

A.I.D. PROJECT EVALUATION SUMMARY: PART 1

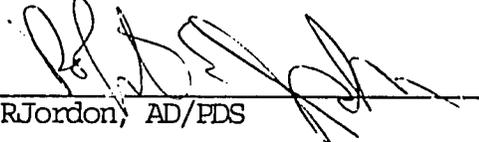
A. REPORTING A.I.D. UNIT:	B. WAS EVALUATION SCHEDULED	C. EVALUATION
HRDC/ET	CURRENT FY EVALUATION	TIMING
USAID/EGYPT	Yes <u>X</u> Delayed <u> </u>	Interim <u> </u> Final <u>X</u>
ES.#	Ad Hoc <u> </u>	Ex Post <u> </u> Other <u> </u>

D. ACTIVITY EVALUATED: Development Training African American Labor Center
(263-0125.09)

E. ACTION DECISIONS APPROVED BY THE MISSION	ACTION TAKEN	RESPONSIBLE	COMPLETION
1. AALC should be given a non-funded extension of its current cooperative agreement through July 31, 1993.	Yes	HRDC/ET & DIR/CS	6/93
2. AALC should be given a new cooperative agreement that would assure program activity through the PACD of the parent project, i.e, 9/25/95 for 265-0125.	In process	HRDC/ET & DIR/CS	7/93
3. Mission and AALC should develop a "Labor Strategy" that would begin the consideration and dialogue as to what role, if any, the AALC might play in the Mission's institutional development activities.	Postponed untill IDS strategy is approved	HRDC/ET & HRDC/IDS	2/94
4. AALC, in addition to its traditional activities with women, will respond to women's issues by assisting the Secretariat for Working Women and holding a National Seminar for Working Women.	In process	HRDC/ET	11/93

F. CLEARANCE/APPROVAL OF EVALUATION SUMMARY AND ACTION DECISIONS:

TMckee, OD/HRDC/ET (Draft)	JGuisti, PDS/P (Draft)
DMiller AD/HRDC (Draft)	RParks, PDS/P
JMalick, OD/PDS/P (Draft)	

Approved  8/25/93
RJordon, AD/PDS

G. EVALUATION ABSTRACT:

1. This is the report of a joint management evaluation of the Cooperative Agreement (CA) (263-0125.9) between USAID/Cairo and the AALC to provide assistance to the Egyptian Trade Union Federation (ETUF). The CA has existed with AALC since 1989. AALC's work with ETUF began in 1979.
2. The CA required a joint management evaluation before January 1993. The evaluation team conducted its work from late August through September 1992 in Washington, DC, and Egypt.
3. This evaluation concentrated on the period since the last evaluation in 1988. Since the AALC program cannot be measured in purely quantitative terms, a more subjective and interpretative form of analysis was used, as suggested by the scope of work.

Conclusions

1. The labor movement in Egypt continues to be an important, democratically inclined component which will feel the stress from structural adjustment and privatization.
2. The Egyptian labor movement is a worthy candidate for funding by the USAID. The AALC is both acceptable to the labor movement and capable of carrying forward programs and projects on labor's behalf.
2. The AALC program, despite significant constraints during the period of the current CA, has made significant progress toward meeting the requirements set by USAID' in 1989.
4. A major shortcoming in the AALC program has been its inability to make any real strides toward sensitizing ETUF to the need for programs aimed at women workers.
5. In managing the CA during the past three years, AALC has met with an unusually challenging set of external constraints. It appears to have overcome them quite well.
6. Our own inquiry confirms the validity of the general import of the Hagglund Report. We believe it provides a perceptive analysis of the WEA/WU and a guide for the development of AALC's 1993-1995 program of assistance to ETUF.
7. The relationships between AALC's representative, and ETUF, constituent unions, other donors and the State Department appear to be excellent. By contrast, the relationships between AALC and the USAID sometimes have been in need of improvement.
8. The USAID appears to have given inadequate attention to the labor sector in its current Egypt country strategy. An opportunity to provide for labor may exist in the new Democratic Initiatives Strategy now in preparation.

