

PD-ABH-522

DIS

دعم المؤسسات الديمقراطية

Democratic Institutions Support Project

FIRST ANNUAL REPORT

For the Period

September 21, 1992-September 30, 1993

Including

QUARTERLY REPORT

For the Period July 1-September 30, 1993

Project No. 0377

Contract No. HNE-0377-C-00-2086-00

Submitted to:

**AGENCY FOR INTERNATIONAL DEVELOPMENT
NEAR EAST BUREAU**

Submitted by:

CHEMONICS INTERNATIONAL

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SECTION I INTRODUCTION AND SUMMARY

This annual report provides a detailed summary of the activities undertaken through the DIS contract during its first year. It clearly details the contract's progression of activities, as envisioned in the DIS project paper, from analyzing the political economy of specific countries to developing country action plans/strategies and ultimately, to designing country activities. By the end of the first year, the analytical work is coming to a close, with increasing emphasis on GDP strategy development. Indeed, as we finish writing this report, we are also preparing to provide assistance to USAID/Rabat to develop a GDP strategy.

The soundness of the DIS project's approach to GDP in the Near East is clear.¹ Outlining the political economic context in each country provides the necessary understanding for developing sound activities in the highly sensitive area of democracy and governance. This approach also sheds light on AID-funded activities in other substantive areas.

The second annual work plan for the DIS contract was submitted to AID on October 8, and should be regarded as a companion document to this annual report. Some important text presented in that document is not repeated here, particularly those issues affecting implementation which have a bearing on the continued success of the contract.

In an effort to capture the many and varied tasks which we have accomplished to date, we have provided substantial detail in the annual report, including the logical context within which activities were undertaken. The project carried out activities in six key areas:

- Near East Bureau support
- Regional activities
- Country activities
- Monitoring and information
- Communications
- Project management

Near East Bureau support activities included providing general interpretative expertise in areas of interest to the regional GDP program, providing an analytical framework for

¹ In this document, GDP refers to the Governance and Democracy Program being implemented by the Near East Bureau and missions. The Democratic Institutions Support (DIS) project, one of several mechanisms used in implementing GDP-related activities in the Near East, has three components: a technical assistance component, an NGO component, and a bilateral support (transfer) component. The technical assistance component is implemented through the Chemonics core and Q contracts. The Project Technical Unit (PTU) was created under the Chemonics contract to house the long-term team implementing the technical assistance component.

GDP activities, helping to organize and participating in the annual GDP Officers' Workshop, and assisting with the bilateral support component of the DIS project.

Near the end of the project's first year, the PTU developed a number of programmatic concepts for regional activities. The most promising interventions in the near future are enhancing computer-based communications in legal/judicial systems and networks, and strengthening legislatures through appropriate training programs.

Once sufficient consensus on the planning framework was achieved, the PTU began work on political economy reviews for all target countries; reviews were completed for Tunisia, Jordan, and Morocco. A workshop on Tunisia was held, bringing together country experts and AID personnel to focus on the political/economic context and programmatic implications. Four institutional assessments were also produced: one on Egyptian political institutions, two on West Bank/Gaza, and a background piece on the political context for strengthening the Lebanese central administration. Four special studies were completed, including a study and seminar for USAID/Cairo on the politics of privatization in Egypt, a political economy analysis of agricultural policy change in Jordan, an analysis of the Yemeni election, and a prioritization of possible AID activities to strengthen Lebanon's executive bureaucracy.

The PTU also provided technical assistance in project design for the PID and PP teams on the Decision Support Services project for USAID/Cairo; the PP for the Lebanon Relief and Redevelopment project, for RHUDO/Tunisia on a proposal for the Local Government Support project; and institutional and political economy analysis for the Jordan Tourism Development PP.

During the year the PTU provided assistance to USAID/Cairo in the development of its GDP strategy. In addition to the Tunisia workshop mentioned above, the PTU also organized workshops on Lebanon and Yemen, to help AID outline the most promising areas for future GDP activities.

In the area of monitoring and information, the PTU developed a number of data systems and began work on indicators development. An integrated communications strategy was developed to promote the project's vision and objectives within AID/Washington and the Near East missions. Communications instruments produced included an overview of the project with guidelines on how to access its services and a bimonthly bulletin for disseminating GDP-related information to a varied audience.

Ongoing project management activities carried out over the first year included recruiting technical specialists, logistical backstopping, maintaining management tracking systems, and monitoring the subcontractor and requirements contracts.

Despite the lull in activities due to the AID reorganization and attendant uncertainties, the PTU has been able to accomplish a great deal during the project's first year, and looks forward to further accomplishments as it continues to increasingly focus on country-level activities.

SECTION II

ACTIVITIES UNDERTAKEN DURING YEAR ONE

A. Near East Bureau Support

A1. General

Members of the PTU staff provided extensive informal consultative information to project managers and others in AID on progress toward (and setbacks to) efforts to forge sustainable democracy in the Near East region, including the following:

- Briefed project managers on information discussed at various conferences in Washington, D.C. and elsewhere. Technical coordinator Alan Richards attended a workshop on Egyptian political stability held at the National Defense University in Washington, D.C.; political institutions specialist Robert Springborg attended a workshop on Arab political elites held by the Defense Intelligence Agency in Newport, Rhode Island. PTU staff regularly attended lectures and seminars on democratization and economic development at the Middle East Institute, the National Academy of Sciences, and elsewhere, and reported back on the principal conclusions.
- Met with World Bank officials involved in work on Lebanese reconstruction in order to report to AID officials charged with drafting the Lebanon Relief and Redevelopment Project on the Bank's activities in Lebanon; Alan Richards assisted USAID/Amman Mission Director Tom Oliver at a debriefing of the World Bank on Jordanian agricultural policy.
- Actively followed reports in the Arab and Israeli press, passing on significant pieces of information to project managers, desk officers, and other Bureau personnel.
- Arranged for one of the PTU project assistants to obtain a security clearance and assist the project managers in drafting PIO/Ts, cooperative agreements, approval memos, and other AID documents. The assistant also worked with the project manager on bibliographical searches.
- Assisted in drafting a Report to Congress on the FY 1992-1993 Near East Bureau GDP obligations; analysis was presented by country and by project.
- Developed an election tracker for the region, and a country-specific election fact sheet designed to provide concise, in-depth, information concerning the issues surrounding upcoming elections in individual countries.

- Provided names as requested of technical specialists for possible assignments.
- Briefed NE Bureau on the application of political economy analysis to Mission activities at a brown-bag seminar.

On occasion, PTU members were called upon to explain the purposes of the project to wider interested audiences. For example, the political institutions specialist presented a synopsis of the purposes and activities of the project to the annual meetings of the American Political Science Association, and presented a general briefing to the Deputy Undersecretary of State.

A2. Project Direction

PTU members interacted extensively with project managers on the unfolding planning framework in the early months of the project. This led to a considerable refinement and sharpening of understanding just how country-level analysis could contribute to a better understanding of the constraints to sustainable democracy and hence, contribute to programming and Mission strategies. Once the reorganization of the Agency began under the Clinton administration, there was considerable discussion of the implications of the new unfolding democratization strategy for the project.

