

SUMMARY

An evaluation of the St Lucia Youth Development Program (YDP) was jointly undertaken by USAID and World Education in December, 1982. Drawing on a range of information sources including interviews with a number of project staff and government officials, this report concludes that fewer than 100 trainees are likely to be graduated from the two national training centers by August, 1983, the date that the National Office for Social Responsibility (NOSR) is presently scheduled to end its involvement. This represents a considerable reduction in the scale of the project, but it is partly a product of YDP's correct decision to reorient its scope from one of training St. Lucian youth for employment to one of preparing them for self-employment through the formation of handicraft and agro-processing cooperatives. The YDP has built an organization and training program that is relatively well structured to achieve these new priorities. If the production cooperatives are successfully created, an outcome that will not be known with any certainty for at least six months, the Government of St. Lucia is likely to move toward permanent institutionalization of the program. If cooperative self-employment is not achieved for most of the trainees, Government support is far more doubtful. To maximize the chances that the cooperative endeavor is successful, to ensure that a new outreach training program is initiated, and to provide for the training of at least 80 to 120 additional young people in the two national centers, we recommend that a one-year no-cost extension, if requested by NOSR, be approved for the project. We also recommend that a strong Local Director be recruited as soon as possible to assume leadership of the program, and that the project concentrate its resources during the next six months on launching its cooperatives.

INTRODUCTION

Since August, 1980, the National Office for Social Responsibility (NOSR) has held a grant from the USAID Regional Development Office of the Caribbean to initiate and administer a three-year Youth Development Program (YDP) in St. Lucia. The central objective of the program is to train young people in skills that would enhance their chances of employment or self-employment. More broadly, the program is designed to reduce youth unemployment in a country where the unemployment rate among young people is estimated to be near 40 percent. The long-term goal of the program is institutionalization: continuation and expansion of YDP by the Government of St. Lucia after NOSR completes its work in August, 1983.

To assess whether these goals are being met, an evaluation of YDP was conducted in December, 1982. The evaluation was jointly undertaken by USAID and World Education, and this document represents the integrated assessment of that collective effort. The report has been prepared by Michael Useem of World Education, but it draws on extensive discussion and consultation held with USAID Project Manager Harold Freeman during their joint visit to St. Lucia.

Several sources of information form the basis of the report. First, USAID PVO Officer Toni Christiansen-Wagner visited St. Lucia for three days (December 8-10) and compiled a range of basic project information summarized in several written documents. Second, Michael Useem visited St. Lucia for four days (December 14-17) and compiled

additional program information; conducted interviews with most of YDP staff (including the President of NOSR, Robert J. Gemignani, who was also visiting the project during this period); discussed the achievements and future of the project with government officials and knowledgeable members of the private sector; and observed training sessions at both of the YDP's national training centers.* Third, Harold Freeman visited St. Lucia for three days (December 14-16) and collected information through the same procedures as used by Useem. During their joint presence on St. Lucia, they jointly conducted the interviews and discussions with project staff and government officials. Finally, this report also draws on a variety of documents about and by the program, including quarterly reports to USAID, the 1982-83 Revised Work Plan, and the Labor Market Analysis for St. Lucia prepared in late 1981.**

The evaluation was undertaken at a critical moment in the life of the NOSR project. The training program is far behind schedule, and there is no prospect that it will reach even its revised goal of training 240 youth through two national centers (down from the original objective of training 1,100 youth through five national centers) by the

*Among those interviewed were officials with the Ministries of Community Development, Agriculture, Health, and Planning, the President of the St. Lucia Small Business Association, and the Chairman of the Business Assistance Group of the Youth Development Program.

**Ellen M. Bussey, Norene Halvonik, Toni Christiansen-Wagner, and Allan Boenl, Labor Market Analysis for St. Lucia as Related to the Proposed Caribbean Regional Youth Employment and Skills Training Project, September 20 - October 2, 1981.

termination date of August, 1983. The Government of St. Lucia, committed by agreement to support and institutionalize the program, has done so with some hesitation since the program's inception, and its likelihood of continuing support after NOSR's withdrawal is as yet uncertain.

This evaluation is directed at assessing (1) what the project has achieved to date and what more can be expected by the termination of NOSR's involvement; and (2) what is the likelihood that the Government of St. Lucia will assume responsibility for continuing the project after NOSR's departure. These two questions are inextricably interdependent, since the success of the NOSR effort has been and remains contingent on government backing, and the probability of government institutionalization after NOSR has left is dependent on what NOSR has and can still achieve in the time that remains. Answers to these two questions are all the more important because of NOSR's intentions to request a no-cost extension of one year to complete its effort. If an extension were to be granted by USAID until August, 1984, we need to estimate how much more NOSR will achieve by then and how much greater is the likelihood that the program will then be continued by the St. Lucia Government.

The evaluation first examines the Youth Development Program's achievements to date and its restructuring of the project in light of several factors that have made pursuit of its original goals infeasible. The evaluation then turns to the issue of institutionalization and considers the conditions under which the Government of St. Lucia would be likely to continue the project after

termination of NOSR involvement and USAID support.

