

AIRGRAM

DEPARTMENT OF STATE

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FROM - **USAID RAWALPINDI**

SUBJECT - **Preliminary Project Proposal**

REFERENCE -

Country: PAKISTAN

Project No. 391-11-660-366

Submission Date: January 23, 1970

Original X Revision No. _____

Project Title: Reinforcing Institutional Development

U.S. Obligation Span: FY 1971 through FY 1973

Physical Implementation Span: FY 1971 through FY 1974

Gross Life of Project Financial Requirements:

U.S. Dollars \$ 210,000

U.S. owned Local Currency: \$ 220,588 (Equiv.)

Cooperating Country Cash Contribution: \$ 210,084 (Equiv.)

Other Donors: ---

TOTAL: \$ 640,572

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NOTE: Addendum, Page 10

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DP/P (20 copies), EDU (15 copies)

Preliminary Project Proposal

REINFORCING INSTITUTIONAL DEVELOPMENT

I. SUMMARY DESCRIPTION:

The project provides funding to reinforce US-Pakistani institutional relationships and to further strengthen USAID-sponsored institutions following contract termination. Funding (\$70,000 and Rs. 350,000 each year) jointly administered by the US and Pakistani institutions over a three-year period (FY 71 - FY 73) will help to meet needs for books and periodicals, research funds, fellowships and visiting professor exchanges until a more permanent arrangement is developed.

Funds are to be allocated among the following institutions to be included in this project as partners:

- 1) University of Dacca, IER; and Colorado State College
- 2) F. P. University of Engineering, Faculty of Architecture; and Texas A&M University
- 3) University of Panjab, IER; and Indiana University
- 4) Trades Training Center, Karachi; and University of Hawaii
- 5) Trades Training Center, Dacca; and University of Hawaii
- 6) University of Peshawar, College of Education; and Oklahoma, A&M
- 7) University of Peshawar, College of Engineering; and Oklahoma, A&M

It is true that A. I. D. cannot be expected to support sponsored institutions indefinitely, but there has been inadequate concern for what happens when assistance is terminated. Typically for a year or so after project termination a few personal letters are exchanged between US and Pakistani counterparts, but professional contacts may be nil. The Pakistani institution loses the momentum provided by outside stimulation. Young returned participants find themselves in competition with older, established, but less well-trained staff and could well use the support of senior advisors from the U. S. Without such backing individual and institutional horizons close in as traditional pressures must be faced without ameliorating influences.

The problems of institutional development lie not so much with inadequate funding as with inefficient utilization of funds; i. e. expensive prestigious reference books are purchased in preference to current professional journals. When assistance terminates in new institutions where the research tradition is not yet ingrained, the volume and quality of research suffers as interests and funds are diverted into more traditional channels. This project aims to reduce such "slippage" by allowing partner institutions time to marshal what resources they can to strengthen the Pakistani institution. This will perhaps take the form of four teacher-exchanges a year for each pair of schools, some financial support for applied research and funds for books and periodicals as mutually determined in plans to be approved by USAID.

U.S. and Pakistani

During the life of this project, the concerned institutions, both U.S. and Pakistani, are to increase their contributions of staff and funds gradually so that project termination after three years will not again disrupt cooperative institutional relationships. Planning and subsequent self-help performance for maintaining relationships must be demonstrated by all partner institutions as a condition for initiating this project in FY 1971 and implementing it through FY 1973.

II. PROJECT SETTING AND ENVIRONMENT:

This project addresses itself to a problem inherent in our technical assistance institution-building projects, particularly in the education sector. It is not a problem unique to Pakistan.

Historically, USARs have taken the view that the termination of an institution-building project also meant termination of any continuing relationship with the people or the institution with which the project was involved. Customarily there has been little choice but to sever relations since cutting project support means removal of the US advisors, the end of participant programs and of any provision of commodities. The U.S. contractor withdraws to his US homebase and except for sporadic personal correspondence is in no way prepared financially or by staffing to maintain any relationship with the sponsored institution. A USAID direct-hire advisor may continue to visit the local institution to advise and console, but with his departure (after two years or less) the last threads are broken.

