum participation of these women in the university training course, with the objective of further improving on AIFLD's performance in this aspect of their programs.

#### 9. University Interest

Interest in the proposed program has been expressed by the Latin American Studies Consortium Committee which links the Latin American programs of five area universities: Georgetown, George Washington, Howard, Catholic, and American. The Committee will assist in recruiting instructors, obtaining Spanish-language materials, structuring the curriculum and awarding the diploma. Efforts are currently being made to grant full degree credit to the graduates.

#### 10. USAID Comments

The university training program proposal was brought to the attention of all field missions where there are AIFLD programs and comments were solicited. Five were received (from Bolivia, Ecuador, Guatemala, Nicaragua, and Panama) all favorable. A summary is attached (Attachment D).

#### 11. Course of Action

Once the PNOP revision is approved, AIFLD will implement the program in May-December 1976. If the 1976 program is successful, AIFLD may include similar follow-on programs in future year regional L.A. labor development programs.

AMERICAN INSTITUTE FOR FREE LABOR DEVELOPMENT  
EDUCATION DEPARTMENT  
UNIVERSITY LABOR STUDIES PROGRAM  
ESTIMATED BUDGET  
MAY 1, 1976 to MARCH 31, 1977  
(REVISED)

ALARIES:

1 Director	9 months	\$ 22,149	
1 Bilingual Secretary	9 months	<u>10,245</u>	\$ 32,394.

TRAVEL AND PER DIEM:

Field Trips: \$33 per day x 14 days x 2 trips	924.	
Local Travel: \$25 per month x 9 months	<u>225.</u>	1,149.

SUPPLIES, EQUIPMENT, COMMUNICATIONS AND POSTAGE:

Supplies, Av. \$250 p.m. x 9 months	2,250.	
Equipment Lease	2,000.	
Comm. & Postage: Av. \$200 p.m. x 12 months	<u>1,800.</u>	6,050.

BENEFITS:

Retirement: 15.76% x \$22,149	3,491.	
Severance: 11.2% x \$10,245	1,148.	
S.S., Taxes, Hosp. Insurance: \$1,575 x 2	<u>3,150.</u>	7,789.

OTHER DIRECT COSTS:

1,718.

PROGRAM COSTS:

<u>Travel, Lost Time, Supplies, etc.</u>			
Int'l. Trv.: Av. \$600 x 15 parts.		\$ 9,000.	
Field Trip Trv. (incl. research & orient.)		5,000.	
Field Trip Per Diem: \$30 p.d. x 14 days x 15		6,300.	
Lost Time: 2 x \$300 p.m. x 6 months		3,600.	
Materials plus shipmt.: \$300 per part. x 15		<u>4,500.</u>	28,400.

Instruction Costs

Professors' salaries (non-consortium)		7,500.	
On-the-job training expenses		3,000.	
Student weekly allows.: \$30 p.w. x 15x25 wks		<u>11,250.</u>	21,750

Sub-Contract

Lodging: 27 wks. x \$45 p.w. x 15 parts.		18,225.	
Food: 25 wks. x \$35 p.w. x 15 parts.		13,125.	
Office, Study & Classroom Rental		4,000.	
Overhead & Adm. (incl. student tutor)		<u>5,400.</u>	40,750.

Consortium Sub-Contract

Provision of Instructors		7,500.	
Overhead Fees		<u>3,000.</u>	10,500. <u>90,900.</u>

TOTAL\$140,000.

IMPLEMENTATION SCHEDULE

<u>PROJECT ACTION</u>	<u>PROJECT PERIOD</u>
SELECTION OF UNIVERSITY FOR THE PROGRAM, PROFESSORS, STUDENTS AND TEXTS	MAY 1 - MAY 31
STUDENTS' ARRIVAL AND ORIENTATION	JUNE 4 - 6
FIRST SEMESTER	JUNE 7 - JULY 30
FIELD STUDY TRIP	AUGUST 2 - 6
PROGRAM EVALUATION BY CONSORTIUM COMMITTEE	AUGUST
SECOND SEMESTER	AUGUST 9 - OCTOBER 1
FIELD STUDY TRIP	OCTOBER 4 - OCTOBER 8
THIRD SEMESTER	OCTOBER 11 - DECEMBER 3
PARTICIPANT EVALUATION OF COURSE, GRADUATION AND DEPARTURE	DECEMBER 6 - 7 - 8
PROGRAM EVALUATION BY CONSORTIUM COMMITTEE	DECEMBER

PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK

Life of Project:  
From FY \_\_\_\_\_ to FY \_\_\_\_\_  
Total U S Funding \_\_\_\_\_  
Date Prepared: \_\_\_\_\_