Recommendations

1. The AALC program in Egypt has made significant progress toward program goals over the term of the current CA and deserves to be renewed. The next two years should be used as a period of anticipation toward new long-term agreement between AALC and USAID for the last five years of the 20th Century.
2. The USAID should take advantage of the opportunity of its impending Democratic Initiatives Strategy to include a place for organized labor in its planning. The development of the Mission's new Democratic Initiatives Strategy should contain a section that deals with what many believe is the most noncommunal, democratically potent force in Egyptian society. AALC data and specialists should be consulted in the course of devising this strategy component.
3. When a labor strategy has been developed by the USAID, Mission staff and AALC Representatives, they should begin a collaborative dialogue on a new multiyear program of labor support. To the fullest possible extent, this dialogue should be conducted in a spirit of joint collaboration toward common objectives.
4. Unless and until the WEA/WU is reformed, AALC would be correct in re-directing its efforts and funding toward work with ETUF and individual unions. The Hagglund Report, discussions with other knowledgeable persons, and our own observations have confirmed the perception that as presently constituted, the WEA/WU are not meeting the needs of Egyptian labor and that future funding for their programs should depend on important changes.
5. More intensive efforts should be made to initiate programs that meet the needs of women workers. The present CA gives a clear mandate for emphasis on women in the labor force. Yet we find ETUF downgrading the organizational expression of women's interests. AALC has done little to reverse a trend which may in part be a response to social pressures.

6. The management implications of adding the Hassan Fathy activity to the traditional AALC program require careful consideration. If the Hassan Fathy initiative moves from the design to an implementation stage during the next few months, management implications for AALC in Cairo seem obvious. The management burden may require that AALC add another individual to its Cairo staff; an Egyptian professional may be indicated.

H. EVALUATION COST:

<u>Evaluation Team</u>	<u>Contract No.</u>	<u>Contract Cost</u>	<u>Source of Funds</u>
Development Associates, Inc.	OTR-0000-I-14-0035		263-0125.9
● John Sullivan		\$50,845	
● Jerome Barrett			

A.I.D. EVALUATION SUMMARY: PART II

I. SUMMARY OF EVALUATION FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

This is the report of a joint management evaluation of the Cooperative Agreement (263-0125.9) between the U.S. AID Mission in Cairo, Egypt, and the African American Labor Center (AALC), to provide assistance to the Egyptian trade union movement through the Egyptian Trade Union Federation (ETUF) and its constituent unions.

PROJECT DESCRIPTION:

In 1979 the AALC, an affiliate of the American Federation of Labor/Congress of Industrial Organizations (AFL-CIO), began a program of assistance to the Egyptian trade union movement. In December 1989, the U.S. Government, through its resident Mission in Cairo, signed a cooperative agreement with the AALC for those purposes. That agreement currently is in effect. It explicitly calls for a joint evaluation to be conducted prior to the expiration of the agreement, scheduled for January 1993. The Mission arranged for an evaluation team from Development Associates, Inc., to be joined by an individual from the AALC's Washington Office to undertake the joint management review in September 1992.

EVALUATION PURPOSE:

Funding has been set aside for a comprehensive joint management evaluation that would provide information for a determination on the advisability of a funded extension/new cooperative agreement of the AALC activity.

METHODOLOGY:

The methodology for the joint management evaluation involves four basic elements:

- Review of pertinent documents on file with USAID/Cairo, with AALC Washington headquarters and its Representative in Cairo, with ETUF, and with other pertinent organizations.
- Interviews with a wide range of persons (see Annex C), including:
 - AID and State Department officials in Cairo;
 - AALC officials and other U.S. union personnel;
 - Leaders of ETUF and of constituent unions;
 - Egyptian government officials, including the Minister of Manpower and Training;
 - Representatives of other donors to the Egyptian labor movement; and
 - A range of private individuals with information of assistance to the inquiry.
- On-site visits to the headquarters of AALC Washington and Cairo, of ETUF and of the Worker's Educational Association/Workers' University (WEA/WU).

- On-site visits to two regional ETUF facilities that featured sewing centers and clinical capabilities.

As noted in the USAID's scope of work for the joint management evaluation: "The effectiveness of AALC programs rarely can be measured in purely quantitative terms, but rather lends itself to a more subjective and interpretive form of analysis. The present evaluation, therefore, should be conducted in a joint management review context, emphasizing how the AALC engages in problem solving techniques rather than a rigid outputs-related analysis." The team heeded the admonition above, emphasizing the practical effects of the program.

The Team Composition

The team included the following:

John H. Sullivan, PhD, Vice President for International Activities of Development Associates, Inc., a management and government consulting firm located in Arlington, Virginia. Dr. Sullivan, the team leader for this assignment, also has led teams evaluating AALC projects for South Africa (1990) and Africa regionally (1989).

Jerome T. Barrett, EdD, a senior technical specialist for Development Associates, who also served on the AALC South Africa evaluation and on a 1987 team from the firm that evaluated the programs of the AFL-CIO's Asian-American Free Labor Institute (AAFLI). Dr. Barrett, a U.S. federal mediator and labor management consultant, is a specialist on labor training and education.