Since each institution-building effort is undertaken to meet a specific need, it is clear that unless the institution matures it will not fulfill its goal. On contract termination, USAID's overall support may end but that does not necessarily mean that all U.S. relationships must be severed.

In the course of the project, the following observations were made about the criteria used in deciding project termination:

- First:** even though progress had been made in some aspects of institutional development, none of the institutions had achieved the kind of overall maturity that was essential for them to sustain a dynamic, self-generative level of performance. It was questionable whether they would be able to make meaningful contributions to the economic, social and political growth of the country in which they were located;
- Second:** the criteria used to determine institutional maturity were clearly inadequate. The decisions to terminate projects were made on the basis of achievement in physical characteristics such as numbers of buildings, faculty and students, but they did not take into account the spirit, tradition and institutional role which had been established.
- Third:** each of the institutions experienced a traumatic interlude after the assistance contract was terminated that was characterised by periods of retrogression and loss of competence rather than continued growth.
- Fourth:** there was much evidence that neither the US nor the host country would realize the potentially significant dividends from the investments of money, manpower and professional skills which were spent in the institutional building program unless additional inputs could be made in key areas where little growth had occurred.
- Fifth:** there were many valid reasons which suggested that it was not in the best interest of the US to terminate the contracts at a time when many aspects of the institution were still in the early stages of maturity. In most cases, this left a residue of bitterness and disappointment rather than the desired attitudes of appreciation and confident internal initiative.

Staff members of all the institutions included in this project have expressed the great loss they feel at the departure of the last contract American. They have repeatedly expressed their desire to maintain the continuing professional relationships without which they tend to slip back into academic isolation. This project should help each participating Pakistani institution to develop to a dynamic, self-generating level of achievement in serving the country's developmental goals. That is the measure of a mature institution.

III. STRATEGY:

This project will help solve a long-neglected problem by making it possible to grant fund selective support to further institutional development of US-sponsored institutions following termination of USAID contract assistance.

Both US and Pakistani leadership have come to recognize the need for more pre-contract-termination preparation. Future institution building projects must take this need fully into account, meanwhile this project is planned to reinforce institutions that are contributing to a variety of professions and skills required for Pakistani development. In every educational institution there is continuing need for books and periodicals, research funds, fellowships and visiting professor exchanges. Without these and other institutions-building activities, the quality of education cannot be maintained. The advantage of strengthening the institutions identified in this project will be both immediate and long-range across various segments of manpower requirements.

Alternate Approaches: In the long-run Pakistani institutions must seek support from multiple sources and primarily their own government. In the case of USAID-sponsored schools, the association is usually so exclusive and often so lengthy that the host government and other potential donors view the institution as the responsibility of the U.S. This is not altogether an unfortunate situation in the early days of institutional development, but some years before contract termination an effort must begin to adjust the institution's image. Regular and adequate budgetary support is imperative as is extra assistance from a variety of donors. This project is not planned to continue U.S. involvement indefinitely, but rather to reduce the initial shock of U.S. withdrawal and allow the institutions time to make the necessary adjustments. Such adjustments should include, on behalf of both partners, the seeking of grants and endowments from foundations and other donors; seeking income from research and other service ~~with~~ activities; and arranging annual budgets to take into account the responsibilities the partners have to themselves and to each other.

IV. PROJECT GOALS AND TARGETS:

This project will meet limited and urgent needs over a three-year period (FY71 - FY 73) for strengthening institutional relationships. Unique plans are to be worked out between each pair of U.S. and Pakistani partner-institutions to suit their individual needs. This project will reduce the "shock" of contract termination and allow time for the Pakistani institution to adjust its staffing and budget and for the U.S. institution to make whatever staffing and funding arrangements it can to continue its constructive institution-building relationship.

