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**MANAGEMENT TRAINING
AND ECONOMICS EDUCATION
FOR ROMANIA**

FINAL REPORT

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Executive Summary

June 1991 - June 1992: Year 1

Early Year 1 accomplishments were heavily involved in establishing contacts and organizing. University of Washington (UW) had responsibility for economics education and program support activities. A series of ten one-week seminars on managing business enterprises was conducted by UW faculty. Library development activities were begun.

Washington State University (WSU) had responsibility for management training through establishment of Small Business Development Centers (SBDC) at Academy of Economic Studies and University Polytechnica Bucharest. Business development counselors were assigned to each institution. Many administrative obstacles had to be overcome.

July 1992 - June 1993: Year 2

In Year 2 the Academy of Economic Studies School of Business Administration was created with a mission to graduate professional managers whose management skills will lead Romania in the process of restructuring and privatizing its economy. Initial objectives of ASEBUSS included the development of an Executive Master of Business Administration (EMBA) program to begin in September 1993. An EMBA program was chosen for the initial effort, because it had the potential for an immediate contribution to development of the Romanian economy and U.S. business opportunities in Romania.

The Washington State University Management Training Small and Medium Enterprise Centers program was expanded into regions of Romania outside Bucharest that had not been served in Year 1.

UW and WSU decided to separate the Economics Education activities of UW from the Management Training Activities of WSU. The increasing number of activities were difficult to maintain through one grant administrator.

July 1993 - June 1994: Year 3

The EMBA program at ASEBUSS, inaugurated in Autumn 1993, was the first established in any country in Central and Eastern Europe. Eleven Romanian faculty were selected for the EMBA program, most of whom had experience in the U.S. with business management education. Ten faculty and administrators went to Seattle in August to work with UW faculty and staff.

From hundreds of requests for information 49 students were enrolled in the EMBA program. In addition to weekly classes and organized group work students participated in residence weeks in Autumn 1993 and Spring 1994. Approximately 28,100 student-hours of instruction were delivered in Year 3.

Classroom space was obtained after much delay and difficulty, and a modern up-to-date computer laboratory was established and installed. Many books and subscriptions to journals were provided to the ASE library. An Advisory Board was established and chaired by the General Director of Coca-Cola Services Romania Ltd.

Through its immediate contribution to building a free-market economy in Romania, the ASEBUSS EMBA program is providing important opportunities for U.S. business.

Romanian faculty and administrative staff developed remarkably over Year 3. However, they will need continued support to sustain the major innovations they have made.

Description of Grant Activities

June 1991 - June 1992: Year 1

Romania Contacts Established June 1991

In June 1991 the UW Project Director Douglas Podoll and WSU Project Director Robert Tolar met in Romania with the following officials to establish contacts and plan implementation of grant activities (June-September 1991, p. 2-3)* :

Academy of Economic Studies (ASE), Rector Professor Dr. Ing. Constantin Barbulescu,

Polytechnic Institute of Bucharest (IPB), Rector Professor Dr. V. N. Constantinescu, National Agency for Privatization, State Secretary Theodor Stolojan,

Ministry of Education, Minister Gheorghe Stefan, and

U.S. Embassy, Cultural Affairs Officer Mark Asquino.

University of Washington (UW)

Economics Education and Program Support

The University of Washington had responsibility for Economics Education and Program Support activities. The initial Economics Education program was a series of ten one-week seminars on managing business enterprises conducted by UW faculty. Subject areas covered and faculty included:

Accounting, Professors Lauren Kelley and Peter Dukes,

Economics, Senior Lecturer Paul Heyne,

Finance, Professor Robert Higgins,

Management and Organization, Professors Borje Saxberg and John Butler, and

Marketing, Professor Douglas MacLachlan and WSU Professor James McCullough.

Seminars were held at each campus (ASE and IPB) for students and faculty. (October-December 1991, p. 9) (January-March 1992, p. 8) (April-June 1992, p. 10) These seminars were presented as a first step in introducing a free-market based business curriculum as it operates within a democracy. (July-September 1992, p. 7)

UW faculty Paul Heyne, Senior Lecturer in Economics, and Robert Higgins, Professor of Finance, presented the first two series of seminars under difficult circumstances. Even so, feedback from both Romanian universities about their seminars was very positive. (October-December 1991, p. 9)

Library Development

Mr. Gordon Aamot, UW Director of the Business Administration Library, and Ms. Alice Spitzer, WSU Public Services Librarian, went to Romania to provide support and

* Note: References are to dates and page numbers in Quarterly Reports previously submitted.

development for the libraries at each school (ASE and IPB) and at the Small Business Development Center (SBDC). They assessed the need for, and developed purchase lists for books and other materials. (October-December 1991, p. 11)

Washington State University (WSU) Subgrant

Management Training and Small Business Development Centers (SBDC)

Washington State University had responsibility for the Management Training aspects of the program through the development of Small Business Development Centers (SBDC) at the Academy of Economic Studies (ASE) and the Polytechnic Institute of Bucharest (IPB), and support of the small and medium enterprise division of the National Agency for Privatization (NAP). (April-June 1992, p. 9) Business development counselors were assigned to each institution. They were able to successfully assist the two Romanian institutions to operationalize SBDCs at each campus with a team of Romanian small business counselors at each center. (July-September 1992, p. 2)

Agribusiness Project

A special project in Agribusiness was established at the request of the U.S. Embassy. It was to do training in Romania for the use of an assessment tool to be used in the agriculture commodity area. Assistance was provided by the National Agency for Privatization, and the Ministry of Agriculture and Food -- Department of Privatization. Initial training covered production and marketing of potatoes and beef. (October-December 1991, p. 8)

Overcoming Obstacles in Romania

The economic and academic situations in Romania in 1991 presented many difficulties that had to be overcome in order to get the program underway.