A3. GDP Officers' Workshop

The PTU, in conjunction with the Near East Bureau, organized and participated in the second annual GDP Officers' workshop in Nicosia, Cyprus from January 18-24, 1993. Representatives from six Near East missions and RHUDO attended. Topics discussed included political constraints to development, legal/judicial systems, human rights issues and parliamentary development. Individual attention was given to each mission's GDP program, both in the conference and in meetings with NE Bureau representatives, mission personnel, and PTU team members. One of the issues of concern to many of the participants was mission access to the resources of the DIS project.

A4. Bilateral Support

To assist with bilateral transfers, the PTU drafted the initial request for concept papers which was sent to the missions in December 1992. USAID/Tunisia and RHUDO came to the GDP Officers' workshop with a draft concept paper for a project designed to strengthen the capacity of citizens' groups to participate in local development decision making in Tunisia. Elizabeth Bassan worked with the Tunisia mission to develop the project, which is presently being implemented. This is the only project funded under the bilateral support component.

A5. NGO Component

We have not undertaken any activities in this area during the project's first year, at the request of AID.

B. Regional Activities

The DIS contract identifies regional networking as a principal tool to bring about "more accountable democratic governance in individual countries of the region..." On July 16, 1993 the PTU staff prepared and submitted a proposal to develop appropriate regional activities in four areas:

- Using computer technology to strengthen legal/judicial systems
- Legislatures
- Local government
- Reducing corruption in tax collection

Discussions with AID project management revealed that the topics of highest priority were utilizing computer technology and developing legislatures. With regard to the first topic, it was agreed that computer-based communications systems and databases could contribute not only to the enhanced performance of legal/judicial systems, but also to denser interactions within professional associations, key organizations of most Middle Eastern civil societies. Activities to expand the utilization of such technologies by legal/judicial professionals could not only improve the capabilities of legal/judicial systems, but also could help to determine the best methods to disseminate these technologies among other professionals.

Pursuant to these objectives, on August 2nd the PTU provided AID with the services of David Maher, a specialist on the use by legal/judicial professionals of electronic communications and legal databases. The implications of Mr. Maher's presentation for development of appropriate regional activities, and a summary of his presentation, were submitted to AID on August 31. Subsequently the Near East Bureau provided this information to USAID/Cairo, which has invited Mr. Maher to make a presentation on this topic in Egypt in November.

The PTU has discussed with AID project management a proposal to assemble a team of specialists, including Mr. Maher, to devise and present to AID missions in the Middle East and North Africa a technical package for the strengthening of legal/judicial systems through computer communications networks and data bases. The proposed activity has both regional and country elements.

Designing regional activities to strengthen legislatures will begin with assessments of the performance of key functions by those institutions. This analysis would be followed by the development of an appropriate training program. That program would bring together legislators and legislative staff from several different national legislatures. One of the objectives of the joint training program would be to create regional networks organized around the performance of specific functions vital to legislatures. As part of the process of preparing a scope of work for the assessment, consultations were held with Dr. Abdo Baaklini of the Center for Legislative Development of SUNY-Albany.

C. Country Activities

C1. General

The fundamental concept underlying the project is that programming in the GDP area, especially in the Near East, needs to be preceded by careful analysis. Implementing this concept required developing a framework for analyzing the prospects for sustainable democracy, political constraints to development, and the relationship between political liberalization and economic reform. Accordingly, early months of the project were devoted to formulating and refining a conceptual framework for country-level analysis. Drafts and redrafts of the analytical approach were discussed with the project managers in considerable detail.

This process built on earlier work by Alan Richards, who was the senior author of a political economy review of Egypt written under a previous contract and under the supervision of William Cole, one of the DIS contract project managers. This document served as an initial model of the type of analysis that was needed. Key elements were:

- Reviewing the core economic development problems
- Outlining the current economic reform strategy of the government and proposals for reform from USAID and other donors
- Developing a methodology for identifying "winners and losers" from reforms
- Outlining the government's political strategy to implement reform

Subsequent refinements under the DIS contract included a more specific understanding of how interest groups could act collectively (the "articulation of interests") and of how different interest groups could form coalitions with each other (the "aggregation of interests"). Both refinements brought the analysis of political institutions into sharper focus. The political institutions specialist took the lead in formulating this component of the analytical framework.

The original planning framework also included a discussion of the role of more accountable governance (administrative, legal, and public) in solving development problems in the region. It was decided that the original piece should be divided into three documents:

- A general piece on the subject of the contribution of accountable governance to solving development problems: "Why Accountable Governance is Necessary for Development"
- Specification of a methodology for analyzing political constraints to development, which became the standard attachment to the scope of work for consultants hired to write political economy reviews: "Analyzing Political Constraints to Development"

- A short memo, addressed to mission directors, on how the analyses of the DIS project could further mission goals and strategic objectives: "What the DIS Project Can Do for USAID/---"

C2. Political Economy Reviews

Political economy reviews were designed to provide the starting point for GDP programming. It was felt that the risks of making a mistake in this sensitive technical area were particularly high in the Arab world, and that the costs of such mistakes to USAID programs and to US interests more generally could be serious. Accordingly, the conceptual framework initially guided the analysis of the prospects for sustainable democracy in each country. These reviews served several innovative functions:

- Provided an in-depth analysis of the interaction of political dynamics with economic development problems.
- Brought together academic and other analysts with USAID personnel for discussions of issues raised in the documents.
- Provided helpful background information to USAID Mission staff.
- Helped sharpen and improve programming in non-GDP areas.
- Provided useful information on the nature of the democratization process to NGOs such as NDI.

Of course, there was much adaptation and learning over time. The original conceptual model was first applied to *Tunisia*. The PE Review of Tunisia was drafted by a consultant who had lived in Tunisia for many years, Dr. Rhys Payne, a Fulbright Scholar teaching political science at the University of Tunis. He submitted successive drafts to the PTU staff and the project manager. One of the later drafts was the background paper for a two-day workshop which brought together academic and government specialists on Tunisia and USAID officers. The purpose of the workshop was to apply the ideas and analysis of Dr. Payne's Review to the Mission's program. Specifically, the goal was to identify which organizations and institutions USAID/Tunis could most fruitfully strengthen in order to further GDP goals. A summary of the workshop was also produced.

It proved more difficult to apply the methodology to *Jordan* and *Morocco*, largely because the political circumstances and dynamics in these liberalizing monarchies diverge considerably from those in Arab republics, such as Egypt, where the methodology was first developed. This led to numerous revisions of both documents, particularly in the case of Jordan, in part because of the great political delicacy of the situation in that country.

The political economy review of Jordan was drafted by Dr. Laurie Brand of the University of Southern California. Dr. Brand's extensive experience in Jordan proved invaluable in developing a basic story of the structure of Jordanian politics, and, in

particular, of the challenges facing the government of King Hussein as it tries simultaneously to reform the economy, liberalize the polity, and pursue peace with Israel. The PTU hired Dr. Michael Hudson of Georgetown University to read and offer criticism of the document. Dr. Hudson, an internationally recognized expert on Arab politics, found that the document was "one of the best analyses of Jordanian politics" which he had seen.

The insights of the political economy review provided the basis for specific activities in support of USAID/Amman's programs, both of which are discussed in more detail below:

- A special study of the politics of agricultural policy reform.
- Design work for the Jordan Tourism Development project, in which insights from the Political Economy Review were incorporated into the institutional analysis for the project paper.