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Thus, the Pakistani institution will be assured of support for continued growth during the few vital years it takes to become strong enough to stand as an equal partner in the established relationship. It will also be assured of permanent professional contacts abroad on a continuing basis.

The major and unequivocal requirement for project success is that as USAID project support is phased out over three years, there must be a corresponding increase in the contributions (staff and funds) of the cooperating institutions.

In FY 1970, in preparation for implementation of this project it will be necessary to have formal confirmation that the seven Pakistani and the five U. S. partner-institutions are interested in renewing and strengthening mutual relationships. It is possible that additional partner-institutions will be considered, i. e. Karachi University Institute of Business Administration and University of Southern California. Those that reply affirmatively will be asked to propose a plan to be reviewed by USAID, for each pair of institutions. The possibility that some Pakistani institutions may prefer to be identified with a U. S. university consortium rather than with a single U. S. institution, has been taken into account and is worthy of positive consideration.

The cooperation of the Technical Assistance Bureau and the AID/W University Relations Officer will be required to determine U. S. University attitudes towards the SAE arrangements proposed in this project. The TAB may wish to apply recommendations contained on page 54 of the November 1969 Institutional Development Agreement Report, to this project proposal (see Report of the Joint Committee of the National Association of State Universities and Land Grant Colleges and AID).

In the field, USAID will continue discussions with Pakistani institutions and contract field staff to develop acceptable continuing relationship arrangements.

On the basis of the approved plans, a PROP will be prepared for FY 71 funding. Rupee funds will be requested from US-owned rupee sources.

In FY 1971, project implementation will begin based upon the agreed-to plans. Requirements and interests will vary from school to school, but it is expected that perhaps half of the funding will be expended for books and periodicals to close the gap that developed in the several years since project assistance terminated. Perhaps the other half of the funds may be used for fellowships and professor exchange. Depending upon how much each institution is willing to absorb in its own budget in the first year of implementation, from 2 to 4 persons within each partnership might be exchanged. It is not likely that much in the way of research funding will be required until faculty exchange has stimulated new research ideas.

USAID will request regular quarterly reports from the partner institutions on implementation of their plans. In the third quarter of FY 1971, USAID will evaluate the activity and prepare recommendations for subsequent years.

In FY 1972 and FY 1973, the basic pattern will remain the same, though there will be variations in emphasis and scope as the institutions devote an increasing amount of their own resources to strengthening relationships.

Finally, USAID will undertake an evaluation late in FY 1973 to determine project success based upon changes in attitude of faculties, institutional participation, and the degree of self-help (in place of project funds) that has been generated. The conclusions may include, for Missions and institutions other than those in Pakistan, suggestions as to how all concerned may realize maximum benefits from past US assistance by assuring continuing institutional strengthening through international relationships.

V. COURSE OF ACTION:

FY 1970:

Step 1: Each of five U.S. Institutions will be asked to indicate its interest in administering one or more U.S.A. I.D. grants. Each of the seven proposed partnership arrangements (see page 2) is not to exceed \$10,000 plus Rs. 50,000 a year for three years. The funds are to be used for reinforcing institution-building relationships.

Step 2: Seven US-sponsored Pakistani institutions will be asked to participate in the project. Final selection of participants will depend upon mutual agreement of three parties concerned, U.S.A.I.D., the Pakistan and the US institutions;

Step 3: Participating institutions will be required jointly to prepare and submit to AID a three year plan for FY 71 and projected plans through FY 1973.