PROGRAM RESTRUCTURING

In December, 1982, nearly two and one-half years after the Youth Development Program was initiated, the project displays only partial resemblance to that which was first proposed. The original project, signed in August, 1980, was to (1) establish a centrally controlled client flow system; (2) create five training centers with support services in agricultural technology, agri-business, garment manufacturing, handicrafts, and mechanical arts; (3) institute a job development, placement, and follow-up system for the employment of graduates; and (4) facilitate institutionalization of the program upon project completion.* The number of students to be trained by the project completion date of August, 1983, was 1,100. Almost upon inception of the project, however, NOSR concluded that the number of 1,100 was too large given the difficult conditions it faced on the island. By the end of the first quarter of the project, the number of projected trainees was revised downward, with USAID approval, from 1,100 to 600.

As the project developed during its first year, it became apparent to the staff that further changes in program goals would be required.

*National Office for Social Responsibility, Youth Development Plan for St Lucia, proposal, 1980; Grant letter and attachments of August 11, 1980, from USAID Regional Development Office/Caribbean to National Office for Social Responsibility.

Accordingly, NOSR developed and submitted a revised work plan in December, 1981. This plan both recast and scaled down the scope of work.* Instead of five national training centers, only two would be instituted, one in agri-business and one in handicrafts. The number of trainees in the revised work plan was further cutback to 240. New plans were added to create four outreach centers in agriculture and handicrafts for short-term training to upgrade skills and for assisting individuals to sell products in local markets. The outreach centers were projected to train 480 individuals. The outreach and national center training programs were to reach and train a total of 720 St. Lucia youth. The revision in work plan also led to a downward revision in budget: the NOSR budget was reduced by approximately \$176,000, leaving a revised budget total of approximately \$773,000.

By the time of this evaluation study, one year after submission of the revised work plan, it was clear, however, that the project would fall far short completing even the courses for the smaller, revised number of trainees. The national center for handicrafts, located at Choiseul, and the national center for agro-processing at Dennery, were both scheduled to open in May, 1981, and then subsequently rescheduled to open in May, 1981. The handicrafts center actually commenced operation in January, 1982, but the agro-processing center underwent two further scheduling postponements, finally opening in September and initiating its first training group in October, 1982. It is expected to graduate its first class of 37 trainees in late spring, 1983. The Choiseul center has not accepted a new group of trainees and there are no plans at present to initiate recruitment of a new group until the first group of completers have been assisted sufficiently to ensure that their training is

*National Office for Social Responsibility, 1982-83 Revised Work Plan, December, 1981.

effectively utilized. While the outreach program is under active discussion, few specific steps have been taken to launch this effort (which will be undertaken in partial cooperation with a training program on St. Lucia and two other Eastern Caribbean nations by the Organization of American States). It is unlikely that there will be many graduates of the outreach program by August, 1983. Thus, by the end of the three-year project period, instead of 1,100 trainees, the Youth Development Program may have prepared fewer than 100. With cumulative expenditures standing near \$280,000 in October, 1982, and with quarterly expenditures running from \$20,000 to over \$50,000 and averaging near \$35,000, the total expenditure by August, 1983, could reach \$400,000 or more. This would imply a cost of approximately \$4,000 per trainee.*

Placed against the cost of a year's training of a student in the formal education system, this \$4,000 per capita price would appear excessive. Moreover, with 3,000 youths leaving the school system on St. Lucia every year and nearly a majority of these immediately joining the ranks of the unemployed, the training of some 80 young people over a three-year period would seem to contribute little to the solution of St. Lucia's chronic and now worsening youth unemployment problem. And by the yardstick of NOSR's original proposal to USAID, the small number of trainees means that the program has fallen very short of its original objectives.

A. Reasons for Reduction in the Number of Program Trainees

The reasons for the reduction in program scope require examination, for they have direct bearing on what can be expected from

*As we note later (p. 32), the cost per trainee could drop below \$2,000 if the project is extended on a no-cost basis through August, 1984.

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the project during the remaining eight months -- or the remaining twenty months if a no-cost extension is approved. Two factors are of central importance: The Government of St. Lucia had slowed development of the project in several ways, and the National Office for Social Responsibility was too optimistic in both its original and revised projections and slow to respond to some of the problems encountered in developing its program. We will consider each of these factors in turn.

Since the inception of the project and up until the national elections of 1982, planning and decision-making requiring the cooperation of the Government of St. Lucia was delayed by the instability of the Government. These problems were not faced uniquely by the Youth Development Program; they were confronted by all organizations operating on the island. A World Bank study in 1981 warned, for instance, that outside agencies and organizations faced special difficulties in obtaining government decisions and in depending on these decisions once they were made. It also warned of the chronic instability of the island's government and, more generally, the dearth of managerial and administrative talent on St. Lucia. Private companies complained of the same set of problems. Milton Bradley, a U.S. manufacturer, opened a plant on the island employing a work-force of 200, one of the largest manufacturing investments in St. Lucia to date, but the company left within a year because of poor government support and management.*

*Labor Market Analysis for St. Lucia, 1981, pp. 41-43.