The document was circulated to the mission, which gave its comments. One request for revision was that the subject of the impact of returnees on the political economy be given more specific treatment. Dr. Brand drafted an annex on this subject. Finally, the political economy review, together with the insights gained from the two field activities, formed the basis for a briefing session for a representative of the National Democratic Institute, held prior to that organization's planned field visit to Jordan. The political economy review was also shared with that organization to assist them in their election work.

We believe that both the Tunisian and the Jordanian examples provide "models" of how a political economy review can contribute directly to mission programming activities. In one model, the initial analysis is followed by a workshop, in which key ideas are discussed and applied to programming ideas. This model would be most appropriate in cases where major mission-wide programming decisions are being taken, as was the case in Tunisia. In the second, the initial analysis is applied in the field to ongoing mission activities. This approach is likely to be the most fruitful in cases where the mission already has a well-defined set of strategic objectives and ongoing project activities, as was the case in Jordan.

The PTU initially hired a consultant to write the document for *Morocco*. The consultant provided very helpful information, but did not produce a satisfactory document. Accordingly, the PTU team took over the writing of this report, which asks three fundamental questions:

- What is the political explanation for Morocco's striking success in economic reform?
- What role did tentative steps toward greater democratization play in this process?
- How can further democratization and other advances in governmental accountability assist further social and economic development in Morocco?

Unfortunately, the reorganization of the Agency, together with changes in key personnel of USAID and the U.S. Embassy in Morocco have delayed more concrete, applied work in Morocco. The country team is now in place, and the reorganization process is nearly finished. Accordingly, we expect that we will be able to apply one of the two approaches to Morocco in the coming year.

C3. Institutional Assessments

Institutional assessments were designed to focus on the role and technical capacity of selected democratic institutions. They are more narrowly focused and contain richer detail than is possible in a political economy review. During the past year, the PTU produced four institutional assessments.

- An analysis of Egyptian political institutions. This document, "Participatory Organizations and Political/Governmental Institutions in Egypt," was drafted by the political institutions specialist. It supplemented the political economy review of Egypt by providing more detailed information on the relationship between the state and civil society in Egypt, and on precisely how different "winners and losers" from economic reform were able to act collectively to influence policy makers. A draft of the document was circulated to USAID/Cairo, and the mission's comments and suggestions were incorporated in subsequent redrafts.
- Two institutional assessments of the West Bank and Gaza; these documents were designed to give USAID background on the political affiliations of the many NGOs with which the Agency works in the Occupied Territories, to analyze their institutional capacity, and to present potential institutional outcomes of several different scenarios for autonomy. The documents were written by Dr. Glenn Robinson of the Naval Postgraduate School, under the supervision of the project manager, the PTU, and the AID/Washington desk officer. The PTU hired Dr. Ann Lesch of Villanova University to provide detailed commentary on initial drafts, and her insights were incorporated into subsequent drafts.
 - The first document, "Palestinian Institutional Configurations in the West Bank and Gaza Under Four Autonomy Scenarios", contained two sections: 1) a section describing the political affiliations of the many NGOs, and 2) a description of four possible autonomy scenarios and their implications for institutional and political development in the Territories.
 - The second document, "An Overview of Palestinian Institutional Capabilities and Development Requirements in the Health Care, Agricultural, Industrial and Educational Sectors of the West Bank and Gaza Strip", described the institutions and their capabilities in health care, agriculture, industry, and education.

The second of these documents have been widely circulated within the Agency. Both were prepared before the historic peace agreement between Israel and the

Palestine Liberation Organization in September, and provided helpful background information to those officials whose responsibilities greatly increased in the wake of the Rabin-Arafat handshake.

- To assist the Bureau with its unfolding activities to strengthen the capacity of the Lebanese central government, the PTU hired Dr. Guilain Denoeux of Colby College, Maine, to write a document, "The Politics of Post-Civil War Lebanon". This document analyzes in considerable detail the formal, constitutional framework of Lebanese politics as well as the many "unwritten rules" which contribute to maintaining the (precarious) democracy of the country. The document then provides a comprehensive enumeration and description of all of the significant players in the complex game of Lebanese politics, their strategies and their current alliances. The document concludes with some analysis of the prospects for sustainable democracy in Lebanon. The document was intended to serve as background for USAID personnel charged with undertaking work to strengthen democratic institutions in that very complicated, still unsettled country. This document was one of three produced by Dr. Denoeux, who also participated in the workshop organized by the PTU on strengthening the Lebanese central administration (see below).

C4. Special Studies

Four special studies, which were designed to supplement and/or apply information and perspectives found in the reviews and assessments, were carried out during the year.

- At the request of the Cairo mission, the PTU provided the services of Dr. John Waterbury of Princeton University for a one-week consultation with the mission on the politics of privatization. Dr. Waterbury is an internationally recognized expert on the subject, and reviewed a PID prepared by the Trade and Finance section of the AID mission on funding for privatization efforts. Dr. Waterbury presented a seminar to the mission, chaired a round-table discussion at the Semiramis business center on privatization, and submitted a trip report.
- At the invitation of the Mission Director, Alan Richards joined the APAP-II team in Jordan to provide GDP analysis of various agricultural sector reform proposals which were being discussed at a stake-holders workshop in Amman. The workshop was sponsored by USAID, chaired by the Minister of Agriculture, and devoted two full days to detailed discussions of agricultural policy reform. The document, "Bananas and Bedouins: Political Economy Issues in Agricultural Sector Reform in Jordan," applied the insights of the political economy review of Jordan to agricultural policy issues such as water use and range-land management. The document was presented to the mission in Amman, and was also given to the World Bank when the technical coordinator accompanied the Mission Director to the Bank for a debriefing during the Director's visit to Washington, D.C. in May, 1993.

- The PTU produced a special study, entitled "The Yemen Election: Questions and Some Preliminary Answers," at the request of the project manager. Four principal questions were addressed:
 - What do the elections tell us about the current state of Yemeni politics?
 - What do the elections imply for the future of the Yemeni political economy?
 - What do the elections reveal about electoral procedures and election monitoring activities by foreigners?
 - What are the implications for U.S.-Yemeni relations?
- Based on the workshop of June 17-18, 1993, Dr. Denoeux drafted a document, "Suggestions for AID Activities in Lebanon," which tried to prioritize possible AID activities for strengthening Lebanon's executive bureaucracy and Chamber of Deputies (the Lebanese Parliament). Its purpose was to identify the types of interventions which may be the most appropriate, considering both AID objectives in Lebanon and the political and technical/organizational constraints under which assistance would be delivered.

C5. Project/Activity Design

The PTU is to provide the technical assistance required for design of projects (or activities under existing projects) that support mission GDP strategies. The PTU carried out four such activities during the past year.