Academy of Economic Studies (ASE)

The Academy of Economic Studies (ASE) is the major economics teaching institution in Romania with a large number of faculties in many specialty areas of business education. The degree of change in the curriculum, teaching materials and teaching methods from December 1989 to 1991-1992 was minimal, with faculty generally more interested in their specialty than in overall integrated business management education. Student enrollments had increased, but the number of faculty had not, and many lacked sufficient English language skills. Early UW and WSU visitors reported a lot of resistance to change. Students reported their dissatisfaction with faculty and curriculum. (October-December 1991, p. 10) (April-June 1992, p. 4)

Polytechnic Institute of Bucharest (IPB), Later Renamed University Polytechnica Bucharest

The Polytechnica is the largest engineering university in Romania. Enrollments had dropped considerably, since it became 'safe' to study areas other than engineering. The Management Science Department was a small department whose faculty had an interest

in overall integrated business management education. They were beginning to develop a business administration degree program and set a goal of developing a School of Industrial Management to restore enrollments, and seemed interested in change. (October-December 1991, p. 9) (April-June 1992, p. 4)

Limited Administrative Support

Both UW Professors Heyne and Higgins were frustrated by the lack of general support equipment, such as copiers for providing Romanian students and faculty with lecture outlines, and facilities, such as adequate classrooms in which to deliver U.S. business school style of interactive teaching. (October-December 1991, p. 10)

Program Administration and Romania Partners

A major difficulty in establishing UW's Economics Education and WSU's Management Training Activities was the strain put on Romanian partners. Most of the Romanian faculty (the trainers being trained) held more than one job, and were often not available for their own training. (April-June 1992, p. 10)

July 1992 - June 1993: Year 2

University of Washington (UW)

School of Business Administration (ASEBUSS) Established within Academy of Economic Studies

The Academy of Economic Studies School of Business Administration (ASEBUSS) was created on 28 January 1993 by the Executive Committee of the Faculty Senate at the Academy of Economic Studies (ASE). The mission of ASEBUSS is to graduate professional managers whose management skills will lead Romania in the process of restructuring and privatizing its economy. This management training is based on applied management skills and on a free market-based economy within a democratic society. (January-June 1993, p. 7)

Previously there had been no educational program in Romania similar to a Master of Business Administration (MBA) degree with its focus on teaching applied business management concepts, knowledge and skills. (January-June 1993, p. 9)

University Polytechnica Bucharest

Discussions continued with the University Polytechnica Bucharest about the possibility of establishing an EMBA program in the Department of Industrial Management, but this possibility appeared to be another year in the future. Two Industrial Management Department faculty traveled to the UW in June 1993, and spent one month developing a proposal working with UW professor Jim Rosenzweig. If continued funding support were provided by USAID, UW faculty could continue to work with the Polytechnica. (January-June 1993, pp. 41-42)

Executive M.B.A. Program (EMBA)

Initial objectives of ASEBUSS included: (1) the development of an Executive Master of Business Administration (EMBA) program to begin in September 1993, (2) improving the library collection to support the EMBA program, (3) develop a computer laboratory to support the EMBA program, (4) develop a copy center for copying class materials, and (5) establishing an Advisory Board with representatives from private firms and government agencies. An EMBA program was chosen for the initial effort, because it had the potential for an immediate contribution to development of the Romanian economy and U.S. business opportunities in Romania. (January-June 1993, pp. 7-8)

Planning and Design of Executive M.B.A. Degree Program

The Executive M.B.A. program at ASEBUSS was patterned after the highly successful EMBA program at the University of Washington in Seattle and other prominent prestigious U.S. Schools. The EMBA degree is well established with over 100 programs throughout the U.S., Western Europe and Australia.

In addition to the EMBA program at UW, programs at Columbia University, University of Chicago, Northwestern University, New York University, Indiana University, University of Illinois and University of California at Los Angeles were used as benchmarks for the design of the ASEBUSS program. Professor Fremont Kast was the chief architect of the UW program, and along with UW Professor Dale Henning, worked with ASEBUSS faculty to design the ASEBUSS program that would meet the needs and resources of Romania.

The EMBA program is a graduate program of two years in duration and is designed for working managers and professionals. Students attend classes all day on alternative Fridays and Saturdays through the academic year from September to June. In addition there are two residence weeks, one in the Autumn and one in the Spring at which students go to school full time. In most cases students' tuition is paid by companies where students are employed as managers and professionals.

UW Professors Kast and Henning traveled to Bucharest in May 1993 to work with ASEBUSS faculty to develop the EMBA program. UW Assistant Professor of Public Affairs Leslie Eliason traveled to Bucharest to work on development of a public administration component. (January-June 1993, pp. 10-41)

Developing a new EMBA program in a school and country that had never before had such programs proved to be a daunting and time-consuming task with myriad things to be considered, planned for, decided and implemented. It is clearly not simply a matter of sketching out a curriculum on a piece of paper.

A partial listing of the tasks required to develop an EMBA program in Romania includes:

- Identify administrative and faculty team that will develop and implement.
- Identify key features of successful U.S. EMBA programs.

- Develop overall design of two-year EMBA curriculum.
- Plan first year in detail.
- Confer with potential faculty team.
- Develop support for Romanian faculty: class materials, summer seminars, etc.
- Obtain and review physical facilities -- classrooms, conference rooms, offices, computer laboratory space, etc.
- Develop student admissions criteria.
- Identify client organizations and potential students.
- Develop marketing plan and descriptive information.
- Develop budgets, tuitions and fees, and faculty salaries.
- Develop administrative organization.
- Counsel Romanian faculty on teaching methods.
- Develop evaluations for student performance.
- Provide for student feedback.
- Determine classroom audio-visual and computer facilities.
- Develop plan for an Advisory Board.

Many of these things which we take for granted in U.S. business schools were new and unknown in Romanian academic culture and in ASE in particular. Professors Kast and Henning devoted many hours to these tasks. (January-June 1993, pp. 10-41)

Library Development

Gordon Aamot, Head of the UW Business Administration Library worked with Romanian faculty and librarians to identify and purchase materials -- books and journals - - acquired for the ASE library. (October-December 1992, pp. 21-27) (January-June 1993, p. 43, Appendix H)

Agribusiness Fair, August 1992

The on-site UW program coordinator, Mr. Tom Wincek, appointed in April 1992, took on as an early project to organize an agribusiness fair modeled after country fairs held throughout the U.S. A Farmer's Fair was held 12 - 15 August 1992 in Curtea de Arges, jointly sponsored by UW and World Emergency Relief, a U.S.A. organization. Seminars were held on 26 agriculture and farming topics. Numerous organizations were enlisted to help in promoting, financing and organizing, including WSU, USAID, Ministry of Agriculture, Coca Cola Company and Apple Computer Company.

The opening was attended by many VIPs, including U.S. Ambassador John Davis, Minister of Agriculture Petre Marculescu, and USAID Romania Representative Richard Hough. On the second day the Prime Minister Theodore Stolojan attended and announced a World Bank Agriculture \$100 million loan to Romania. The fair received extensive media coverage and about 25,000 people attended the fair. After Soros Foundation provided a contribution to get the program started, exhibitors' fees covered nearly all costs, and created revenue of one million lei that was used to upgrade buildings of the local agricultural high school.