- (a) the emphasis is expected to be on the purchase of books and periodicals, research, fellowships and visiting professor exchanges, and participation in inter-institutional seminars within the limitations of the project funding. Other pertinent institutional-building activities will, of course, be acceptable;
- (b) the partners will be expected to make contributions of required staff-time in the first year of this project. In subsequent years, contributions must increase both in terms of staff-time and funds. For instance, at one school the project might cover the short visit per diem costs of three Pakistani professors in the

U.S. in FY 71. By FY 72 or FY 73, however, the U.S. institution will be expected to have set up a fellowship for Pakistani visitors for at least one person on a permanent basis;

Another example: Books and periodicals may be purchased with project funds during FY 71 or FY 72. There must be a clear understanding, however, that this is a grace period during which the Pakistani institution will learn to budget its own foreign exchange resources for most of such purchases.

As for research funds: This project will have funds to stimulate research on both campuses but the intention is that other funding sources, particularly linkages through services to community and government, will be sought as rapidly as possible;

Step 4: Agreements will be reached among the partner institutions and USAID on each year's program; documents prepared and the funds disbursed prior to each year of project implementation.

Step 5: Appropriate semi-annual reports will be prepared by the partners. USAID will conduct an evaluation at the end of the first year to determine the efficacy of the project (attitude changes of participants) and the degree of self-help accomplished. Recommendations will be made to the partners about the FY 72 and FY 73 programs.

Implementation of the project will be accomplished by grant of the funds to the concerned U.S. institution, with the understanding that they will be expended for the purposes specified in a plan to be jointly prepared by each pair of partners, and approved by USAID. It is intended that most staff time at both institutions will be donated, and that no project funds will be used for administrative salaries. These limitations are imposed so that the partners will make contributions to the cooperative effort from the very beginning. By FY 73 they should be in a position to continue to reinforce the institution-building relationship and not depend upon USAID grant funds.

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Noncapital Project Funding (Obligation in \$000)

PROP Date:

Original:

Project No. 391-11-660-366

Project Title: REINFORCING INSTITUTIONAL DEVELOPMENT

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RAWALPINDI TOAID A-74

| Fiscal Year | Ap | L/G | Total | 1/ Cont | Personnel Services | | | Participants | | Commodities | | Other Costs | |
|--------------------|----|-----|-------|------------|--------------------|------|------|--------------|-----------|---------------|-----------|---------------|--|
| | | | | | AID | PASA | Cont | U.S. Ag. | Con-tract | Dir. & US Ag. | Con-tract | Dir. & US Ag. | |
| | | | | | | | | | | | | | |
| Prior thru Act. FY | | | | | | | | | | | | | |
| Oper. FY 1970 | | | - | - | | | - | | | | | | |
| Budget FY 1971 | TC | G | 70 | 70 | | 15 | - | 20 | | 35 | | | |
| B + 1 - FY 1972 | TC | G | 70 | 70 | | 15 | - | 25 | | 30 | | | |
| B + 2 - FY 1973 | - | - | 70 | 70 | | 20 | - | 25 | | 25 | | | |
| B + 3 FY | - | - | - | - | | - | - | - | | - | | | |
| All Subs. | - | - | - | - | | - | - | - | | - | | | |
| Total Life | - | - | 210 | 210 | | 50 | - | 70 | | 90 | | | |

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ADDENDUM

SUBJECT: Reinforcing Institutional Development - Suggested Actions.

- 1. Mission suggests AID/W enlist cooperation University Relations Officer and Technical Assistance Bureau in determining U.S. university attitudes toward arrangements proposed in attached PPP 'Reinforcing Institutional Development.' See proposals, pp 36, para 12. c. of Report on a New Operational Framework for AID and the Universities, Institutional Development Agreement, November, 1969.**
- 2. Mission continuing discussions with Pakistan universities and AID Contractors in accordance with criteria noted in annex C, of Report cited above.**
- 3. Upon satisfactory evaluation these findings, Mission will develop PROP.**
- 4. Meanwhile, request AID/W review preliminary proposal and discuss project aspects with Technical Assistance Bureau.**
- 5. Mission seeks NESAs/TAB assessment this project as a possible candidate for pilot implementation as described in AIDTO Circ. A-241.**