- The PTU contributed to the design of the governmental institutions strengthening component of the Lebanon Relief and Redevelopment project. In December, the PTU submitted a proposal for technical assistance to Lebanon in response to a request from AID. Following participation in a design workshop in Nicosia in January attended by representatives of the Lebanese government and Bureau staff, the PTU submitted a synopsis and evaluation of GOL funding requests and drafted an initial project paper for strengthening the executive bureaucracy and the parliament as part of the larger Relief and Redevelopment project. Members of the PTU participated in numerous meetings in the Near East Bureau on this project, revising the draft project paper as instructed. The PTU also provided AID with assessments of the capacities of US-based NGOs which might participate in the project, and liaised with the World Bank in order to provide AID with information on the Bank's activities in Lebanon. In June, the PTU organized a workshop on Lebanon to provide detailed information on Lebanese political and governmental institutions, information which was then utilized to revise the draft project paper and to prepare briefings for Roberto Figueredo prior to his visit to Lebanon. In August the PTU submitted a report on criteria for selecting central control agencies of the Lebanese Executive bureaucracy for technical assistance.
- Following a request from the U.S. Consulate in Jerusalem and the N.E. Bureau, in November 1992 the PTU drafted a list of illustrative activities which could be undertaken pursuant to the West Bank/Gaza Program's Strategic Objective 3,

"Improving Planning and Management of Development Activities by Selected Palestinian Institutions." These were forwarded to the Consul General in Jerusalem by Dennis Chandler.

- The PTU fielded both the PID and the PP teams for the Decision Support Services project of the USAID/Cairo mission. The goal of the project is to strengthen the enabling environment for a market economy and its purpose is to increase the availability and use of improved information for decision making by members and staff of Egypt's national representative bodies, the Majlis ash-Sha'ab (People's Assembly-Lower House) and the Majlis ash-Shura (Consultative Assembly-Upper House). The PP contained a detailed institutional analysis of the Egyptian legislature, written by Dr. Abdo Baaklini of SUNY-Albany.
- Assistance was provided directly to RHUDO/Tunisia to draft a proposal for the Local Government Support project for submission to the NE Bureau under the bilateral support component of DIS. The Local Government Support project helps strengthen private and public municipal entities to increase innovation, participation and transparency in local government. The proposal follows the guidelines in the solicitation the PTU helped the Bureau prepare for the bilateral transfer component. Based on this proposal, the Bureau has made funds available to RHUDO/Tunisia for this activity, and the PTU will provide technical support as requested in the implementation of the project. This represents the only activity funded under the bilateral support component and may indicate that, for these funds to be tapped, missions need proposal preparation assistance.
- The technical coordinator joined the PP team of the Jordan Tourism Development project. He provided institutional/political economy analysis to help strengthen the design of the project. Here again, the concepts of the political economy review were applied to specific, ongoing mission activities. The document, "Political Economy Analysis of Jordan Tourism Development project", focused on the issue of the political implications of the confessional mix of tourist sites selected for development, and on whether/how private Jordanian actors could hold the Government of Jordan accountable for its decisions in the tourism subsector.

C6. Strategies

On three separate occasions the PTU has contributed to the development of the GDP strategy for the Cairo mission. The technical coordinator and the political institutions specialist made an initial trip to Cairo in December 1992, when they consulted widely with appropriate mission staff and drafted a "Conceptual Framework for the Development of a Strategy" for the Office of Institutional Development Support, USAID/Cairo.

Alan Richards returned to Cairo in February 1993 to consult with Office staff on a set of topics related to strategy development. These consultations included: drafting a scope for the analysis of winners and losers from economic reform; reading and commenting on a locally-commissioned review of the literature on local development; assisting the Office staff

in briefing visiting American jurists from the Mayo group; and consulting with Embassy political officers.

The third contribution to strategy development of the Egypt mission was in September 1993, when PTU staff assisted the project manager in drafting a two-page introduction to "USAID/Egypt: Governance and Democracy Strategy."

C7. Workshops

The PTU has conducted three country-specific workshops in Washington, which brought together USAID officials and professional analysts from universities and other government agencies. These workshops were designed to provide useful background information leading to discussions on possible future programming activities. The countries involved and dates of the workshops were as follows:

- Tunisia (May 18-19, 1993)
- Lebanon (June 17-18, 1993)
- Yemen (September 14-15, 1993)

Reports on all three workshops were produced and submitted. More detail on the specific content of each workshop is provided in Annex B, Summary of Key Activities by Country.

In addition, the GDP Officers' Workshop in Cyprus provided an opportunity for extended consultations between the PTU staff, project managers, and mission GDP officers to review ongoing GDP activities and to discuss plans for future activities.

C8. Trip Reports

The PTU fulfilled its contractual requirements by submitting trip reports for all relevant foreign travel to carry out project work. These are listed in Annex A, page A-4.

C9. Other

The PTU undertook a variety of miscellaneous activities, including:

- At the request of the project manager, the political institutions specialist joined the PRISM team in Tunisia to assist in drafting the PRISM framework for USAID/Tunis.
- At the request of one of the project managers, the political institutions specialist prepared a briefing in preparation for a brown bag held by the Bureau, IFES, NDI, and IRI on the Yemeni elections.

D. Monitoring and Information

The first six-month project plan proposed a monitoring and information activity that focused on two tasks:

- Information system development
- Indicators development

The work on *information system development* commenced in September 1992 with the development of a draft design for a computer network for the PTU office. The monitoring and information specialist generated this as an internal guide for other Chemonics personnel in soliciting bids from vendors on the system to be installed. Follow-up for the next three months consisted of extensive discussions with Chemonics' Information Services Directorate to ensure that the system installed in fact matched the project's requirements.

In addition, the M&I specialist developed a series of proposed data systems that could be installed on the network for eventual use as part of the M&I activity. These systems were based in part on discussions with AID officials on their own monitoring requirements and on software currently in use within AID. Altogether, meetings were held with NE/DR personnel, the CDIE representative to the NE Bureau, and CDIE/DIS representatives.

The M&I specialist drafted a memo in October that specified the types of systems to be developed, the software involved, the general design strategy, the data to be incorporated, an estimated implementation timetable, and the required personnel. Both the PTU team and the NE GDP officers reviewed this memo. Based on the responses, the memo was revised into a final document in November. The M&I specialist discussed the data systems being proposed in that document with one of the NE GDP officers at the January Cyprus workshop. The ideas were also presented again in the draft second six-month work plan. Concurrent with this process, the M&I specialist assisted as required on specific information-related requests from the NE GDP officers. In particular, PIRs (project implementation reviews) were drafted in November for all NE GDP projects.

The work on *indicators development* commenced in December 1992, when the M&I specialist reviewed documents on GDP indicators provided by the NE GDP officers and met with CDIE staff members to discuss further the work being done on GDP indicators. Based on this review, a draft paper on GDP indicators was produced and distributed in January prior to the workshop in Cyprus. The M&I specialist also made a presentation on indicators in Cyprus, and one of the NE GDP officers proposed that the M&I specialist spend one to two months working directly with the NE missions. The purpose would be to identify with greater specificity the actual requirements of the missions for GDP indicators, given their current strategic objectives and the existing PRISM plans for each mission.

Organizational uncertainties within the NE Bureau, including personnel shifts related to GDP, delayed further discussions of the steps appropriate to take in furthering the M&I activity. However, we anticipate that the pace of M&I work will accelerate during year two.

E. Communications

An integrated communications strategy was developed in October 1992 and incorporated into the first six-month work plan. The strategy presented an approach for promoting the project's vision, objectives, and outputs within AID/Washington and the Near East missions. It also defined the communications activities to be carried out in support of the project and the Bureau's GDP program.