This Farmer's Fair is an excellent example of the value of USAID funding support to the UW/WSU program in contributing to development of a market economy in Romania and providing potential opportunities for U.S. business. (July-September 1992, pp. 19-23)

Video Produced on "How to Open a Business with Little or No Money"

In September 1992 a video on "How to Open a Business with Little or No Money" was completed. The 30-minute video was written and produced by a Romanian team recruited by UW. Recognizing that many Romanians felt defeated at the prospect of starting a business because they lacked capital, the video showed interviews with entrepreneurs who had started a business with little or no money. It was shown twice on Romanian TV and also was made available to the small business centers and faculty for use in seminars to provide encouragement and to provide ideas of how others had successfully overcome what seemed like impossible odds for the new business owner. (April-June 1992, p. 13) (July-September 1992, p. 28)

Washington State University (WSU) Subgrant

Management Training

The WSU Management Training Small Business Development Center program was expanded to reach into regions of Romania outside Bucharest and not served in Year 1. The name was changed to Small and Medium Enterprise Centers, SME to conform with International and European designation for such centers. The centers continued to provide services for Romanian clients. (October-December 1992, pp. 1-12)

In February 1993 a subcontract for a Center in Timisoara was completed, which allowed the WSU team to begin training sessions there following a highly publicized grand opening in May 1993. Courses in small business management were presented at the Black Sea University. (October-December 1992, p. 5)

Decision to Separate UW and WSU Activities

On 18 February 1993 and 12 March 1993 the University of Washington (UW) and Washington State University (WSU) informed USAID of their desire to separate their project activities. With the UW project focusing on developing the Executive Master of Business Administration (EMBA) degree program at the Academy of Economic Studies School of Business Administration (ASEBUSS) and the WSU project's continued success with their Small Business Development Centers (SBDC), the number of activities were difficult to maintain through one grant administrator. The subcontracting process proved cumbersome and slow in meeting the needs of WSU activities in Romania. Copies of letters from UW and WSU to USAID are included in Appendix A: Correspondence on Separation of Management Training from Economics Education from UW and from WSU. (January-June 1993, p. 1)

July 1993 - June 1994: Year 3

ASEBUSS EMBA Program Goals

The goals established for the EMBA program are to help actual and prospective general managers acquire in a systematic manner the skills and insights necessary to guide the development and implementation of profitable business strategies. The program stresses the U.S. style of business management educational culture, the application of the theory in the workplace, and an appreciation of the economic political and social forces that influence business decisions at the national and international levels. (January-June 1993, p. 4)

The primary objective of the EMBA program is to provide high quality graduate management education to a select group of experienced, high potential managers and professionals. These managers will lead Romania in the process of restructuring and privatizing its economy. (January-June 1993, pp. 7, 12)

Planned instructional methods are varied and highly participatory. Intensive student effort is required. Both individual and cooperative learning are emphasized in class and in study groups that meet outside of class.

ASEBUSS EMBA Program Autonomy

The EMBA program has organizational and financial autonomy from the Academy of Economic Studies. A bank account was established at the Ion Tiriac Bank in Lei and U.S. dollars and is in the name of ASEBUSS. (July-December 1993, p. 4)

Academy of Economic Studies School of Business Administration (ASEBUSS) MBA Degree

The degree awarded will be a Master of Business Administration Degree conferred by the Academy of Economic Studies School of Business Administration and the Ministry of Education. The degree will be awarded upon successful completion of all courses and payment of all tuition fees. It will be offered by the Academy of Economic Studies in cooperation with the University of Washington School of Business Administration. (January-June 1993, p. 5)

ASEBUSS EMBA Program Was the First in Central and Eastern Europe

The EMBA program at ASEBUSS was, to our knowledge, the first established in any country in Central and Eastern Europe. That it was accomplished in such a short time in the face of extreme administrative, bureaucratic, and economic obstacles is quite

remarkable and a tribute to the faculty and directors at UW and at the Academy of Economic Studies School of Business in Bucharest.

This is significant because of the many and rapid changes in that area since the overthrow of communist regimes in 1989 provide important opportunities to support development of free market economies and democratic societies in those countries.

Romanian Faculty Recruited and Selected for EMBA Program

Good faculty resources were available to launch the first year of the EMBA program with strong support from UW faculty. An initial group of eleven faculty members were identified and selected for the EMBA program. UW Professors Henning and Kast traveled to Romania in May 1993 to participate in faculty selection. Fifteen faculty were interviewed. They were each provided with course syllabi from the UW EMBA and MBA programs and were asked to design appropriate courses for the EMBA program at ASEBUSS. It was reported that these faculty were enthusiastic about working on these courses and teaching in the EMBA program. (January-June 1993, p. 14) (January-June 1994, p. 113)

Most faculty selected had experience in the U.S. Most attended summer seminars at Harvard Business School, Harvard University in the Summer 1992. Some had degrees from U.S. universities, and some had participated in management development programs and Fulbright Research Scholar Programs. Initial faculty, their academic areas and U.S./U.K. experience included the following (January-June 1993, Appendix B):

Eugen Tiganescu, Professor of Macroeconomics, Vice Rector ASE, Fulbright Scholar at Harvard University (1969-1970)

Iacob Catoiu, Professor of Marketing, M.B.A. (1973) and D.B.A (1975) degrees from Indiana University.

Tiberiu Zorlentan, Professor of Management

Marcel Duhaneanu, Professor of International Management, Academic Director of ASEBUSS EMBA program Faculty, Stanford University Executive Program (1992), Harvard University Central and Eastern European Teachers Program (1992), Oxford University Visiting Professor (1991)

Oprea Calin, Professor of Accounting, Vice Rector ASE.

Alexandru Gabriel Corvig, Associate Professor Organizational Behavior and Development, M.B.A. degree from Pittsburgh University (1992).

Ovidiu Dimbean Creta, Professor of Finance, Harvard University Central and Eastern European Teachers Program (1992), Emerging Economies Program University of Pennsylvania (1993).

Oana Eugenia Firica, Lecturer, Harvard University Central and Eastern European Teachers Program (1992), Harvard University General Management Program (1992), M.I.T. program in Operations Management (1993).