Kate D. Iskander, a program officer for AALC, is the organization's evaluation specialist. Ms. Iskander is experienced in program management and administrative systems and has an extensive background in international PVOs.

Although the entire team participated in all phases of the assignment, only Dr. Sullivan and Dr. Barrett are responsible for the section on "Conclusions and Recommendations" on the basis of prior agreement within the team.

FINDINGS, CONCLUSIONS AND PRINCIPAL RECOMMENDATIONS:

The management review conducted by the team over a four week period in Cairo and Washington, D.C., has led the team to the following conclusions:

- The labor movement in Egypt continues to be an important, democratically inclined component in the country's economy and society. Increasingly, it will be feeling the stress resulting from the government's efforts to achieve structural adjustment and privatization.
- The Egyptian labor movement is a worthy candidate for funding by the USAID. The AALC is both acceptable to the labor movement and capable of carrying forward programs and projects on labor's behalf.

- The AALC program despite significant constraints during the period of the current CA, has made significant progress toward meeting the requirements set by the USAID in 1989:
- A prominent shortcoming in the AALC program has been its inability to make any real strides toward sensitizing ETUF to the need for programs aimed at women workers. While sewing centers and day care facilities are laudable, they fall short of the kind of empowerment of female workers that both is suggested in the CA and seems required in present day Egypt.
- In managing the CA during the past three years AALC has met with an unusually challenging set of external constraints. It appears to have overcome them quite well. In doing so, the organization has demonstrated repeatedly the kind of pragmatism -- often lacking in NGOs -- that permits it to "stop feeding the dog when the dog won't hunt."
- Our own inquiry confirms the validity of the general import of the Hagglund Report. We believe it provides a perceptive analysis of the WEA/WU and a guide for the development of AALC's 1993-1995 program of assistance to ETUF. Two options seem to exist for AALC in its efforts to promote reform within WEA/WU:
 1. To withdraw all funding from those organizations until reforms are in place; or
 2. To withhold funds selectively, with emphasis on non-funding the weakest activities, in an effort to back ETUF efforts at improvement.

AALC has chosen the latter course for the interim but without leaving out entirely the former one. Given the somewhat inchoate situation that exists, this judgment appears sound.

- Having decided to withhold some funding from WEA/WU and already facing a considerable unexpended balance from the current CA, AALC is diversifying its financing to include helping ETUF itself establish a research capacity, working with individual unions on priority needs, and continuing development of workers' service centers. The team believes this emphasis is appropriate, given current circumstances.
- The relationships between AALC's representative, and ETUF, constituent unions, other donors and the State Department appear to be excellent. By contrast, the relationships between AALC and the USAID are too often conflictive and in need of improvement.
- The USAID appears to have given inadequate attention to the labor sector in its current strategy. An opportunity to provide for labor may exist in the new Democratic Initiatives Strategy now in preparation.

- In order to take full advantage of the opportunities that may arise in the future, AALC may need to reconsider its operating philosophies and encourage its local representatives in working more closely and collegially with the USAID.

Recommendations

1. The AALC program in Egypt has made significant progress toward program goals over the term of the current CA and deserves to be renewed. We understand that a decision was made prior to this review that AALC, pending a positive evaluation, would be granted a two-year extension of its funding at "historical levels" -- that is, about \$1 million annually. On the basis of our review, the decision is fully warranted. Although the programmatic language of the CA is somewhat outdated now, the general thrust of what likely would be done by AALC during the next two years is similar. A new AALC/USAID agreement is not needed right now:
 - Within two years it should be possible to gauge more precisely the course on which Egyptian organized labor is embarked;
 - The Mission will have had ample time to design and begin to implement its strategies in democracy and pluralism, and to assess the place of labor in its efforts; and
 - Both the management and programmatic effects of the Hassan Fathy program -- if it is approved by the Mission -- will be much better understood by both AALC and the USAID.

In effect, the next two years might be considered less the "playing out" of the current agreement than a period of anticipation toward a new long-term agreement between AALC and USAID for the last five years of the 20th Century.

2. The USAID should take advantage of the opportunity offered by its impending Democratic Initiatives Strategy to include a place for organized labor in its planning. The lack of attention, except one seemingly negative allusion, to labor in the USAID's 1992-1996 Strategy Paper is striking. The Egyptian business sector is described at length and its needs reviewed in terms of being addressed through AID programs and projects. Labor is not mentioned even though the Mission currently and presumably for the future will support labor programs through the AALC. If this omission is a calculated one, it requires re-examination. If, as is more likely, it was an oversight, it should be corrected. The development of the Mission's new Democratic Initiatives Strategy provides that opportunity. We believe it should contain a section that deals with what many believe is the most democratically potent force in Egyptian society. AALC data and specialists should be consulted in the course of devising this strategy component, but the discussion of labor's role should encompass a wider inquiry. This effort would be aimed at:

- Giving the Mission its own labor strategy, not just a nod toward what it traditionally has funded through AALC;
- Providing a framework from which discussions can ensue with AALC for a new multi-year program to begin in 1995; and
- Assuring that labor concerns, not just business concerns, are integrated into key policy decisions to be made regarding USAID funding targets.