Communications activities were divided into three main categories: design and production of communications instruments to promote GDP objectives and disseminate information (fact sheet/overview, brochure, monthly bulletin, newsletter); establishing formats for contract requirements and other project outputs (progress reports, PE reviews, SOWs, technical studies and reports); and providing quality control and editorial/graphic support for all project outputs.

The communications specialist designed a graphic identity for the project in December 1992 and coordinated production of delivery of visual elements in January 1993, including letterhead, business cards, document covers, and related materials. The design element was delayed by a decision to change the project's name, which was subsequently reversed.

A fact sheet was produced and distributed in November 1992, providing a general overview of the project and guidelines on how to access its services. Revised versions reflecting changes in staffing and GDP priorities were produced in January and April 1993.

Sample formats and mock-ups were developed for both the monthly bulletin and the expanded newsletter in March 1993, but due to the sensitive nature of the information and issues involved, there were repeated delays in obtaining approval and making decisions about the publications. A draft DIS Bulletin was submitted on March 5 and a revised draft called the GDP Bulletin was submitted on April 7. A further revision was approved and distributed on June 10, but subsequent issues have put on hold per instructions from the project managers. It was decided that a two-page bulletin was the most appropriate and cost-effective instrument for disseminating GDP-related information to a varied audience. The bulletin will therefore take the place of the newsletter as a contract deliverable, with recommended publication on a bimonthly basis.

Formats were developed for all reports and other project documents, and the communications specialist provided services to ensure quality control, standardized presentation, and timely production. Project outputs will continue to be produced in the same format over the second project year.

Ongoing editorial/graphic support included the preparation of documents and visual materials for the GDP Officers' workshop in Cyprus and conferences held in Washington on Tunisia, Lebanon, and Yemen. Reporting services were also provided for the latter two, and summaries of workshop proceedings were produced and distributed.

F. Project Management

Within one week of contract signing, the PTU team developed a mobilization plan, which guided our project management actions through the start-up phase of the project. During the mobilization phase, all PTU staff were hired and oriented. The PTU office was established in January 1993 per the specifications set forth in the DIS contract.

The Start-up and Team-building Workshop was held in October, 1992. This interactive workshop included AID project managers, PTU staff, and Chemonics' home-office staff. It culminated in a fully-vetted DIS Work Plan for the First Six Months and provided participants with a better understanding of the project's goals and objectives.

Also discussed during the Start-up Workshop was an addition to the staff proposed in the RFP: a program/design specialist position. This position was filled on an interim basis by Leo Pastore from February through June of 1993. Subsequently, two permanent candidates were put forward to AID: Robert Maushammer and Albert "Scaff" Brown. Neither has been accepted by AID, although no formal word has been received regarding the candidature of Mr. Brown. We are awaiting a signal from the project managers before proceeding further with this.

Project reporting has been carried out in a timely fashion. This document constitutes both the Fourth Quarterly Report and the First Annual Report. Quarterly reports for the first three periods were delivered on January 14, April 15, and July 15, 1993 respectively. The Second Six-month Work Plan for the period April 1-September 30, 1993 was submitted on March 22, 1993, and another document entitled "Projected Activities for Second Annual Work Plan for October 1, 1993 through September 30, 1994" was submitted in May 1993. The draft for the DIS Second Annual Work Plan was submitted September 7, 1993.

Ongoing tasks carried out over the first year included recruiting technical specialists, providing logistical backstopping for all project activities, updating the project management tracking system, establishment and maintenance of the resource center, and monitoring of subcontractor and requirements contracts.

SECTION III

REPORT ON FOURTH QUARTER OF YEAR ONE

On the following pages we present a summary of the activities undertaken during the period from July 1-September 30, 1993 and those planned for the first quarter of the project's second year. The section constitutes the Quarterly Report for the above-mentioned period.

A. Activities Undertaken

Near East Bureau Support

- Continued planning and organization of annual GDP officers' workshop scheduled for January 1994.
- Provided briefing papers on Lebanese executive bureaucracy and parliament to the Bureau, based on results of workshop and addition research/analysis.
- Provided briefing paper on the effect of foreign assistance on Palestinian political organizations.
- Gave a presentation on AID democracy initiatives in the Middle East at the American Political Scientist Association's annual conference.

Regional Activities

- Conducted review of literature and developed proposal on strengthening legislatures in the Near East.
- Developed proposal on the use of computer-based communications systems for strengthening legal/judicial systems; organized a presentation to the Near East Bureau by David Maher.

Country Activities

- Prepared a draft background statement for a revised GDP strategy/action plan for Egypt.
- Provided input to Jordan Mission on the political feasibility of a proposed Tourism Development project, during a three-week trip in July and August.
- Organized and conducted a workshop on the political economy of Yemen; prepared follow-up report and analysis.

- Revised draft analytical documents produced subsequent to the workshop on the Lebanese political economy, held in June.
- Prepared and submitted to the Bureau a paper by Glenn Robinson on Palestinian organizations.

Monitoring and Evaluation

- No significant activities during this quarter.

Communications

- Provided documentary, graphic, and reporting services for workshop on Yemen political economy.
- Provided continued editorial/graphic support and quality control for project studies, reports, and other outputs.

Project Management

- Handled logistics and recruitment of four specialists for Yemen conference held September 14-15: Robert Burrowes, John Peterson, Thomas Stevenson, and Mohamed Zabarah.
- Recruited a Coordinator for Operations, as stipulated in the project contract.
- Completed Second Annual Work Plan and conducted the corresponding team planning meeting.

B. Plans for Next Quarter

Near East Bureau Support

- Adjust project to AID's new Democratic Initiatives strategy and reorganization needs.
- Continue preparations for the second annual GDP officers' workshop scheduled for January, including drafting the text for cable to Missions, drafting proposal, and recruiting short-term specialists.
- Review mission concept papers and proposals and develop solicitations for bilateral support activities.

Regional Activities

- Conduct comparative assessments of various key functions of legislatures in the regions, based on studies and research trips.
- Provide specialist in strengthening legal/judicial systems through computer technologies to USAID/Cairo in November.
- Explore the utility of work at the regional level in this area.

Country Activities

Egypt

- Project design assistance in local government
- Project design assistance in legal/judicial areas

Jordan

- GDP analysis for small enterprise development project design
- GDP analysis for trade and investment project
- Assist with strategy/action plan development

Lebanon

- General support for GDP activities

Morocco

- Parliamentary assessment
- Assist New Enterprise Development (NED) project with reform component
- Assist with strategy/action plan development

Tunisia

- No activities planned for this quarter.

West Bank/Gaza

- To be determined

Yemen

- PE review
- Strategy/action plan development

Monitoring and Evaluation

- Track performance indicators in terms of strategic objectives and planned outputs.
- Develop a system for tracking project-specific financial statistics such as obligations, commitments, and pipelines.
- Track and evaluate GDP-sponsored activities utilizing above data systems.

Communications

- Continue production of GDP Bulletin on a bimonthly basis, subject to approval of project officers.
- Prepare and submit first annual report and other required project management reports.
- Continue providing editorial/graphic support and quality control for all project activities and outputs.