Adrian Manaicu, Professor of Accounting, Harvard University Central and Eastern European Teachers Program (1992), Wharton Business School Finance and Accounting Course (1993), Accounting Course University of Kent, U.K. (1993).
 Iona Mirela Gheorghe, Associate Professor of Macroeconomics, International Center for Private Enterprise program in Entrepreneurial Studies, Washington, D.C. (1991).
 Lavinia Rasca, Assistant Professor of Management, , Harvard University Central and Eastern European Teachers Program (1992), Harvard Business School Strategic Management and Organizational Behavior Course (1993).

Romanian Faculty and Staff Training at UW in Seattle

Seven ASEBUSS faculty participated in a USAID Central and Eastern European Teacher's Program at Harvard University, and then traveled to Seattle for ten days in August 1993 to work with UW faculty teaching in their areas of expertise.

Training sessions were in:

- Case method of teaching
- Use of computers as a teaching tool
- Business libraries
- Curriculum Development and Ethics in Business Education
- Cross-Cultural Issues in Adapting U.S. Business Education to Romania

Three ASEBUSS administrators were also in Seattle to work with staff of the UW EMBA program on program administration. ASEBUSS faculty and staff met with UW Romania program faculty and staff to work on issues of leadership and management of ASEBUSS. They also addressed the issues of the viability and sustainability of ASEBUSS and its relationships with the Academy of Economic Studies (ASE) that had been raised by USAID. (July-December 1993, pp. 1-14)

EMBA Program Sustainability

Financially the EMBA program will be supported by tuition. In most cases tuition is paid by companies where students are employed as managers and professionals. These tuition payments will help to insure the sustainability of the program after the conclusion of USAID support. Tuition income will increase as a second class is added in September 1994. (July-December 1993, p. 13)

49 Students Enrolled in EMBA Program

From hundreds of requests for information and materials on the ASEBUSS EMBA program 77 completed applications were received. All 77 applicants were given an entrance examination and had an interview with a committee of ASEBUSS faculty. Fifty students were then admitted and 49 enrolled in the program. (July-December 1993, p. 15)

The initial class reflected a diversity that makes for a strong EMBA program. The initial class had 27 men and 22 women. Students represented a variety of organizations: multinational companies such as Coca-Cola, Deloitte Touche, and Eli Lilly; small Romanian entrepreneurs; public sector managers; and nongovernmental agencies. (July-December 1993, p. 18)

Classroom and Office Space Obtained for EMBA Program

A classroom dedicated to the EMBA program was made available and appropriately furnished after much delay in Spring 1994.

Securing adequate classroom space for the program was one of the more difficult and time-consuming tasks in establishing the EMBA program. Space at ASE was critically short, and the initial classroom available was barely adequate and was not conducive to good student-faculty interactions. (January-June 1994, p. 4, UW Professors Dale Henning and Fremont Kast Report on January 1994 Trip, p. 9)

Executive M.B.A. Program Inaugurated by President of Romania and U.S. Ambassador to Romania

The EMBA program was launched with a joint press conference September 7, 1993, by Romania's President, Ion Illiescu, and U.S. Ambassador, John Davis, Jr. Also present were M. Liviu Maior, Minister of Education, and Professor Dr. Ing. Constantin Barbalescu, Rector of ASE. Mr. Richard Hough, USAID representative also participated. A 30-minute news program was aired on the national TV network, and numerous articles appeared in the press. (July-December 1993, p. 15)

Executive M.B.A. Program Implemented

EMBA Curriculum

The curriculum of the EMBA program was organized around the functions and responsibilities of the general manager. It stressed fundamental fields of knowledge and policy and strategy applications. (January-June 1993, p. 12)

First-year courses included the following subjects: (July-December 1993, p. 27)

- Macroeconomics in a Competitive Environment
- Financial and Managerial Accounting
- Organizational Behavior
- Financial Management
- Macroeconomics
- Statistical Analysis for Managers
- Marketing Management

Planned second-year courses included the following subjects: (January-June 1994, p. 4, UW Professors Dale Henning and Fremont Kast Report on January 1994 Trip, p. 13)

- Management and Organization
- Information Systems for Managers
- The Business Firm, Policy and Environmental Management
- Decision Support Systems
- International Management
- Operations Management and Total Quality Management
- Business Policy and Strategy
- Field Project

Student Profile

The student profile of the EMBA program was much like that of students in successful U.S. programs: students were in their early to mid-thirties, had 10 to 15 years of work experience and several years of managerial experience.

Autumn 1993 Residence Week

The first ASEBUSS Residence Week was held in October 1993 at Sinaia with 48 students in attendance. The goals of the residence week were to:

- Create a role model for academic work and study for the two-year program;
- Develop an interactive teaching method using case studies;
- Develop computer literacy;
- Develop cohesion and team building among the students.

Visiting U.S. faculty were UW Professor John Butler, University of Virginia Professor George Overstreet and University of Tennessee Professor Jerry Fryxell (in Romania on a Fulbright Scholarship). They taught and worked with Romanian students and faculty to develop interactive teaching methods and computer literacy. UW Professor Butler focused on the Role of General Management and integrated computer simulations into his courses. Professor Overstreet exposed the students and faculty to the case method of teaching, focusing on strategic operations and finance decisions. There were several guest speakers, including the head of Coca-Cola Ltd., and the Director of the European Bank for Reconstruction. The first Autumn 1993 Residence Week was highly successful. (July-December 1993, p. 20)

Spring 1994 Residence Week

As planned, a second Residence Week was held in Spring 1994. At the May 1994 Residence Week UW Professors Dale Henning, Fremont Kast and Douglas MacLachlan, and University of Tennessee Professor Jerry Fryxell participated. As with the Autumn 1993 Residence Week, they worked closely with Romanian faculty. As an example, Professor MacLachlan introduced and worked closely with ASEBUSS Professor Iacob Catoiu in the administration of a computer marketing simulation. Feedback from students and faculty indicated that the residence week was very successful and an excellent learning experience for the EMBA students and faculty. (January-June 1994, p.

113, UW Professors Dale Henning and Fremont Kast Report on May 1994 Romanian Trip, p. 3)

UW Professors William Newell, Dale Henning, Fremont Kast and Douglas MacLachlan were in Bucharest for an additional week working with Romanian faculty on development of teaching methods and the curriculum.