The Youth Development Program has suffered from a number of delays for similar reasons. In early months of 1981, for instance, project start-up was slowed because of a delay in approval of the national budget and the resignation of the Minister of Community Development. In early 1982, YDP had great difficulty maintaining contact with the Minister of Community Development, and later that spring other activities were postponed because of the upcoming national elections. While the government was committed by agreement with NOSR to providing and renovating facilities for the two national training centers, NOSR experienced long delays in obtaining these facilities in usable condition. Also, the previous Government had required the appointment of a person as Local Director of the YDP whose background and abilities were not commensurate with those required for effective development and management of the program. Finally, even though persons were appointed for brief periods, the crucial position of placement coordinator (job promotion and development) has been essentially unfilled since the inception of the NOSR project.

While these conditions have made normal progress on program development exceptionally difficult, delays in implementation and the resulting reduction in scope are also partly of NOSR's own making. Allowing that intelligence of course always seems easier in hindsight than foresight, it would nonetheless appear that some problems might have been mitigated had a stronger role in the program been played by

the U.S. office of NOSR. The power of the Program Director in St. Lucia is inherently limited, and as the Government's indecisiveness in meeting its obligations became increasingly apparent, more vigorous and frequent intervention by the national office of NOSR might have been useful. The national office might have been able, for instance, to force faster action in preparing the training centers. It is also possible that the outcome of the process to select the Local Director might have been different. Even if the outcome of this decision were unavoidable whatever the intervention, it is conceivable that the Government of St. Lucia might have at least been persuaded to assume his salary. Greater organizational guidance of his activity might have been possible as well.

B. Reasons for Reorientation of the Program Toward Self-Employment

In addition to reducing the number of centers and trainees, the Youth Development Program has also shifted its emphasis from employment to self-employment. Rather than preparing most trainees for successful

entry into the labor market, as originally envisaged, the program now intends to train most trainees for self-employment. This is to be done primarily through the creation of cooperatives which would assist graduates of the programs to create and sell their products.

The decision to place greater emphasis on the development of self-employment opportunities is another major factor contributing to the training of fewer trainees than originally planned. The development of cooperatives requires far more YDP resources than originally planned, and this necessarily has reduced the resources available for running the training programs. Rather than starting a new group through the handicrafts training program at Choiseul, for example, the center staff is now devoting its time to the graduates who finished in September to help them develop a handicrafts cooperative.

There are several considerations that went into the decision to reorient the program, and in our view they are relatively compelling. First, employment opportunities for youth on St. Lucia have always been extremely limited, and since the start of the program it appears that they have considerably worsened. While the St. Lucia gross domestic product grew in real terms at an annual rate of more than 10 percent from 1976 to 1978, and still at a rate of 4 percent in 1979, the worldwide recession has taken a severe toll since then. The gross domestic product is estimated to have dropped by 4.6 percent in 1980,*

*Labor Market Analysis for St. Lucia, 1981, p. 8.

and by all accounts the decline may be even steeper since then. Though precise figures are unavailable, informed observers with whom we spoke suggested that the rate of youth unemployment has almost certainly increased during the past several years. Even though the YDP has concentrated its resources on the two areas in which employment prospects appeared brightest--agro-processing and handicrafts--members of the YDP staff, Government, and private sector are unanimous in the view that the prospects for employment of the trainee graduates in the present economy are virtually nil. The experience of the 42 graduates of handicrafts program bears out the expectation: in the three months since completing the program, one graduate has become self-employed and three have obtained employment. Almost all of the remaining 38 will require YDP efforts over several months to form a cooperative if they are to realize any income from their training endeavor.

This reality was early recognized by the authors of the special labor market study of St. Lucia. These analysts note that "probably the only way to go right now in St. Lucia to help the unemployment problem" is through the self-conscious organization of self-employment.* The Youth Development Program has reached an identical conclusion, and it also concurs with another critical finding of the labor market study. "It is important to remember that on St. Lucia all kinds of production have been tried successfully," the study concluded. "It has always been in the marketing that the process has failed.**"

* Ibid, p. 53.

** Ibid, p. 56.

In recognizing the importance of this problem, the YDP has moved to invest far more resources in its solution than originally planned. This decision receives strong support from trainees of the two programs as well. All of the score of trainees with whom we held informal discussions indicate that without YDP assistance in the development of cooperatives for production and marketing, the chance of obtaining any income from their new skills is remote. Similar assessments are offered by both government officials and private sector managers.

Drawing on all available evidence, our assessment is that this decision to concentrate resources on facilitating self-employment of trainee graduates is correct, even at the certain expense of reducing the number of trainees who complete the programs. Indeed, without developing self-employment opportunities for the first two groups of trainees to complete the programs, the future of the YDP would be in considerable doubt. We learned from several government officials, for example, that if cooperative self-employment is successfully fostered for the graduates of Choiseul during the next several months, there would be strong support in the Government's new budget in May for continuation of the program; without a successful cooperative however, the likelihood of government support would be far less, possibly to the point of vanishing. The trainees and staff report the same: if self-employment is found for most of the graduates, there would be an ample flow of new applicants willing to enter the program even without the special financial stipend now provided by NOSR (which will be discontinued when the Government assumes full budgetary responsibility for the project). Without the example of successful self-employment

for the first group of graduates, however, the applicants would be far smaller in number. And perhaps equally important, because of the project's high visibility on the island, broader public support for its continuation is highly contingent on the achievements of the first several groups.