In sum, without belittling the importance of those democracy elements that the USAID already has identified -- legislative institutions, media, local government and the legal/judicial area-- we see labor as important to the achievement of announced U.S. objectives in Egypt.

3. When a labor strategy has been developed by the USAID, Mission staff and AALC Representatives should begin a collaborative dialogue on a new multi-year program of labor support. The development of a labor strategy by the Mission should be a prelude to a dialogue between USAID and AALC about a new program. Two years should provide the time to devise a mutually-satisfactory program of support for ETUF, its constituent unions, and other labor-related organizations and activities.

To the fullest possible extent, this dialogue should be conducted in a spirit of joint collaboration toward common objectives. It should be as free as possible from the tensions and conflicts that sometimes have marked the present program. AALC must recognize its role as a trustee of U.S. taxpayer (not just AFL-CIO) funds with responsibilities to AID; for its part, the USAID must be sensitive to the special culture AALC represents that makes it effective with Egyptian labor.

4. Unless and until the WEA/WU is reformed, AALC would be correct in re-directing its efforts and funding toward work with ETUF and individual unions, including their social development activities. The Hagglund Report, discussions with other knowledgeable persons and our own observations have confirmed the perception that as presently constituted, the WEA/WU are not meeting the needs of Egyptian labor and that future funding for their programs should depend on important changes. This suggests that training and research functions may more profitably be exercised through direct help from AALC to individual unions. We suggest that the selection of those unions be based upon several criteria:

- Their commitment to independence from government funding and supervision;
- Their relative importance to, and potential for being impacted by, privatization; and
- Their percentage of women worker members.

5. More intensive efforts should be made to initiate programs that meet the needs of women workers. The present CA gives a clear mandate for emphasis on women in the labor force. Yet we find ETUF downgrading the organizational expression of women's interests. AALC has done little to reverse a trend which may in part be a response to social pressures. A number of initiatives might be taken through AALC funding (see Section VI.E.). Some should be tried during the coming two years and those most successful should become part of the longrange new project contemplated here.

6. The management implications of adding the Hassan Fathy activity to the traditional AALC program require careful consideration. The team interacted briefly with the design team for the program. If the Hassan Fathy initiative moves from design to implementation stage during the next few months, management implications for AALC in Cairo seem obvious. The AALC Representative has also been designated the Hassan Fathy representative; this likely will result in his being intimately involved in discussions with the Mission over specifics of the project. This additional burden will come at the same time as the Representative is negotiating with USAID on the two-year extension and eventually implementing the new initiatives. The management burden may require that AALC add another individual to its Cairo staff; an Egyptian professional may be indicated.

MISSION COMMENTS:

The evaluation report, while compact (32 pages), is a readable and professionally thorough document. As noted in the scope-of-work, an evaluation such as that performed by the Development Associates on the effectiveness of AALC programs in Egypt "lends itself to a more subjective and interpretive form of analysis". Within that context, the evaluation report correctly alludes to the difficulty the Mission is having in harmonizing AALC activities with the Mission's current FY 92-96 Program Strategy. The Mission, however, applauds the report's references to the AALC support of the Egyptian Labor movements "growing assertiveness" in the areas of privatization and democratization, both focus areas of current Mission strategy.

LESSONS LEARNED:

The report suggests that the relatively small amount of USAID funding (\$ 1 million per annum) to the AALC has significant leverage. This is evident through the AALC's reported reduction in support to a principle labor institution, the Workers' University (WU). We are now seeing that significant changes are being made to revitalize the WU so that it again can be eligible for USAID/AALC support.

The references within the report to the "differing cultures" between AALC and USAID allude to an important environmental factor. The AALC is described as priding itself, on its "independence of action and distance from U.S officialdom". USAID, ever mindful of its need/requirement to both monitor and report on how its resources are being used - even within the contracting modality of a cooperative agreement - frequently finds itself in a near adversarial posture in its efforts to work collaboratively with the international arm of the U.S. labor movement. The report suggests that there is a certain inevitability about this tension.

Perhaps with the current change in the local AALC leadership, this situation will be ameliorated.