Approximately 28,100 Student-Hours of Instruction Delivered in Year 3

Year 3 of the Grant, July 1993 - June 1994 was very productive in terms of instruction delivered. The 46 students in the program put in about 28,100 student-hours of organized work during the first academic year. (170 class hours + 80 hours in group work + 50.5 class hours in residence week = 305.5 hours per student per semester) (305.5 hours per student per semester x 46 students x 2 semesters = 28,100 student-hours). The 44 students completing the second year will have completed approximately an additional 26,800 hours during the second year. Thus, over the two years of the program approximately 54,900 hours will have been completed.

Computer Laboratory Installed

A modern up-to-date computer laboratory was established to support the teaching and research of ASEBUSS faculty and students. Equipment was funded by USAID. UW Professor Andrew Gordon traveled to Romania to work with faculty of the Academy of Economic Studies (ASE) and ASEBUSS to assess their needs and the viability of a computer laboratory at ASEBUSS. After the computers were delivered Professor Gordon traveled to Romania in June 1994 to complete the installation and provide initial instruction for ASEBUSS faculty, students and staff. The computer laboratory will be directed and maintained by an ASEBUSS computer laboratory director who will support the work of ASEBUSS faculty and students. (July-December 1993, p. 18, & Appendix F, p. 6-7) (January-June 1994, p. 66, Professor Andrew Gordon Report on Computer Laboratory Development)

Many complex and difficult issues had to be dealt with in order to develop a successful computer facility, including developing specifications; securing appropriate computer equipment; obtaining laboratory rooms; installing computers, wiring and software; attracting competent support staff, etc. They took considerable time and effort, but in the end it all came together very well.

Reuters On-Line Computer Link Established

In March 1994 Reuters Ltd. announced the opening of "Reuters Open University" with the support of the Romanian Banking Institute and ASEBUSS. It provided members of the Romanian financial community with information and advanced techniques of financial analysis in international markets. Reuters Ltd. also provided ASEBUSS with a terminal and computer link to Reuters on-line financial services. This participation was a direct result of efforts of the on-site UW program coordinator.

ASEBUSS Advisory Board Established

An Advisory Board was established to provide guidance to the program and to improve linkages with the business community. An important aspect of the role of the Advisory Board is to identify and recruit companies to sponsor students for the program. Membership includes heads of business companies in Romania and UW visiting faculty. Mr. Nick Constantinescu, General Director, Coca-Cola Services Romania, Ltd. is chairman. (January-June 1993, p. 5)

Executive Director of UW Romania Program Appointed

In March 1994, Dean Robert Leventhal, Principal Investigator of the USAID grant, appointed Professor William T. Newell to be Executive Director of the program. The intent of this appointment was to bring senior, experienced faculty direction to the program. Professor Newell made three trips to Romania to work with Romanian students, faculty and administrators.

Significance of Grant Activities

Immediate Contribution to Building a Free-Market Economy in Romania

Since the students in the EMBA program already had management experience and held (and continue to hold) significant management positions in key organizations critical to Romania's economy, they are in a position to immediately apply the management knowledge and skills they are learning to make effective contributions to building a free-market economy in Romania.

Significance for Romanian and U.S. Business Activities of the ASEBUSS EMBA Program

The availability locally in Bucharest of a high-quality EMBA program provides educational opportunities for managerial employees of firms operating in Romania. Romania has a population of approximately 23 million. It has much potential as an important free-market opportunity in Central and Eastern Europe.

The management knowledge, skills and abilities of students and graduates of the ASEBUSS EMBA program contribute to the development of a free-market economy in Romania which will provide business opportunities for Romanian and U.S. firms.

Exploitation of these opportunities will have a significant benefit for U.S. business firms and taxpayers. Since several of the students in the first EMBA class are employed by U.S. firms, these students are in a position to contribute directly to the improved operations of those firms.

EMBA Program Immediately Established Relationships with Private Businesses and Government Agencies.

An Executive M.B.A. degree program was chosen for ASEBUSS because it would immediately establish relationships with important private businesses and government agencies. Students in the EMBA program have significant management positions in their organizations, have years of management experience, and are concurrently active managers who are playing a significant role in Romania's economy. (January-June 1993, p. 8)

Parallels Between USAID Program Support to Establish a Business School in Romania in 1993 and Earlier USAID Support to Establish a Business School in Brazil

Professor Dale Henning, UW Professor of Management, and a principal faculty participant in the UW program at ASEBUSS, served earlier in a similar role in the establishment of a management school in Brazil, the Escola de Administracao de Empresas de Sal Paulo da Fundacao Getulia Vargas (the "Vargas School"). It became a pre-eminent business school in Latin America. This school was funded with USAID support and produced graduates who have been leaders in building the Brazilian economy and business community. The payoff to USAID and to American taxpayers has been enormous, and we expect a similar payoff for the support invested in ASEBUSS.

Significance for U.S. Business Activities of the WSU Small and Medium Enterprise Centers (SME) Program

The adaptation of the Washington State University Small Business Development Center (SBDC) Program to the Romania Economy as the Small and Medium Enterprise Centers (SME) Program has made important contributions to Romania small private business enterprises and to Romania's national economy. Small private business enterprises are an essential component of a free market democratic economy. This contribution has helped enhance business, economic, social and cultural linkages between the U.S. and Romania.

Comments and Recommendations

Continued Support Required to Achieve ASEBUSS Sustainability

In order to insure the continuation and sustainability of ASEBUSS and the EMBA program it will be essential that the University of Washington (UW) faculty and program administration continue to provide strong support, encouragement and training to the ASEBUSS faculty. There are many pressures that could cause the Romania faculty to revert back to the old traditional ways of teaching (lecturing, year-end examinations, etc.). This would be a disaster for ASEBUSS and the EMBA program. The major innovations that the faculty have made and that the EMBA represents cannot be sustained without the constant support and encouragement from UW.

The Romanian faculty and administrative staff have developed remarkably over the past year (1993-1994). However, at this stage they are certainly not able to go it alone. It is not just an issue of insufficient financial and other resources. It is also an issue of the tremendous organizational and behavioral changes that this program requires.

This means that it is essential to have continued USAID financial support for a minimum of an additional calendar year from July 1994 through June 1995, and hopefully longer. USAID has made a major investment here and it would be tragic to see it fail because of short-sighted short-term policies that would cut off funding at this critical juncture. (January-June 1994, p. 113, Professor Kast Report on May 1994 Trip, p. 2)

Establish Closer Links to Romanian and U.S. Business Community

It is important that Romanian faculty work continually to establish close links to the Romanian, U.S. and other countries' business communities. Their support will be essential for the permanence and sustainability of ASEBUSS. Much progress has been made in this area, but it is an activity that will need continuous work.