Project Management

- Handle logistics and recruitment for second annual GDP officers' workshop scheduled for January 1994.
- Recruit and provide backstopping to short-term specialists as required.
- Finalize approval and provide orientation of candidate hired to fill the position of Coordinator for Operations.
- Finalize negotiations, approval, and implementation of subcontracts.

ANNEX A OUTPUTS AND DELIVERABLES

Activities that were undertaken during the first year of the project are divided below into two categories. Outputs, which appear in plain typeface, are activities described in the contract as general targets. Deliverables, which are requirements specified in the contract, are printed in bold italics. This annex follows the same order of organization as Section II, and reflects our progress to date in the different key areas.

A. Near East Bureau Support

A1. General

- *Attendance by senior PTU staff at conferences and seminars, October 1992-August 1993 and briefing of project managers by PTU members on information discussed*
- Distribution of significant information to project managers, desk officers, and other Bureau personnel from the Arab and Israeli press
- Assistance provided by a DIS project assistant to the project managers at SA-2, including work on PIO/Ts, cooperative agreements, approval memos, and other AID documents, and bibliographical research
- Draft Report to Congress on FY 1992/1993 GDP Obligations, submitted November 1992
- Development of an election tracker and an election fact sheet for the countries of the region. Updates to the Election Fact Sheet submitted July 15, August 6, and August 25, 1993

A2. Project Direction

- Project Vision Statement developed
- GDP Strategic Objectives, draft delivered November 1992
- Briefing paper outlining the project's approach to GDP, November 17, 1992
- Methodology for drafting political economy reviews, approved November 17, 1992
- Briefing paper on how the project can further existing mission objectives, draft delivered on December 15, 1992
- Briefing of NE Bureau by technical coordinator on application of political economy analysis to Mission activities, May 1993

A3. GDP Officers' Workshop

- *GDP Officers' Workshop in Nicosia, Cyprus, January 18-24, 1993*
- Report of GDP Officers' Workshop in Cyprus, submitted February, 1993

A4. Bilateral Support

- Solicitation of concept papers for the Bilateral Support Program (Draft), December 1992

A5. NGO Component

No activities were undertaken in this area per the request of the AID.

B. Regional Activities

- Proposal for DIS regional activities, submitted July 16, 1993
- Proposal for DIS Regional Activities on Legislative Development, submitted August 2, 1993, revised and resubmitted September 1, 1993
- Proposal for DIS regional activities (computer-based), submitted August 2, 1993
- Summary of presentation by David Maher on electronic communication and legal systems as possible targets of opportunity for regional activities, submitted August 31, 1993

C. Country Activities

C1. General

- "Why Accountable Governance is Necessary for Development," submitted December 1992
- "Analyzing Political Constraints to Development," submitted January 1993
- "What the DIS Project Can Do for USAID/--," submitted December 1992

C2. Political Economy Reviews

- *Tunisia Political Economy Review, draft submitted March 26, 1993. Revised drafts submitted March 29 and April 1993.*
- *Jordan Political Economy Review, draft submitted March 23, 1993. Revised drafts submitted May 24, 26, and 28.*
- Outside review of the Political Economy Review of Jordan, May 16, 1993
- *Morocco Political Economy Review: "All the King's Men," draft submitted April 12, 1993. Revised drafts submitted May 14 and June 21, 1993.*

C3. Institutional Assessments

- *Political Organizations and Political/Governmental Institutions in Egypt, January 1993*
- *Institutional assessment entitled, "Palestinian Institution Configuration in the West Bank and Gaza under four Autonomy Scenarios," submitted July 13, 1993*
- *Institutional assessment entitled "The Politics of the Post-civil War in Lebanon," submitted August 10, 1993*

- *Institutional assessment entitled, "An Overview of Palestinian Institutional Capabilities and Development Requirements in the Health Care, Agricultural, Industrial, and Educational Sectors of the West Bank and Gaza," submitted September 7, 1993*
- Outside review of "Palestinian Institution Configuration" and "An Overview of Palestinian Institutional Capabilities," July 1993

C4. Special Studies

- *Consultation with Egypt Mission on political constraints to privatization of industry; report submitted April 5, 1993*
- *Special study entitled "Bananas and Bedouins: Political Economy Issues in Agricultural Sector Reform in Jordan," submitted April 25, 1993*
- *Special study entitled "The Yemen Election, Questions and Some Preliminary Answers," submitted May 19, 1993*
- *Special study on "Suggestions for AID Activities in Lebanon," submitted July 2, 1993. Revised draft submitted July 27, 1993, under the title, "Strengthening Government Institutions in Lebanon: Constraints, Opportunities, and Suggestions for Foreign Assistance," submitted July 27, 1993*

C5. Project/Activity Design

- Draft scope of work, Technical Assistance and Training Project Design in Lebanon, November 1992
- Resource Statement: Proposed Technical Assistance to Lebanon, delivered December 4, 1992
- Lebanon Project Planning Workshop in Nicosia, Cyprus, January 29-30, 1993
- Lebanon Relief and Redevelopment PP, drafts submitted April 11 and April 14, 1993
- Report entitled "Central Control Agencies of the Lebanese Executive Bureaucracy: Criteria for their selection as appropriate recipients of Training and Technical Assistance, and/or Commodities," submitted August 6, 1993
- Proposed Technical Assistance for the West Bank and Gaza, draft submitted November 1992
- West Bank/Gaza technical assistance and training program, input submitted February 1993
- Egypt Decision Support Services Project PID, draft submitted January 21, 1993
- Egypt Decision Support Services Project, project paper, submitted May 24, 1993
- Draft scope of work, Technical Assistance Project Design for RHUDO/Tunisia, February 1993
- Report on the political economic analysis of the Jordan Tourism Development Project, submitted August 23, 1993

C6. Strategies

- *Egypt Mission visit, strategy design, review of Mission efforts to date. December 1992; February 1993; September 1993*

C7. Workshops

- Workshop on the Political Economy of Tunisia, March 18-19, 1993
- Report on results and analysis of Tunisia workshop, submitted April 2, 1993
- Workshop on Lebanese Parliament and Executive Bureaucracy, June 17-18, 1993
- Report on Lebanese workshop entitled "Strengthening Governmental Institutions in Lebanon," submitted June 29, 1993
- Workshop on the Political Economy of Yemen, September 14-15, 1993
- Summary of DIS workshop on Yemen, submitted September 20, 1993

C8. Trip Reports

- *Technical assistance report (Egypt trip report), December 1992*
- *Trip reports on visits to Missions in Jordan, Egypt, and Tunisia, February, 1993*
- *Alan Richards' trip report on his assignment to incorporate GDP thinking into the ASAP II "Decision Thinking Workshop" with Jordan's Ministry of Agriculture, August 1993*
- *Trip report from Alan Richards' assignment to perform the political economic analysis of the Jordan Tourism Development Project, submitted August 23, 1993*

C9. Other

- Status of West Bank/Gaza SAGE (DIS) Activities, submitted November 1992
- Monitoring Program Performance: USAID/Tunisia, final draft submitted February 1993
- Background document for the brown bag on Yemeni elections, submitted May 1993

D. Monitoring and Information

- Drafted Project Implementation Reviews for all NE GDP projects, October 1992
- DIS computerization plan, draft internal document, November 1992
- *Installation/refinement of a computer system compatible with that used by the NE Office of Development Resources, January 1993*
- Developed draft concept paper on GDP indicators, January 1993
- Prepared revised Monitoring and Evaluation plan to reflect detailed MIS development plans, February 1993