In sum, both short- and long-term institutionalization of the YDP depends on what happens in the immediate months ahead to those who have completed the handicrafts program and, somewhat later, to those who finish the agro-processing course. The YDP's concentration of resources on creating self-employment cooperatives is thus not only well placed but essential to the continued existence of the program.

C. Can Cooperative Self-Employment Succeed?

The reorientation of the YDP from training large numbers of St. Lucia youth to the training and development of cooperative self-employment of smaller numbers of youth is a logical product of circumstances faced by the YDP, but the outcome of this reorientation is by no means certain. Several factors point toward possible failure; others toward success. We will briefly review these in turn.

Making the development of cooperative self-employment difficult is, first of all, the kind of persons targeted for the training program from the start. By design, they are all young (aged 15 to 25), virtually all are without employment or self-employment experience to draw upon, and most do not possess the personal and business skills that would facilitate the production and marketing of their products. Second, the depressed economy makes the period a particularly difficult

one in which to find a suitable product niche. Third, to date the YDP has forged weak linkages with organizations and institutions on the island that might be of special assistance for this phase of the program. The National Advisory Committee has never met, and the Business Assistance Group has not met in recent months and no future meetings are planned. Fourth, the staff is relatively inexperienced in the development of cooperatives (with the exception of the Manager of Arts and Crafts program), in managing the production of goods, and in marketing the products. Fifth, even if there is success with the first groups of trainee graduates, there may soon be saturation of the limited markets for handicraft and agricultural goods. As a long-term strategy, then, self-employment in these two areas may be inherently self-limiting, possibly requiring the creation of new training courses. Finally, to the extent that the first groups are successful in finding a product niche on the island (or perhaps even off-island), other entrepreneurs and small businesses on St. Lucia are almost certain to enter quickly into competition. While probably good for the island's overall economy, the stiff competition that could result might make long-term viability of the program's cooperatives uncertain at best.

Other factors, however, offer more encouraging signs. First, the trainees and staff are highly committed to the achievement of self-sufficiency. The graduates of Choiseul continue in large numbers to attend special sessions that the YDP is now running on how to manage a cooperative, despite the absence of any travel and food stipends for doing so. More than two-thirds of the graduates, for instance, attended a special session on cooperatives and selling held at Choiseul

on December 17, a session that had been rescheduled at the last minute. Indicative of the staff's commitment is its already vigorous drive to secure buyers for future products of the Choiseul cooperative. Second, the YDP is highly visible on the island, and it might be possible to draw on public and private support to create a preferential or even protected market for YDP handicrafts and agricultural products. When the Government moves to order chairs or wall decorations for its offices or schools, it could be encouraged to select only YDP products. Similarly, as a matter of public service, private organizations might be persuaded to do the same. They might also be attracted to donating other forms of support, such as shelf area for the display materials. Some display space in fact has already been promised by several private concerns. Third, there are early signs that, although it may be difficult to achieve the quality necessary for export markets, the YDP handicrafts are of a quality and price that is competitive on the island. A special two-day exhibition of Choiseul crafts was held in September, 1982, and orders were received from among the 1,000 visitors for approximately EC \$500 of the good displayed. At a later national exhibition, the National Productivity Exhibition in December, YDP handicrafts also appeared, and the informal feedback from visitors to the exhibit offered gratifying confirmation on the quality of the items. Finally, while market saturation is a possibility, lateral shifts into related areas of handicrafts and agro-processing could be achieved without major reorganization of training courses and staffs. Leather, wood-carving, and chair-making could be emphasized in new rounds of the handicrafts program; meat and vegetable preparation might be stressed

in future training sessions of the agro-processing program.

The risk of failure is significant. But the odds for success are better, and a successful launching of a handicrafts and an agro-processing cooperative would constitute a large achievement. It would demonstrate that, despite highly adverse economic conditions, special training and cooperative production can work on St. Lucia. It would greatly enhance the prospects for institutionalization of the program after NOSR's departure. And it would represent a practical demonstration of a strategy for overcoming youth unemployment that might well become a model for new programs on St. Lucia and elsewhere in the Caribbean.

Because the launching of cooperative self-employment is so fraught with uncertainties but also so full of large benefit if successful, the YDP staff has moved in recent months to reduce the former and achieve the latter. This is evident in the decision to continue working with the graduate of the Choiseul center. In effect, the program is being extended from six to twelve months, the first six months primarily emphasizing the technical and artistic elements in the creation of handicrafts, and the second six months stressing the issues of production, quality control, cooperative enterprise, and marketing. Students received some introduction to the production and business issues during the regular training session, but not in sufficient depth. The special continuing program at Choiseul is now devoted to these topics and will run for several months until a cooperative is launched. At Dennery, the Choiseul experience has led to a decision to introduce training in production and quality control earlier in the

curriculum. More generally, the staff has learned much from this first experience, and future training programs will place far greater emphasis on the skills and knowledge necessary for the students to form cooperative means of self-employment upon graduation.