Expand Relationships with Other Universities

It is important that Romanian faculty continue to work to expand their relationships with other major universities in the U.S. and throughout Western, Central and Eastern Europe.

Advisory Board

The ASEBUSS Advisory Board is a vital asset to the school and its program. A good beginning has been made, and further work to expand the board and its support activities will be essential for the continued success of the school. The current chairman, Mr. Nick Constantinescu, General Director of Coca-Cola Services Romania Ltd. in Bucharest, and other executive members have been and will continue to be major assets to the school.

Fiscal Report: Use of Grant Funds

**FINANCIAL STATUS REPORT
(Short Form)**

1. Federal Agency and Organizational Element to Which Report is Submitted US Agency for International Development		2. Federal Grant or Other Identifying Number Assigned By Federal Agency EUR-0029-G-00-1052-00		OMB Approval No. 0348-0059	Page 1 of 1
3. Recipient Organization (Name and complete address including ZIP Code) University of Washington Grant & Contract Accounting 3917 University Ave, NE Seattle, WA 98195 Attn: UW Budget # 68-6278					
4. Employer Identification Number 916001537		5. Recipient Account Number or Identifying Number 68-6278		6. Final Report <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	7. Base <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual
8. Funding/Grant Period From: (Month, Day, Year) 06/07/91		To: (Month, Day, Year) 06/30/94		9. Period Covered by this Report From: (Month, Day, Year) 06/07/91	
10. Transactions:		I Previously Reported		II This Period	
a. Total outlays		0.00		2,622,340.10	
b. Recipient share of outlays		0.00		0.00	
c. Federal share of outlays		0.00		2,622,340.10	
d. Total unliquidated obligations				0.00	
e. Recipient share of unliquidated obligations				0.00	
f. Federal share of unliquidated obligations				0.00	
g. Total Federal share (Sum of lines c and f)				2,622,340.10	
h. Total Federal funds authorized for this funding period				2,646,039.00	
i. Unobligated balance of Federal funds (line h minus line g)				23,698.90	
11. Indirect Expense					
a. Type of Rate (Place "X" in appropriate box) <input type="checkbox"/> Provisional <input type="checkbox"/> Predetermined <input type="checkbox"/> Final <input checked="" type="checkbox"/> Fixed					
b. Rate * SEE REMARKS		c. Base 778,717.26		d. Total Amount 402,279.01	
				e. Federal Share 402,279.01	
12. Remarks: Attach any explanations deemed necessary or info. required by Fed. sponsoring agency in compliance with governing legislative					
RATE	BASE	TOTAL	NET		
49%	479,393.36	234,902.75	1,211,988.36	SUBCONTRACTS	
25%	86,104.74	22,387.23	47,455.50	GRADUATE OPERATING FEES	
65%	213,219.16	144,989.03	181,899.97	EQUIPMENT	
	<u>778,717.26</u>	<u>402,279.01</u>	<u>1,441,343.83</u>		
13. Certificate: I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.					
Typed or Printed Name and Title Ann Anderson, Director, GCA				Telephone (Area code, number and extension) (206) 543-8951	
Signature of Authorized Certifying Official				Date Report Submitted 12/01/94	

Mail to: **AGENCY FOR INT'NTL DEV
PROJECT OFFICE, ENE/EUR
STEPHEN FRENCH
515 22ND ST NW
WASHINGTON, DC 20523-0209**

Contact Person: **Lynn Restrepo
(206) 543-2829**
Standard Form 259A (REV 4-88)
(Facsimile)

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Appendix A:

**Correspondence on Administrative Separation
of Management Training (WSU)
from Economics Education (UW)**

12 March 1993

Mr. Stephen French
Agency for International Development
Bureau for Europe and the Near East
Office of European Affairs, Room 4720 NS
Washington, DC 20523-0069

SUBJECT: Grant EUR-0029-G-00-1052-00

Dear Stephen:

In response to the Fiscal Year (FY) 1993 Guidance for AID Management Training and Economics Education Grants, project leaders at the University of Washington and Washington State University met to develop the most effective approach for FY 93's proposal. The decision was made at that time to administratively separate the Management Training from the Economics Education aspects of the project for Romania. The University of Washington has been responsible for the Economics Education, or degree program curriculum development, activities of the project. Washington State University has been responsible for the Management Training, or small business development, activities of the project.

The small business development components of the Romanian project have developed more rapidly than the curriculum development programs and thus the majority of funds have gone into small business development through a large subcontract to Washington State University and small subcontracts to the new small business centers in Romania. That subcontracting process has proven cumbersome and slow in meeting the needs of our counterparts in Romania and burdensome for administrative staff in the US. Both universities believe that separating the programs administratively will directly address the FY 93 Guidance's request to reduce budgets utilized in the US through much clearer and shorter administrative channels. Enclosed is a copy of the letter that Washington State University faxed to Richard Hough in Bucharest to express their support of this proposal.

I recently spent ten days in Bucharest working closely with the AID Representative in Bucharest, Richard Hough, and our Romanian counterparts to develop the enclosed University of Washington proposal. The proposal is for a "Center of Excellence" at the new School of Business at the Academy of Economic Studies in Bucharest. The Academy has been one of our counterparts since the inception of the program and, as noted in the guidance, is only now taking the first steps to restructure their curriculum for their new role

*School of
Business Administration DJ-10
University of Washington
Seattle, Washington 98195*

TEL (206) 543-8560
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Stephen French
12 March 1993
Page 2

in business education. We are working with a Director of the School of Business and Public Administration and a Vice-Rector, who are former Fulbrighters at Stanford and Harvard respectively, who are working to develop an applied approach to management education. Their initial program will be with working managers through an Executive MBA program. We will continue to provide minimal support to curriculum efforts at the Polytechnica, but there are still forces within the Polytechnica keeping it from a commitment to restructuring their curriculum.