E. Communications

- Integrated communications strategy developed, October 1992
- Project fact sheet/overview developed, November 1992; revised versions prepared in January and April 1993
- Designed graphic identity of the project, December 1992
- Coordinated the production and delivery of visual elements of the DIS project, January 1993
- *DIS Monthly Bulletin, draft submitted March 5, 1993*
- *June 1993 issue of GDP bulletin, produced and distributed June 10, 1993*

F. Project Management

- Mobilization plan, September 1992
- *Project Start-up and Team-building Workshop, October 1992*
- Organizational chart and position description, October 1992
- *Hiring of PTU staff, September 1992*
- *DIS Work Plan for the First Six Months, draft delivered October 21, final version approved December 15, 1992*
- *PTU office established, January 1993*
- *Establishment and management of the DIS resource center, January 1993*
- *First Quarterly Report covering the period October 1-December 31, 1993, submitted January 14, 1993*
- *Hiring of Interim program/design specialist, February, 1993*
- *Second Six-month Work Plan for Period April 1-September 30, 1993, draft submitted March 22, 1993*
- *Second Quarterly Report covering the period January 1-March 31, 1993, submitted April 15, 1993*
- *Projected activities for Second Annual Work Plan for period October 1, 1993-September 30, 1994, submitted May 18, 1993*
- *Third Quarterly Report covering the period April 1-June 30, 1993, submitted July 15, 1993*
- *Revised draft schedule for DIS Second Annual Work Plan, October 1993-September, 1994, submitted September 7, 1993*

ANNEX B
SUMMARY OF KEY ACTIVITIES BY COUNTRY

Egypt

DIS supported AID/Cairo and the Near East Bureau's activities directed toward Egypt in three separate but related manners. First, the PTU provided AID both analytical and informational materials on the Egyptian political economy. In January, the PTU submitted the newly completed political and governmental institutions component of the political economy review that had been prepared by Alan Richards under a previous contract. This document was entitled "Participatory Organizations and Political/Governmental Institutions in Egypt." Also in January members of the PTU reviewed and commented on a draft scope of work for an assessment of Egypt's legal/judicial system, and reviewed a report on local government and politics. In March-April DIS provided Dr. John Waterbury to AID/Cairo, to conduct an assessment of the mission's privatization program. A report on that assignment was submitted in early April. In August the PTU institutions specialist briefed the Deputy Undersecretary of State for Egypt and the DIS project manager on recent developments in Egypt. Throughout the year the PTU provided project managers with information about and analyses of the Egyptian political economy.

A second area of activities was assisting the design of projects by AID/Cairo. DIS provided a two-person design team, which in January presented a draft PID for the Decision Support Services Project. DIS then provided a five-person team, which submitted a draft project paper for the Decision Support Services project in May. Both of these teams conducted extensive investigations of the Egyptian legislature and contributed to the establishment of direct linkages between that institution and AID.

The final category of support provided by DIS was assistance in the formulation of an AID governance and democracy strategy for Egypt. Two members of the PTU worked with the mission in December toward that end. They provided the mission with a summary draft strategy entitled "Conceptual Framework for the Development of a Strategy." It included recommendations for areas in which activities might be developed, and illustrations of types of activities. In February the technical coordinator returned to Egypt to further assist in the design of a strategy. He also prepared a scope of work for an assessment of winners and losers from economic reform. In September the PTU drafted a proposed background section for the mission's revised governance and democracy strategy.

Jordan

DIS supported AID's program in Jordan by providing a political economy review, by employing the analytical tools of political economy to assist the mission in developing its portfolio of projects, and by assisting preparations for the monitoring of the parliamentary elections scheduled for November, 1993.

The political economy review, written by Dr. Laurie Brand, was commissioned in March, and a final draft was presented in May 1993. An early draft was reviewed by Dr. Michael Hudson of Georgetown University, who found the analysis excellent. In the interim Dr. Brand interacted extensively with DIS project managers and members of the PTU, for which purpose she travelled to Washington on two occasions. On the second of those trips she presented a draft of the review to the Near East Bureau. As a result of this high degree of interaction and collaboration, the final version of the review contained useful analytical insights into the Jordanian political economy and much relevant information. It also presented those insights and information in a manner that took account of political sensitivities. The review was provided to the mission, circulated within AID, and presented to relevant NGOs, including the NDI.

AID/Amman Mission Director Tom Oliver sought assistance from DIS while developing the mission's portfolio of projects. DIS provided the PTU technical coordinator for that purpose on two occasions. In April 1993, he joined the APAP-II team in Jordan to provide analysis of various proposals for agricultural sector reform. As part of that analysis he submitted to AID "Bananas and Bedouins: Political Economy Issues in Agricultural Sector Reform in Jordan." In July and August, the technical coordinator joined the PP team of the Jordan Tourism Development Project. He provided institutional and political economy analysis as part of the design of the project. A document entitled "Political Economy Analysis of Jordan Tourism Development Project," was submitted to AID.

DIS provided to its project managers an election tracker on the Jordanian elections, as well as copies of articles and analyses of the electoral process and the politics surrounding it. The technical coordinator briefed NDI and the Near East Bureau on the political economy review and implications of the insights it contains for the forthcoming elections.

Lebanon

DIS contributed significantly to the design of the governmental institutions strengthening component of the Lebanon Relief and Redevelopment Project. In December, 1992, DIS submitted a proposal to AID for technical assistance to Lebanon. In January, staff of the DIS PTU participated in a design workshop held in Nicosia attended by representatives of AID and the Lebanese government, as well as by Lebanese experts on the governmental institutions of Lebanon. Following that workshop DIS presented an amended proposal for activities to strengthen the Lebanese executive bureaucracy and parliament. That proposal, after extensive discussions and reviews in AID and several rewritings by members of the PTU, ultimately became the institutional component of the Relief and Redevelopment Project.

As part of the rolling design process for that project and in order to provide AID information on Lebanese governmental and political institutions, as well as on US-based organizations capable of providing appropriate assistance, DIS undertook several related activities. In June DIS organized a workshop on the Lebanese political economy, with special reference to the structures and functions of the executive bureaucracy and parliament. The workshop provided an opportunity for staff of AID's Near East Bureau to interact directly

with four experts on Lebanon, and to obtain extensive information from them on governmental institutions.

Three documents grew out of that workshop: a general summary, an assessment of alternative assistance strategies, and a comprehensive review of the contemporary Lebanese political economy and the role of governmental institutions within it. Based on these documents and discussions with members of the Near East Bureau, the DIS PTU provided AID with separate briefing documents on the executive bureaucracy and on parliament in preparation for discussions with Lebanese officials, which were held in August. DIS also provided AID information on the Lebanese political economy from a variety of sources, including the media, World Bank, and personal contacts with experts.

Because AID did not have a mission in Lebanon, it undertook consideration of various alternative means to implement the governmental institutions component of the project. DIS supported AID's investigations of alternatives. The PTU reviewed alternative training and technical assistance programs offered by US-based organizations, including a field trip to the State University of New York at Albany. The PTU provided assessments of the capabilities of relevant organizations and a justification for a non-competed grant being awarded to SUNY-Albany. DIS also provided AID with information required to draft a scope of work for a project monitor.