Project Title & Number: \_\_\_\_\_

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Program or Sector Goal: The broader objective to which this project contributes:</p> <p>More effective participation of organized labor in national and international activities.</p>	<p>Measures of Goal Achievement:</p> <p>Larger proportion of the total labor force are members of free trade unions</p>	<p>AIFLD Reports</p>	<p>Assumptions for achieving goal targets:</p> <ol style="list-style-type: none"> <li>1. Complementary labor development programs are successfully implemented.</li> <li>2. Political and Economic circumstances permit free labor activity.</li> </ol>
<p>Project Purpose:</p> <p>To enhance the capacity of mid-career labor union leaders to deal effectively with leaders of the government and private sector on broad economic, social and political issues.</p>	<p>Conditions that will indicate purpose has been achieved: End of project status.</p> <ol style="list-style-type: none"> <li>1. Graduates will occupy higher-level union policy-making jobs.</li> <li>2. Graduates will represent their unions at more national committees and conferences in higher positions</li> </ol>	<p>Primary source - AIFLD University Program Progress reports.</p> <p>Secondary sources. -</p> <ol style="list-style-type: none"> <li>1. Local union committee rosters.</li> <li>2. Labor Ministry Reports</li> </ol>	<p>Assumptions for achieving purpose:</p> <p>The graduates will be re-elected or re-appointed in future years.</p>
<p>Outputs:</p> <p>Fifteen Latin American labor leaders trained at the university level in national and international economic, social and political issues.</p>	<p>Magnitude of Outputs:</p> <p>Fifteen:</p>	<p>a AIFLD University Program Progress reports.</p>	<p>Assumptions for achieving outputs:</p> <p>Qualified candidates are available and will complete the course.</p>
<p>Inputs:</p> <ol style="list-style-type: none"> <li>1. AID - costs of (18 mm) manpower, student travel and per diem, instructors and course materials.</li> <li>2. Latin American labor unions and employers contributions for lost-time pay.</li> <li>3. Latin American Labor Union Contributions for text books and other minor costs.</li> </ol>	<p>Implementation Target (Type and Quantity)</p> <p style="text-align: center;"><u>FY 76</u></p> <ol style="list-style-type: none"> <li>1. \$140,000</li> <li>2. \$31,500</li> <li>3. To be determined</li> </ol> <p>TOTAL INPUTS: \$171,500</p>	<ol style="list-style-type: none"> <li>1. AIFLD vouchers and AID Documentation</li> <li>2. AIFLD University Program Progress reports.</li> <li>3. AIFLD University Program Progress reports.</li> </ol>	<p>Assumptions for providing inputs:</p> <p>Local unions and public and private sector employers will pay lost time salaries for the participants.</p>

ATTACHMENT D

MISSION COMMENTS

Mission comments regarding the substance of the proposed program and availability of local candidates:

BOLIVIA

"We consider courses useful provided students continue in labor work."

"AIFLD/B has two excellent candidates..."

"Both hold national positions in their organizations and both are expected to continue in labor affairs."

ECUADOR

"The Mission believes the program proposal to be complete and well-reasoned. We believe that one (1) participant per year would be the appropriate level of Ecuadorean participation in the program."

GUATEMALA

"Program..." "appears well designed to achieve the goal of providing rising young labor leaders with exposure to and appreciation of important academic disciplines."

"Guatemala does have a small number of trade unionists who might qualify for this program. They are all presently in top-level union positions, from which it would be difficult, but possible, to spare them for the 27-week period of this course."

NICARAGUA

"The University Labor Studies Program as proposed in reference would be of value to a trade union movement already solidly established and influential. In such a situation, there is a need for a more sophisticated understanding by the leadership of the social structure, politics, economics and international relations of the area. The university level training proposed would help national labor leaders in dealing with political and economic figures who often have the advantage of better education and training."

"Although the course does not address a high priority need of the AFLD-assisted labor movement in Nicaragua, it could be useful to more highly developed labor movements elsewhere, and seems well designed to insure as much as possible that the training given will be utilized by the local labor movement."

PANAMA

"The Mission has considered the AFLD proposal... and finds it generally quite good."

"...its emphasis on development of union leadership capabilities rather than specialized staff capability makes it more relevant to the true situation of local unions."

"...consider it likely that the CTRP affiliated federations would nominate participants for this

*Proj. No. 5980101*  
*Pr*

DATE: May 14, 1976

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, LA

FROM : ARA/LA/MRSD, John Rothberg *JR* *MRSD*

SUBJECT : AIFLD-University Labor Studies Program PROP

DISCUSSION: A DAEC meeting convened May 6th to review the subject PROP. The PROP proposes funding the program at \$140,000 in FY '76. The DAEC recommended approval of the PROP with minor changes to the paper.

Congressional notification is not necessary. The total obligated for the AIFLD project, including the \$140,000 required for this program, will be within the Congressional Presentation funding level and this program fits within the Congressional Presentation description of training to be conducted by AIFLD.