Other evidence also indicates that the YDP staff is moving with considerable effectiveness to create the conditions necessary for its trainees to achieve self-employment. The Youth Development Program currently has an opening for a "Placement Coordinator." In light of the new YDP strategy, a person is being sought as coordinator who is not expert at placement (despite the title) but is experienced in developing cooperatives and in marketing their products. Furthermore, to assist in the launching of the cooperatives, the staff is preparing the way for pre-formed production teams at Choiseul to apply to the Government's Revolving Loan Scheme, funded by the British Development Division, for loans of up to EC \$30,000 for the equipment and supplies necessary to start-up their enterprises. (Most actual loans, however, are in the range of EC \$2,000 to \$3,000, with an interest rate of 10 percent.)

PROGRAM INSTITUTIONALIZATION

The Youth Development Program has been significantly restructured since its inception, moving from the training of large numbers of youth for employment to the training of small numbers for self-employment. By intention of NOSR, and by agreement of the Government of St. Lucia, an overriding objective of the project is continuation of the training program after NOSR has completed its work. In an agreement signed in

July, 1980, the Government of St. Lucia agreed to "commit itself to institutionalize successful elements of the program within the governmental structure or other permanent institutions upon the termination of NOSR's intervention."* In light of the program restructuring as well as the evolving priorities of the Government, it is important to examine whether the current conditions are favorable for institutionalization. Two conditions are of determining importance, and we will consider these in order. The first is the extent to which the Government of St. Lucia is prepared to continue the program. The second is the extent to which an organization and program have been built by NOSR, with Government assistance, that could provide effective and appropriate training for St. Lucia unemployed youth if the Government were to assume full funding of the Youth Development Program.

A. Signs of Government Institutionalization

There are disturbing signs suggesting that Government backing of the program has been ambivalent. The long delays in providing the training centers are illustrative; so too is the Government's continued insistence on the retention of the Local Director despite clearly expressed indicators from NOSR that the program would be more effective with another person in that role.

*An Agreement Between St. Lucia's Ministry of Community Development and the National Office for Social Responsibility, July 1, 1982.

On the other hand, there are also a number of encouraging signs. Foremost among these is the budgetary contribution already provided by the Government to the project. Included here is the cost of obtaining and opening the two training centers; the purchase of a project vehicle; the salaries of two secretaries, a driver, and an intake counsellor; and the contribution of half of a staff member's time by the Ministry of Agriculture (Henry Lubin, the head trainer at Dennery), and a fraction of the time of various employees of the Ministry of Health (the employees offer periodic lectures at Dennery). Also indicative is the ceremonial presence of Government officials at major events in the YDP's history. At the opening of the agro-processing center, for example, the Deputy Prime Minister and several Ministers were in attendance. The major political parties made commitment to the program part of their platforms during the recent electoral campaign. That Government and major political figures are taking active pride in the YDP's achievements and future suggests broad political support for the project. Finally, in December, 1982, the Ministry of Community Development appointed a five-person commission of inquiry, under the chairmanship of the widely respected civil servant, Stan James, to study the future of the Government's role in Youth Development Program. While varying interpretations can be attached to the creation of this special investigatory committee, it appears that its formation is constructively intended to help the YDP and Government resolve some of its current problems. Of special interest is the future of the YDP's leadership in light of the NOSR Project Director's departure to the U.S., and the intention of NOSR to place top local

three-month leave-of-absence, and the intention of NOSR to place top local management responsibility in the hands of the Local Director in the near future. The Project Director will not be replaced, though financial responsibility has been assumed by Gordon Kunde, a U.S. national on the NOSR staff who has taken up residence in St. Lucia. (In addition to a background in financial management, Mr. Kunde brings experience with small business product development and marketing in developing countries, and thus he will also serve as a major resource for the development of YDP's cooperative ventures.)

A final measure of the Government's intentions will come in the spring as the new annual budget is prepared.* The final degree of Government financial commitment for the new year may well be highly contingent on the success of the cooperative endeavor at Choiseul: if there are solid indicators of success, even if only preliminary, budgetary support may be strong. If self-employment of the Choiseul graduates appears to be floundering, on the other hand, support will be far weaker. This, we learned, is the prevailing attitude in several Ministries including the Ministry of Finance, Planning, and Statistics, the agency responsible for the final preparation of the annual budget. If the cooperative effort is proving effective by early spring, and if the Government then offers strong indication in May, 1983, that it is prepared to assume increasing financial responsibility for the program in its budget, the prospects for institutionalization are good. If either of these two contingent elements is missing, however, prospects will be substantially dimmer.

B. YDP Organization and Training Program

Government support for the Youth Development Program is the first half of a foundation for the permanent launching of the program. The

* The Ministry of Community Development is proposing a budget of approximately EC \$388,000 to support the YDP during the coming fiscal year. a highly encouraging preliminary sign.

second half is the presence of a quality organization and training program. Institutionalization is viable only if a solid program is in place when NOSR withdraws. Our assessment is that the achievement in this area is solid. Even higher marks can be accorded the program when one takes into account (1) the exceptionally difficult political circumstances the program has faced since its inception, and (2) the highly limited market from which to find able people for staffing the program.