Following the award of a grant to SUNY-Albany by AID, DIS has continued to provide members of the Near East Bureau with information on the rapidly changing Lebanese political economy.

Morocco

The major activity of DIS in support of AID's program in Morocco was the drafting of a political economy review, which was submitted in April 1993. That review was written by Alan Richards, who relied in part on information provided by a consultant hired by DIS. The review was revised in accordance with comments provided by the project managers and was then provided to AID/Rabat.

Members of DIS participated in the briefing given by the AID/Rabat governance and democracy officer at the regional conference in January and offered suggestions for the development of mission's program. DIS members also provided project managers with information on the Moroccan election and participated in the presentation to the Near East Bureau by the IFES election monitoring team in August.

Tunisia

Five interrelated activities were conducted for the purpose of assisting AID's development of a governance and democracy strategy and appropriate projects in Tunisia. First, DIS provided Elizabeth Bassan as a project design specialist in response to a request from RHUDO forwarded by AID/Tunis. The purpose of the project is to upgrade the delivery of municipal services by enhancing public accountability. Municipal councils and local

associations are the vehicles by which that accountability is to be increased. She participated in the design of that project, which ultimately was approved and jointly funded by RHUDO and the Near East Bureau of AID.

A second activity was the provision of DIS's institutions specialist to the PRISM team which participated in the drafting of AID/Tunis's mission strategy in February. During that process the mission director agreed to a proposal for the presentation to the mission in April of alternative activities to facilitate democratization, with the understanding that the mission would then select what it determined to be the most appropriate alternative(s). It was further agreed that a workshop would be held by DIS for the purpose of evaluating alternative activities' prospects for removing constraints to further economic and political development.

The third activity was the preparation by Dr. Rhys Payne of a political economy review of Tunisia. This review was unique among those completed by DIS in that its author was resident in the country when he wrote it, and because a draft of it served as a basic document for the workshop that was held in March.

The fourth activity was the workshop, in which four leading authorities assisted DIS to analyze the Tunisian political economy for the purpose of identifying those organizations, institutions, and processes, change in which might contribute most to further economic and political development. This was the first workshop organized by DIS. It proved to be an extremely useful framework within which to bridge the gap between academic knowledge, on the one hand, and AID's program and project related information needs, on the other. Academic participants recognized AID's need for policy relevant analysis and responded to it by providing estimates of the comparative advantages of providing training and technical assistance to various organizations and institutions.

The final activity was the presentation by DIS of a summary of that workshop, which contributed to the proposal which was presented by the DIS project manager to the mission in June. Partly because of financial stringencies confronted by AID/Tunis, it was decided at that time not to initiate new projects, but to concentrate resources on the activity to upgrade the delivery of municipal services through enhanced accountability.

West Bank/Gaza

Support for AID activities in the West Bank and Gaza was provided by DIS in two phases. The first phase commenced in November when DIS was requested by its project manager to draft a proposal for technical assistance and training to upgrade public administration capacities. One such proposal was submitted in that month, while a second was submitted in February.

A second phase of support commenced shortly thereafter. The Near East Bureau requested that DIS provide an analytical assessment of the political affiliations and institutional capacities of Palestinian organizations active in the health care, agriculture, finance, industry and education sectors. A scope of work was drafted and Dr. Glenn Robinson recruited to produce the desired assessment. As a result of discussions with Dr.

Robinson and members of the Near East Bureau following submission of a report entitled "Palestinian Institutional Configurations in the West Bank and Gaza under Four Autonomy Scenarios," DIS was requested both to commission Dr. Robinson to write an additional piece focused more directly on administrative capacities, and to recruit Dr. Ann Lesch to write an external review of Dr. Robinson's first assessment. The external review, submitted in July, adjudged Dr. Robinson's conceptual overview as appropriate and useful. It also provided additional information on the sectors under review and institutions within them. Dr. Robinson submitted his Overview of Palestinian Institutional Capabilities in September. Both of Dr. Robinson's documents went through several drafts, upon which members of the DIS PTU and the Near East Bureau commented extensively.

The DIS PTU has provided the Near East Bureau with information from various sources on Palestinian authority structures and the implications of foreign assistance for those structures.

Yemen

The April parliamentary elections were the focus of several DIS activities. Members of the PTU attended pre- and post-election briefing sessions held by AID, NDI, NRI, and IFES. The PTU submitted two documents to AID on those elections. The first ("The Yemeni Elections: Questions and Some Preliminary Answers") provided assessments of the implications of the elections for the Yemeni political economy and an evaluation of the success of election monitoring efforts. The second ("Possible Questions/Issues for Brown Bag on the Yemeni Elections"), also submitted in May, was a briefing paper for DIS project management prior to a brown bag session for AID staff and election monitors.

Following DIS and AID efforts to assess the importance of those elections, the DIS project managers requested the project to organize a workshop on the Yemeni political economy, to be held in September. The purposes of that workshop were both to inform AID and members of the DIS PTU on the Yemeni political economy, and to provide conceptual and empirical information upon which a political economy review could be written. Because of the general lack of information on Yemen, because of widely varying interpretations of the fundamental nature of its political economy, and because a goal of the workshop was to facilitate the production of a political economy review, steps were taken to ensure that the workshop would be tightly focussed. First, each of the four participants was required to write a brief paper on a specific topic. Second, participants were provided a "Framework for Discussions," which outlined alternative conceptualizations of the Yemeni political economy and instructed participants to assess those conceptualizations and provide information supportive of or in opposition to them. Finally, the agenda for the workshop was structured for the purpose of focussing attention on the key actors within the Yemeni political economy and for analyzing the fundamental character of interactions between them.

The workshop did not reach consensus on several important questions. This outcome was partly determined by the great complexity of the Yemeni political economy and the rapidly changing and highly fluid situation after unification and elections. The relative paucity of analytical studies of the country further clouds the picture: it is unrealistic to expect

consensus on subjects where even basic facts are disputed. Nevertheless, much useful information and some valuable analytical insights were obtained; these were reported both in the "Summary of Proceedings" and "Summary of DIS Workshop on Yemen," submitted to AID in September.

As a result of the continuing information deficit the PTU sought in the wake of the workshop to gather additional and especially timely data on the Yemeni political economy. That information, in addition to that provided in the workshop, will be incorporated into a political economy review.

**ANNEX C
FINANCIAL REPORT**

Following is the financial status of the contract through August 31, 1993, the date on which the latest Chemonics International voucher was submitted. All figures are given in U.S. dollars.

Cost Category	Invoiced through August 31, 1993	Contract Budget (Years 1-4)	Remainder
Salaries and Wages	407,959	1,425,523	1,017,564
Fringe Benefits	99,052	314,043	214,991
Overhead	356,338	1,067,896	711,558
Travel and Transportation	85,198	614,120	528,922
Allowances	92,866	695,640	602,774
ODCs	80,681	314,119	233,438
Equipment/ Vehicles/Freight	0	0	0
Training	10,769	140,000	129,231
Subcontracts	48,925	1,369,892	1,320,967
G&A	39,568	203,191	163,623
Fixed Fee	99,381	491,800	392,419
TOTAL	1,320,739	6,636,224	5,315,485