RECOMMENDATION: That the PROP be approved.

Approved: *✓* *JR*

Disapproved: \_\_\_\_\_

Date: *5/14/76*

Attachments:

1. Minutes of DAEC Meeting
2. AIFLD-University Labor Studies Program PROP

Clearances:

LA/MRSD, PBoughton (draft)  
LA/DP, FWTate (draft)  
LA/CC, LLundy (Draft)  
PPC/DERE, JShannon (draft)  
LA/DR, SCarbin (Sub)  
GC, LGrant (draft)  
O/LAS, RSenser (Draft)  
LA/OPNS, PRomano (Draft)  
LA/DP, BGoldstein (Draft)

LA/MRSD/L:GWP*RP*ll:s:jj

**FILE**

BUREAU FOR LATIN AMERICA  
DEVELOPMENT ASSISTANCE EXECUTIVE COMMITTEE (DAEC)

SUBJECT: DAEC Review of the AIFLD-University Labor  
Studies Program PROP

MEETING LOCATION: Room 3484 NS

DATE: May 6, 1976 - 1430 - 1615

PARTICIPANTS: Priscilla Boughton, MRSD, Chairman  
George Phillips, MRSD/L  
Bernice Goldstein, LA/DP/ES  
F. Wayne Tate, LA/DP  
S. Carbin, LA/DR/EST  
John Shannon, PPC/DPRE  
Oscar F. Morrison, O/LAB (observer)  
John M. O'Grady, MRSD/L  
Michael M. Sherman, PPC/PDA

BACKGROUND:

The American Institute for Free Labor Development (AIFLD), has a very large education program in Latin American countries. Approximately 20,000 participants a year are AIFLD-assisted. The in-country programs include beginning courses - an introduction to organized labor, for unionists with little formal education. There are also intermediate and specialized courses carried out in-country. We are increasingly trying to have our AID support go to build up intermediate-level training.

The advanced courses are carried out in this country at the Front Royal Institute which is staffed and operated by AIFLD under the contract. Approximately 250 Latin Americans per year participate. These higher level, specialized courses are geared to top labor leaders, and are more expensive because of the international travel and residential costs involved. For the 6-week course, costs are approximately \$2,000-\$2,500 per student.

AIFLD has had for the past ten years or so some training at the university level. The original courses consisted of Labor Economics; the most recent one emphasized Central American centralization.

Within the last few years it became apparent that the Labor Economics course had certain shortcomings. For one, there is not yet a very large demand for people with this kind of specialized training. There was a certain amount of mortality among the graduates, because of lack of demand and the fact that selection wasn't always as effective as it could have been.

As these questions arose, consideration was given to what other training needs there might be which were not being adequately treated through the continuing lower level training programs. It was concluded that the main need was for a good grasp of the labor-related economic, political, and social subjects most necessary to a really top-level labor leader in typical Latin American countries. Present top union leadership, which came up from the ranks, has had to deal with these subjects. But second level, now coming up in the Confederations, are typically people who have not had this kind of on-the-job exposure. On the average most would have high school educations. Thus, there are people in this group who have the capacity to absorb university level training in this country and who have the need described.

The problem then faced by AIFLD was how to meet this need in a modest way, building on its university level experience, but in such a way that the mortality problem which had emerged in recent years could be whipped. For further discussion on this point see Issue #2.

The curriculum was decided upon by a Consortium of the best universities in Washington as indicated in the paper.

This is a priority program for AIFLD. They have scaled down both their overall program budget and their Washington staff in order to get this program underway.

The purpose of the project is to strengthen a group of urban labor leaders. If successful, this should help their unions to grow and, eventually, extend to all urban workers the economic and social benefits derived from the leadership role exercised by organized labor. Eventually this would extend from urban labor to rural labor as well, but the process will take time.

#### FINDINGS OF THE REVIEW:

Issue #1 - "AIFLD has already trained a large number of people, e.g., more than 200 per year at the Front Royal course and something like 20,000 per year in training courses held in Latin America. Why is it necessary to add a new type of training at this time of budget stringency?"

There is a priority need which is not met by any existing training course, AIFLD or other, in any place. AIFLD's overseas courses are all much lower level. The Front Royal courses, which are offered to a broader range of students, cannot hope to measure up to university standards, and they are limited in time to six weeks. They stress specialized topics of importance to personnel in lines of work (finance, organizing, public relations, specific industries) which do not have the breadth and quality which is the crucial element lacking in the preparation of leaders of potential national and international stature. Latin American universities do not offer high quality courses on this subject matter during a time frame that mid-level labor leaders can afford to take off their jobs.

Issue #2 - "We note that graduates of previous specialized university training offered in the U.S. through the Labor Economics Program had tended to drop out of the program in a number of cases. How do we propose to prevent a similar mortality problem in the proposed course?"