We view the quality of the program by considering the quality of the staff, management of the staff, the recruitment of trainees, and the training curriculum:

1. Staff quality. The single most important appointment was of course that of the Project Director. The first and only Project Director, Charlene Chinn, arrived on St. Lucia in October, 1980, and has guided the program since its inception. Program staff, Government officials, others with whom we held discussions during the evaluation were unanimous in their praise of her leadership. She is known as a dedicated and hard-working manager, with exceptional talent for both internal administration of the program and external negotiation with the Government. Her guidance of the program is respected throughout the staff and by all levels of Government, including the office to the Prime Minister.

Because of the comparatively small scale of the YDP organization, with a staff of less than a dozen, the administrative and personal qualities of the Project Director acquire particular salience. The

departure of Ms. Chinn in mid-January, 1983, thus poses an acute problem of transition: a Local Director of similar capacities must be appointed if the program is to continue to function effectively. Because of the highly politicized environment, the newness of the organization, and relatively informal, unbureaucratic style of internal management inherent in the small-scale of the YDP, the talents and experience of the Local Director will become critical after Ms. Chinn's departure for orchestrating the activities of the program and moving the Government toward permanent support.

The appointment of local staff members was problematic from the start because of the island's highly limited and personalized labor market. With a total labor force of only 39,000 in 1980, and with an even far more limited number of people on St. Lucia possessing the skills and experience required for program staff work, the choice of staff members was necessarily highly restricted. Those who have been appointed have required considerable "on-the-job" training. Moreover, as the special labor market study of St. Lucia has emphasized, the market often tends to work less on the basis of personal qualifications and more on the basis of friendship, kinship, and political party affiliation.* This has affected YDP staffing. On two occasions, appointments were forced upon the YDP by Government officials. Within this

*Labor Market Analysis for St. Lucia, 1981, pp. 32-33.

context, however the YDP has followed relatively bureaucratically rational, qualification-oriented appointment procedures. In selecting trainers for the handicrafts program, for instance, sixteen applicants were solicited and extensive personal interviews were conducted to determine their qualifications. The manager of Choiseul, Anthony Herman, was interviewed for ninety minutes by both the Project Director and the Government's Director of Youth, Sports and Community Development. They explored in detail Mr. Herman's experience in working with youth, his commitment to the kinds of goals sought by the YDP, his teaching style and experience, and how he would deal with difficult staffing problems.

The result of the many personnel decisions taken by YDP has been to create training staffs relatively well prepared to assume their responsibilities and, of special importance, capable of learning through in-service training, both formally and by the informal process of direct work experience. Moreover, the training teams have been constructed with nicely complementary strengths. At Choiseul, Anthony Herman brings extensive experience in teaching and community development with youth; Carlton Ishmael has the creative gift and inspiration of the artist; and Francita Mitchel brings special interest in several of the handicrafts areas and learns extremely fast. At Dennery, Alix Knights offers strong managerial abilities, while Henry Lubin brings exceptionally strong technical knowledge on food processing. Lorna Lubrin and Monica Matthews bring some background in teaching and

extension service, and both are learning relatively quickly on the job.

2. Staff management. Procedures for supervising the staff and reviewing their performance have been implemented. Control of the staff is effectively exercised by the Project Director, though her influence on the Local Director has been very limited. The U.S. office of NOSR has provided occasional technical consultants and managerial assistance to the operation of the YDP, though final authority for most day-to-day decisions resides in the hands of the Project Director.

Nothing approaching a full management information system is available, but internal information is assembled in reasonably effective fashion. Careful records are kept of trainee attendance, assessments of visiting consultants are collected from staff members with whom they have had contact, and exit interviews were conducted with the first set of graduates from the course at Choiseul. An internal evaluation of the Choiseul program has been completed. There is, however, little systematic effort to compile external information. There is no on-going assessment of the labor market, even though this was called for in the original grant, nor is there any effort to survey the market potential for products of the future cooperatives.

3. Recruitment of trainees. Procedures for the recruitment of trainees have been developed with considerable care. The procedure used for Choiseul is illustrative. The program was widely announced on the radio; a YDP vehicle with an amplification system further announced the program throughout the catchment area; and YDP staff members attended numerous local community meetings, particularly of youth clubs, to describe the program. Four criteria for selecting students

were fixed and followed: the applicants must (1) have been between 15 and 25 years of age, (2) have not been involved in handicrafts before but display a talent for arts and crafts activity, (3) have been unemployed, and (4) have been motivated to learn and apply the skills of the program.