The AID Representative in Bucharest requested that both UW and WSU present him with substantive proposals for support of the Economics Education and Management Training components of the program. Based on those proposals, he is planning to make his recommendations directly to you. Given that fact, you will find two budgets accompanying my program proposal. The first budget is at the "Center of Excellence" level of funding, or \$1 million. The second budget is at the program continuation level (not to exceed 50% of the original funding) should you choose to fund the Management Training aspects of the program at the "Center of Excellence" level and the Economics Education program at a continuation level. **The bottom line for the University of Washington is that we believe that both Economics Education and Management Training in Romania have shown sincere and positive growth over the past 20 months and should receive support through FY 93 funds.**

The University of Washington has made every effort to respect the Guidance for FY 93. It will be obvious as you read our proposal that several hands from the US and Romania have contributed to its authorship. The Rector of ASE and the Minister of Education have both provided letters of support. As your committee reviews the "Center of Excellence" budget, members will note that subgrants directly to ASE's School of Business and Public Administration exceed the total of all Romanian subgrants in the first and second years by over three times. Approximately 15% of program funds are committed to nonexpendable equipment purchases (primarily computers) for ASE and an addition 5% for library materials. All US faculty involved are scheduled for two-month visits, although this will be difficult to accomplish with such short lead time for recruitment. (Richard Virden, USIA in Bucharest, has committed one full-time Fulbright scholar to ASE's School of Business for 1993-94. The Soros Foundation Bucharest office has sent a notice world-wide for visiting faculty to support the new EMBA program.) Indirects are significantly lower than either of the first two years of the program. The accompanying Program Implementation

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Stephen French
12 March 1993
Page 3

Plan addresses the target audiences and contact hours that are utilized by the Koltai Group for evaluation purposes. The Academy of Economic Studies has made a significant commitment to changing the way it trains future leaders of a free market-based, democratic Romania. The enclosed proposal will assist them in building a sustainable program to carry them into the 21st century.

Please do not hesitate to contact me with any questions you may have.

Sincerely,



Douglas F. Podoll, Ph.D.
Associate Director of International Programs

Concurrence

Donald W. Allen, Director
Grant & Contract Services

cc: Dean Robert Leventhal, UW
Richard Hough, US AID Bucharest
Gabrial Diaconescu, ASE
Lyle Anderson, WSU

Enclosures



Washington State University

Small Business Development Center

245 Todd Hall
Pullman, WA 99164-4727
509-335-1576
FAX 509-335-0949

February 18, 1993

Mr. Richard Hough, Director
U.S. Agency for International Development - Romania
American Embassy/Bucharest
Unit 25402, USAID
APO AE 09213-5260

Dear Mr. Hough:

The Washington State University Small Business Development Center is greatly appreciative of the support given its international program by you and members of your staff during the past eighteen months. We fully recognize the accomplishments we have achieved in the MTEE program have been largely a result of inroads made through your office.

As we look to the third year of the project and the guidelines provided by the USAID Washington, we have reached an agreement with the University of Washington to jointly request a revision in Year III administration which should allow both Institutions to more quickly implement program components and thereby fulfill the goals of both economics education (UW) and management training (WSU) within the time-frame of the initiative.

We support the University of Washington request for two separate but approximately equal, contracts from USAID. This will allow each institution to proceed quickly with its proposed program of developing "centers of excellence" without having to coordinate all activities with the other. Cooperation will continue, and it is certainly our intention to assist the UW in any way we can. While the UW plans to pursue an academic center at the Academy of Economic Studies, WSU intends to place its emphasis on a practical application of management principles center at the Polytechnic University of Bucharest. Ms. Katie Reikofski can provide you with a copy of the basic outline of our Year III proposal.



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Spokane, WA 99204-2318
509-335-2300

1403 First Street
Spokane, WA 99204-0300
509-335-2700

650 Pacific Avenue
Suite 500, Box 1933
Tacoma, WA 98401-1933
206-272-7232

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Mr. Richard Hough
Page 2

The separation of the contracts will remove from the University of Washington the added burden of administering a project component which is separate from their main thrust, and at the same time will allow the WSU program to quickly implement program components without having to wait for subcontracts to be written at the University of Washington.

This joint request by the University of Washington and WSU SBDC should not be interpreted in any manner as a desire to no longer cooperate, but rather as recognition of an administrative change which can only benefit the overall project, the country of Romania, and all institutions involved. The cooperation between the UW and WSU has been strong and beneficial. The need to complete the project during the 1993-94 year really requires the change we are jointly requesting.

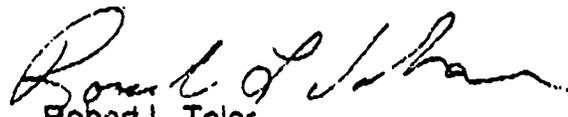
Third year request will be for program continuation at 50% of the first year funding plus \$1 million Center for Excellence funding for the two projects, or a total of \$1,588,069. More detailed information than provided in the two page overview (see Katie Reikofski) will naturally be included in the full proposal.

Again, thank you for the wonderful support given us by you, Mac Ivan, Bill Carter, et al. We look forward to at least another 18 months of our close working relationship -- hopefully much longer, for you know Washington State University as a whole has made a commitment to work in Romania in a variety of programs.

Warner Wong sends his regards.

Sincerely,


Lyle W. Anderson
State Director
Washington SBDC


Robert L. Tolar
Coordinator
SBDC International Programs

LA:lf

ULTR93048

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Appendix B:

Letters of Support for ASEBUSS

Liviu Maior, Romanian Minister of Education, May 17, 1994.

Professor Dr. Ing. Constantin Barbalescu, Rector, Academy of Economic Studies (ASE), May 17, 1994.

Professor Thomas Piper, Senior Associate Dean, Graduate School of Business Administration, Harvard University, to Ambassador John Davis, July 26, 1994.

**ACADEMY OF ECONOMIC STUDIES
SCHOOL OF BUSINESS (ASEBUSS)**

15-17 Calea Dorobantilor Room 405 - CESBUSS, Research Center
Bucharest, Romania 71131
Telephone: 40-1-312-5938/40 Fax: 40-1-312-5934

May 17, 1994

Mr. Stephen French
Management Training and Economics Education
for Central and Eastern Europe
United States Agency for International Development
Washington, D.C., USA

Dear Mr. French :

I am pleased to write to you in connection with a project of collaboration with the U.S.A. Last year at this time, I wrote to His Excellency, John Davis, Jr., United States Ambassador to Romania, regarding the business education project at the Academy of Economic Studies. Through the generosity of the United States Agency for International Development, and the efforts of the University of Washington, the Academy of Economic Studies (ASE) inaugurated the first Executive Master of Business Administration program in Romania.