The unions themselves, AIFLD and the USG will all be involved in the candidate selection process. The unions, by selecting candidates already established in important positions, will assure there is a job to come back to. By making lost time salary payments in most cases, the unions will further demonstrate their commitment to the people. AIFLD, through its review, will eliminate any possible politically-inspired nominations and the USG review will eliminate any with sub-standard academic qualifications. All the above offers reasonable assurance that the graduate will go back to his old job, better qualified for advancement. When advancement time comes, the chances are that it will be within the labor movement, since the individual is already at mid-career with established credentials within the movement, and, in all probability, no similar credentials outside the labor field.

Issue #3 - "Would AIFLD be willing to give this program higher priority than some of its existing programs?"

AIFLD places high priority on this program. In a very tight budget year, AIFLD is going to curtail both programs and headquarters staff in order to make room in the budget for it. They also trimmed the number of students in the course to the minimum level consistent with acceptable cost/student. We doubt, however, that AIFLD would go beyond that point in eliminating existing programs.

Issue #4 - "We note that the proposed curriculum has an ideological component in the "Comparative Political Philosophies" section. Is this considered appropriate for training offered under U.S. auspices? What is the risk that the ideological picture presented here will be considered as a U.S.-imposed point of view? What credibility is it apt to have in the Latin American countries?"

Comparative Political Philosophies is a course which the Consortium of universities is anxious to include in the curriculum. They are insisting the course be the equivalent of a regular U.S. university political philosophy course, an academic objective approach to Political Philosophy. The course content and the instructor's approach will give understanding, but each student's conclusions would be modified according to his own views. Credibility of returned students is an inescapable problem whenever anyone studies abroad.

Issue #5 - "How will the program contribute to an improved distribution of income? Will it not rather help the established industrial unions to strengthen their present position which is already advantageous and therefore contribute to the further development of an already established elite?"

The distribution of income is expected to improve over time. First it is necessary to increase the share that goes to the laboring people. We have to start with an organized sector and this is now primarily in urban labor. When we have strengthened that group and made it larger numerically, benefits will flow to all laboring people, and over a period of time flow from urban labor to rural labor as well. That pattern has already emerged in several Latin American countries.

If the program is successful over time, it is going to have impact in the area of income redistribution.

Issue #6 - "How will we measure the success of the program, even assuming that the graduates remain active in labor union leadership positions? At what point could we identify the successful results of the training, and with what degree of validity?"

There will be careful evaluation of the program by both participants and the Consortium at the start and finish of the course, and by AIFLD based on the progress of the graduates. After the first cycle is completed and for at least five years thereafter, Special Reports provisions will be put in the contract to cover this.

Issue #7 - "The costs for the program appear relatively high. How do they compare with the costs of other AID-supported university level training in the U.S.? Are there cost alternatives worth consideration?"

The cost per student is expected to be lower than other AID-supported special university training. It is also lower than recent Labor Economics training, and is lower on a cost per student-week basis than Front Royal. There is no way to reduce current cost levels other than reduce AIFLD overhead staff allocations, and that would not be feasible for the first course or two, at any rate.

Issue #8 - "If the proposed program has all of the advantages attributed to it by the paper, would it be possible for AIFLD to attract private funds to carry it out at this stage? If not, then at what stage?"

It is felt AIFLD cannot attract private funds to carry this program out at this very early stage. Perhaps this might be feasible at a later date, but there is no basis for optimism now.

Issue #9 - "What do we foresee as the prospects for institutionalizing this type of training in Latin America? What types of existing institutions might be interested and capable of offering this type of training? At what time? What would be the relative cost effectiveness of limited AID assistance through AIFLD to such a program for a limited time period?"

Any real prospects for institutionalizing could be crystalized only upon successful completion of several university training programs and the acceptance of this type training as a prestige symbol within the Latin American labor movement. This would require perhaps five years minimum. Should it happen, the best prospects for initiation of similar training in Latin America would probably be the small, high quality private schools established with AID assistance using US-type methodology such as those now operating in Brazil, Colombia and Peru.

The large, public universities and the small, traditional private schools in Latin America would probably not be qualified or interested.

As for cost comparisons, in case a suitable school were interested, reductions could probably be made in expenses for travel, maintenance and services related to language; however, the new course would need careful attention during the first few years to establish a high quality curriculum suitable for a new type of student group, so that overhead costs would remain high for some time.

It was also suggested that the curriculum include treatment on human rights, as well as rights of labor unions. After discussion at the meeting, the paper was revised to address women's participation more specifically and to ensure more effort is directed to obtain adequate participation of women in this program.

It was further suggested that the legal aspects of the Chile aid ceiling be checked to find out if students from Chile under this program would count against it. This will be checked with the General Counsel's office.

The paper was approved with additions and changes which were agreed to be incorporated.

Drafted:  
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