To apply these criteria, the Choiseul applicants were passed through several screening stages. Upon completing an application, those who initially met the program criteria were invited to a test of their arts abilities. They were asked to perform several elementary crafts activities, such as drawing a design, and those who displayed some nascent talent were then invited to a final interview. Of the 169 initial applicants, 115 were brought to the tests. Of these, 77 were invited to the interview, and 60 appeared for it. From this select pool, 47 were finally picked for the program, and all appeared on the first day of the training. A similar screening funnel characterized the intake process for the agro-processing program. Approximately 300 young people applied for the Dennery course, and some 280 were invited to a test for aptitude. Of these, 168 took the examination, 70 underwent a subsequent personal interview, and 44 were finally accepted into the program (37 appeared the first day of the training, with the loss attributed to the several month delay between their selection and the start-up of the program).

4. The training curriculum. The curriculum was developed over a number of months before each of the programs was initiated. Kenneth Weeden, a training specialist with NOSR's U.S. office, worked with the

staffs of both centers for several weeks to assist in the development of curricular materials and teaching plans. There are no reading materials at Choiseul, and few at Dennery. While lectures are a frequent part of the week's activity, the bulk of the classroom time is given to student work on producing handicrafts or food processing. Much of this is done in teams, under close supervision of the trainers. With three staff members at the handicrafts center and four at the agro-processing center, the student-trainer ratio is sufficiently low to ensure individualized supervision and feedback. Trainee work is periodically assessed for quality by the staff, and students are informed about the staff's assessment. Daily attendance at both centers is nearly 100 percent (in part because attendance is tied to receipt of the travel and food stipend), and thus trainees are exposed to the full range of the instructional offering. The staff meets frequently to discuss their own performance, the need for changes in the curriculum, and student growth and problems. The Project Director is a frequent visitor to both centers (she comes for one or two full days per week when the training sessions are in progress), providing for further guidance of the curriculum as it evolves.

In addition to technical skills, the training is intended to include an emphasis on personal development as well. Personal development includes both the mastery of the skills necessary for effective production and selling of handicrafts or agricultural products, and the acquisition of more general knowledge and personality traits that will facilitate cooperative work efforts in the future. Thus, prompt and regular attendance at the program is required as a

latent means of instilling a sense of punctuality and discipline; trainees do much of their work in groups to learn the elements of collective effort; trainee participation in session instruction is encouraged to develop student initiative and verbal self-confidence; competition among the trainees and their groups is fostered to enhance their appreciation for the importance of deadlines, quality standards, and the broader competition they are certain to face once they begin their cooperatives; and explicit instruction is offered in topics ranging from approaching a potential buyer of handicrafts to the elements of family planning, health, and personal hygiene.

Personal development was originally viewed as a minor part of the curriculum. However, because of trainee interest and staff recognition of its importance, especially for the formation of production cooperatives, personal development has been elevated to a much more central place in the curriculum. More time than initially planned for Dennery is now being devoted to this part of the curriculum, and most of the informal continuing education at Choiseul for the first group of its graduates is currently devoted to the development of the personal and business skills necessary for collective self-employment.

While trainee mastery of personal development skills is not directly evaluated by the program staff, acquisition of technical knowledge is assessed. Trainee mastery of specific types of handicraft or agro-processing skills is frequently evaluated. However, a more general yardstick for assessing trainee achievement is not yet available. Since the program is unique to the island and only a single group has entered each of the two training centers, there are no other

groups against which their level of technical competence might be compared. The ultimate test of mastery, thus, will be whether the cooperatives succeed in producing goods of sufficiently high quality, at low enough cost, and at a fast enough pace to survive the rigors of the competitive market. Early signs on the promise of the handicrafts graduates are hopeful. The trainers regard the work of many of the graduates as competitive with that of commercial arts and crafts currently available on St. Lucia. And informal feedback from the two exhibitions and other contact with the potential buying public suggest that the quality test will be met. Whether the price is also competitive, and whether the cooperatives can produce bulk orders on time, is yet to be seen.

CONCLUSIONS

The Youth Development Program has fallen far short of its original goals of training large numbers of unemployed youth on St. Lucia. By August, 1983, the present termination date for the involvement of the National Office for Social Responsibility, approximately 80 trainees will have finished the programs of the two national training centers. This change is partly a product of unrealistic expectations during the planning of the project, and partly the result of delays by the Government of St. Lucia, and partly the product of unanticipated staffing and organizational problems encountered by the YDP. However the blame might be apportioned among these three factors, the fact remains that the program has been sharply reduced in trainee numbers and restructured from training for employment to preparation for

cooperative self-employment. Given the circumstances in which the YDP has been operating during the past year, this reorientation has become, in our view, a realistic necessity.

Within these new project goals and constraints, the elements of an effective organization and training curriculum have been successfully fashioned. Staff quality and management is reasonably high; the recruitment of trainees is effective; and the major parts and process of a solid curriculum are in place. Moreover, the organization shows many signs of learning fast from its own experience, and even stronger training cycles can be expected in the future.

The Youth Development Program is thus itself well positioned to be elevated from an experimental project to a permanent institution on St. Lucia. Lucia. And despite an ambivalent Government attitude toward the program, it is evident that the Government is nearly prepared to move toward institutionalization of the YDP. Whether both the YDP and the Government move in that direction, however, has now become dependent on one critical element: the successful development of production cooperatives among the graduates of both the training centers.