That new program is a corner stone for the new curriculum of business education that Romania hopes to see offered throughout our country. The Academy's School of Business Administration and Public Administration (ASEBUSS) has selected a core group of it's own faculty, nearly all of whom have U.S. training experience through Fullbright programs and U.S. Agency for International Development sponsored programs, to lead in the development and teaching of the program. They are now prepared to expand their work into Executive Education seminars and a Master of Business Administration degree program. This is a model that Romania appreciates and hopes to emulate throughout our nation. I was pleased to learn that the proposal for continued cooperation between the University of Washington and the Academy of Economic Studies also includes an annual Seminar on Business Education that will be open to ASEBUSS' colleagues throughout Romania and our neighboring countries.

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The Ministry of Education again offers its assistance to the program of collaboration between the Academy of Economic Studies and the University of Washington throughout all of its stages. We will provide administrative and logistical support whenever it is needed.

I kindly ask the U.S. Agency for International Development to give the Academy of Economic Studies and the University of Washington proposal careful consideration for the continued financial support necessary to bring ASEBUSS' programs of free market-based, business education to maturity. Please accept the expression of my highest consideration.

Yours sincerely,

Liviu Maior
Minister

cc: Constantin Barbulescu, ASE
William T. Newell, UW



MINISTERUL ÎNVĂȚĂMÎNTULUI
ACADEMIA DE STUDII ECONOMICE
DIN BUCUREȘTI

Plața Romană Nr.6 -R-70167 BUCUREȘTI -Oficiul poștal 22 Tel. 611.59.60; 611.06.10. Telex ASERO-11003 Fax 401/312.95.49.

May 17, 1994

Mr.Stephen French
Management Training and Economics Education
for Central and Eastern Europe
United States Agency for International Development
Washington, D.C., USA

Dear Mr.French :

It is with pleasure that I again address a representative of the United States Agency for International Development in support of a project proposal authored by the School of Business Administration at the University of Washington. It was in December 1990 and March 1993 that I last did so. That 1990 letter initiated the Academy of Economic Studies commitment to the Management Training and Economic Studies Program for Romania. That program has become an integral part of the Academy, and its coordinating institution, the University of Washington, important colleagues of the Academy in its transition to a free market-based institution of higher education.

As the Rector of the Academy of Economic Studies, I have had the pleasure of observing the maturation of our relationship with the University of Washington. This past October I strengthened the leadership of the Academy's team by asking Professor Dr. Eugen Tigănescu, Vice Rector for Research to serve as the Executive Director for the Academy's School of Business Administration and Public Administration (ASEBUSS). This past March, the University of Washington also appointed an Executive Director to work hand-in-hand with Professor Tigănescu, Professor William T.Newell. The University of Washington's Project Director, Dr. Douglas Podoll, who reports to Professor Newell, continues to build on the over three-year-old relationship he has with the Academy through our program's Academic and Administrative Directors, Professor Marcel Duhaneanu and Professor Adrian Manaicu.



MINISTERUL ÎNVĂȚĂMÎNTULUI
ACADEMIA DE STUDII ECONOMICE
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That strong leadership team has built the first Executive Master of Business Administration program in Romania. Its success is measured through the high caliber of participants representing Romania-based businesses and government agencies as diverse as Romania's Ministry of Finance, the US's Coca-Cola Company, and a small Romanian entrepreneur who manufactures electrical measuring devices. The Academy of Economic Studies has given ASEBUSS the authority to establish its own bank accounts and finance while maintaining the full support of the Ministry of Education. With that sound foundation, we can now move forward in support of our joint plans to initiate Executive Education and Development programs, and a two-year Master of Business Administration degree program with an optional public administration track.

It has been a difficult road to travel as Romania and the Academy of Economic Studies emerge from the decades of a controlled economy and a curriculum lacking studies based on a free market economy. We thank you for the assistance that your Agency has provided us through our partnership with the University of Washinton and request that you allow us to maintain that relationship for another four years. At the end of that time, I am confident that over the long run the Academy's School of Business Administration and Public Administration will be able to sustain its programs through tuition revenues.

Sincerely,

Professor Dr.Ing.Constantin Barbulescu
Rector

HARVARD UNIVERSITY
GRADUATE SCHOOL OF BUSINESS ADMINISTRATION
GEORGE F. BAKER FOUNDATION

THOMAS R. PIPER
*Senior Associate Dean for
Educational Programs
Industrial Bank of Japan
Professor of Finance*

SOLDIERS FIELD
BOSTON, MASSACHUSETTS 02163
617-495-6370
FAX: 617-496-8443

July 26, 1994

Ambassador John Davis
American Embassy
Bucharest, Romania

Unit 25042
APO AE 09213-5260

Dear Ambassador Davis,

I write to encourage your continued support, through USAID, for the excellent work of the University of Washington at the Academy of Economic Studies in Bucharest. The steady, constant guidance by Tom Wincek and his on-going presence contribute substantially to the likelihood of success. Certainly, he has been a very significant factor in our decision to support the Academy by inviting a number of its faculty to Harvard and by providing use of all of our teaching materials at no charge.

The establishment of a strong business school in Romania is of critical importance. The transition to a market economy depends on the development of thousands of managers with knowledge, skills and beliefs very different from those valued in the past. These needs far outrun the capacity to send students to the West. This reality, coupled with language considerations and the need to adapt management education to the specific challenges of transition, argue strongly for the development of schools of management in Romania.

Many business schools will spring up. Most will be born of opportunism and will contribute little, if at all, to the development of business leaders of competence and integrity. That is true in Western Europe and North America and the yellow warning flags are already clearly visible in Central and Eastern Europe.

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July 26, 1994

What is needed is the establishment of a school that is committed to high quality standards; for such a school will provide an example of institutional excellence and will exert competitive pressure on other schools to improve their quality. That is what is so important about the efforts by Rector Barbelescu at the Academy of Economic Studies.

The establishment of an outstanding school of management is a demanding task that requires courageous leadership for a sustained period -- leadership characterized by a clear vision that connects to the special circumstances confronting managers and enterprise in Romania. It requires a strong commitment and unwavering integrity in the pursuit of that vision; an unwillingness to compromise quality; and a willingness to do the unusual... to lean against academic traditions and academic "respectability". It is often necessary to not take the path of least resistance.

The University of Washington, in the person of Tom Wincek, has been an important guide and stabilizer. As I mentioned at the outset, our commitment of Harvard resources has been favorably influenced by their active presence. I hope that you will support their request for continued USAID funding.

Yours sincerely,

Thomas R. Piper

TRP/rc

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