The timing of events here becomes especially problematic. The formation of the Choiseul cooperative is not likely to be underway until at least spring, 1983, and perhaps not until considerably later in the year. The Dennery trainees will not even finish their course until mid-spring, and it will be some months before their cooperative venture can be launched. It will thus be nearly impossible to judge the success or failure of these efforts until well into mid-1983 or even the end of the year, though of course there may be early signs

from which preliminary inferences might be drawn.

This means that two decisions that are fundamental to the future of the project must be taken before full information becomes available. NOSR is intending to submit a request to USAID for a one-year no-cost extension of the project through August, 1984. This request will be forthcoming in early 1983, and a decision by USAID should be made as soon as possible to permit orderly planning by YDP. During this same period, the Government of St. Lucia will be reaching its decision on the level of funding for the YDP to recommend in its new budget. The outcome of this decision should be known by May.

The program thus hangs in balance and the decisions by USAID and the Government of St. Lucia in the coming months may well be decisive for its future. Though not necessarily a fatal blow to the program, a decision by USAID to reject the no-cost extension request would sharply reduce the YDP's momentum and make strong Government underwriting of the program far less certain. On the other hand, a decision by USAID to approve the one-year extension could by no means ensure success of the project, for this would still depend on the cooperatives' success and the Government's final backing.

Nonetheless, USAID approval of the one-year extension is a necessary if not sufficient condition for the program to reach successful institutionalization. Extension of the project for one more year at no extra cost would bring with it another desirable outcome. The outreach program, to be undertaken in partial coordination with a new short-term training effort by the Organization of American States, is

little developed at present. The Community Development Ministry is committed to the creation of the outreach program, and a facility at Soufriere has already been selected for the first MOSR outreach effort. This program would probably concentrate on agro-processing, and it is possible that training might commence by mid to late spring. If an outreach program requires eight to twelve weeks for completion, the first graduates could complete the Soufriere course by the end summer. Other outreach centers, however, would probably be developed only after some preliminary experience is gained with the Soufriere program, and they are unlikely to complete a training cycle until late in 1983. Thus, a relatively modest number of people will have completed the YDP outreach program by August, 1983. By contrast, if the NOSR project is extended through August, 1984, ample time would then be available to complete several cycles of the outreach effort. Moreover, at least one more training cycle of Choiseul and Dennery could be completed by then, and it is possible that a third cycle could be well underway at Choiseul. Thus, if the no-cost extension request is denied, no more than 80 regular trainees will have graduated and perhaps 100 outreach trainees at best will have completed their course by August, 1983. If the request is approved, on the other hand, at least 160 trainees will have completed the programs of the two national training centers, and several hundred outreach trainees will have finished their program by

the extended closing date of August, 1984. This would considerably reduce the cost per trainees of the NOSR effort. Rather than a cost of approximately \$4,000 per trainee if the project is closed in August, 1983, the cost per trainee by August, 1984 could drop to less than \$2,000 (assuming 160 trainee graduates from the national centers, 240 completers of the outreach program, and a final project expenditure of approximately \$773,000). Terminating the NOSR project in August, 1983, would also have the unfortunate consequence of imposing special problems on the OAS training effort, including the need then to open its own office on the island and to find its own person for a position it was to have shared with NOSR.

With all these considerations in mind, we recommend swift and favorable action on the NOSR request for a one-year no-cost extension.

Disapproval would certainly throw the future of the project into doubt; approval would considerably enhance its chances for ultimate success. And if successful, the dividends would be large. An institutionalized Youth Development Project would stand as an exemplarily solution to the seemingly intractable problem of youth unemployment. It could become a successful pilot demonstration project to which many others would look for guidance.

If a no-cost extension is granted by USAID, attention should be directed at six key areas. First, a Local Director must be found whose

administrative skills and capacity to deal effectively with the turbulent political environment are of the highest quality. Second, the position of "placement coordinator" must be staffed by a person with the strongest skills and greatest experience possible in the areas of cooperative development, production, and marketing. Third, strong backup will be required from the U.S. office of NOSR. The frequent presence of Charlene Chinn, technical consultants, and Robert Gemignani will be essential. Fourth, the USAID Regional Development Office should continue to closely monitor both the progress of the project and the Government's intentions concerning the project. Fifth, features of the project deserve fine tuning to ensure maximal outcome. Among the priorities here would be the development of a more systematic plan for the use of staff time to aid the creation of the cooperatives and to locate buyers for the products; intensification of the pace of instruction and the incorporation of more business-oriented sessions at Dennery; and the update and revision of the curriculum of both centers, drawing on the experience of the first two training cycles and the new emphasis on developing cooperative self-employment. Finally, to facilitate Government institutionalization, additional staff time should be devoted to reviving the National Advisory Committee, the Business Assistance Group, and whatever additional outside linkages would help facilitate this transition. Frequent contact with as many relevant government officials as possible should continue as well.

All of these actions should be directed at, or at the least should not detract from, the single most important priority in the immediate months ahead -- the successful creation of cooperative self-employment

among the graduates of the two centers. On this outcome the Youth Development Program will prosper -- or fail -- and it should be the overriding concern in project decisions and allocation of resources during the next half-year.