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PEACE CORPS

New Programs in Former Eastern Bloc Countries Should Be Strengthened





United States
General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

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December 19, 1994

The Honorable John Conyers, Jr.
Chairman, Legislation and National
Security Subcommittee
Committee on Government Operations
House of Representatives

The Honorable Lee H. Hamilton
Chairman, Subcommittee on Europe
and the Middle East
Committee on Foreign Affairs
House of Representatives

As you requested, we reviewed the Peace Corps' processes and procedures for starting programs in Central and Eastern Europe and the states of the former Soviet Union. Specifically, our objectives were to determine whether (1) the Peace Corps' new country entry planning and staffing procedures were adequate; (2) the Peace Corps provided volunteers adequate assignments, training, and other support; and (3) the expansion into the former Eastern bloc came at the expense of programs in other regions. To make this assessment, we visited Poland, Bulgaria, Russia, and Uzbekistan.

Results in Brief

The Peace Corps has comprehensive, sound written procedures for planning, introducing, and implementing new programs and preparing volunteers for entry into countries around the world. However, in its eagerness to meet the mission set out by the President and the Congress to help the former Eastern bloc countries, the Peace Corps truncated or overrode its normal procedures and launched programs prematurely. As a result, the Peace Corps faced serious difficulties that limited the programs' effectiveness in those countries. The four programs we examined had very difficult beginnings. The programs were poorly designed, and volunteers did not receive the guidance, support, or well-conceived assignments they were led to expect. The Peace Corps suffered a high rate of staff turnover and early returns of volunteers. As a result, the programs' developmental impact in these countries was impaired.

Peace Corps officials acknowledged the problems and have taken actions designed to overcome them; however, it is too soon to determine how effective these actions will be.

The Peace Corps programs in the former Eastern bloc were not undertaken at the expense of programs in other regions. Funding and staffing in other countries did not appear to be affected by the new programs.

Background

The Peace Corps was created in 1961 to help countries meet their needs for trained manpower.¹ In addition, it was meant to provide a new expression of U.S. character and foreign policy—an idealistic sense of purpose and a means of countering the expansion of communism throughout the world. It was anticipated that through contact at the grassroots level, Peace Corps volunteers would help promote a better understanding of the American people, who in turn would better understand cultures of other peoples.

The end of the Cold War presented the Peace Corps with an historic opportunity: For the first time, the countries of the former Eastern bloc became open to Western economic and technical assistance. In July 1989, the President announced that Peace Corps volunteers would teach English in Hungary. Shortly thereafter, new programs were started in Poland and Czechoslovakia, then successively throughout Central and Eastern Europe. In December 1991, the Secretary of State announced that he would like to see at least 250 volunteers placed in the states of the former Soviet Union by the end of 1992. From 1989 through 1993 the Peace Corps established 18 new country programs throughout Central and Eastern Europe and the former Soviet Union.

During this period of expansion into Europe and Central Asia, the Peace Corps also opened or reopened 20 new programs in Africa, Asia, and Latin America.² Together, these new programs raised the total number of countries served by Peace Corps to 93—an increase of 43 percent since 1989. These new country programs represent the largest increase of new programs since the first years of the agency's existence.

Peace Corps programs in the former Eastern bloc countries were selected in consultation with the host governments and in concert with the Department of State, which is responsible for coordinating U.S. assistance

¹The Peace Corps was initially established under Executive Order 10924, March 1, 1961. The Peace Corps enabling legislation (22 U.S.C. 2501, et. seq.) was signed into law on September 22, 1961.

²In the Peace Corps' history, it has closed numerous programs because of civil strife or political developments, as recently occurred in Rwanda, Burundi, Yemen, and Sierra Leone. Once a country's political situation stabilizes, the Peace Corps often reenters the country.

to the region. The Peace Corps concentrated its development assistance in the region in three program areas: the Teaching English as a Foreign Language (TEFL) program; a small business development program, which provided technical assistance in such areas as privatization, marketing, management, and business education; and a program in the environmental sector to promote environmental awareness and education.

During fiscal year 1993, an average of 665 volunteers served in former Eastern bloc countries. The volunteers serving in this region are, on average, older and more experienced than the average Peace Corps volunteer. The average age of all Peace Corps volunteers is 32. The average age of volunteers serving in the region is 37, with small business development volunteers averaging 40 years of age. In addition, many of the business volunteers hold advanced degrees and have significant work experience.

The Peace Corps Has Adequate Guidelines for Starting New Country Programs

The Peace Corps policy and procedures manuals describe numerous, often interdependent steps for opening new overseas posts. These manuals are generally comprehensive and sound and, if followed, should result in effective programs. The Peace Corps' Policy Manual, for example, identifies the following as necessary steps:

- consulting with host country officials, assessing a country's needs, and determining which Peace Corps programs can best address those needs;
- negotiating agreements with host country officials regarding the Peace Corps and host country services and support to be provided;
- recruiting and selecting country staff;
- establishing administrative support services, including obtaining office space and medical and banking services;
- identifying and developing volunteer work sites;
- identifying and recruiting volunteers in the necessary numbers and with the requisite skills to implement country program plans; and
- designing and conducting in-country technical, language, health and safety, and cross-cultural training programs to prepare volunteers for their assignments.

The Peace Corps' newly developed Programming and Training System (PATS) manual provides additional guidance for starting new volunteer projects. This manual defines project criteria, field staffs' efforts with host country and other foreign assistance agencies to identify and define the

scope of work for individual projects, and volunteers' training, placement, and support.

Peace Corps guidance also provides information on the sequencing of various steps in the program development process. For example, consultations with host country officials on a country's needs should precede an assessment of those needs; country agreements should be completed and signed before the country office is established and opened and staff arrive; and project identification and development and volunteer training programs should be in place before the volunteers' arrival.

Peace Corps Experienced Problems Because It Did Not Follow Procedures

In its attempt to quickly begin programs in Central and Eastern Europe and the former Soviet Union, the Peace Corps often did not follow its established guidance when starting its programs. Many of the steps necessary to introduce effective programs were rushed, done superficially, or not done at all. Consequently, many of the new programs we examined were poorly designed and faced a host of other problems, including the lack of qualified staff, the assignment of volunteers to inappropriate or underdeveloped projects, insufficient volunteer training, and volunteer support systems that did not work. These problems frustrated many volunteers who had joined the Peace Corps to contribute to the region's development and contributed to a relatively high resignation rate among the volunteers.

Program Designs Were Poorly Done

The Peace Corps relied on consultants or staff who lacked adequate cultural or language knowledge to develop sector plans. These personnel were often under pressure to work quickly and did not have time to learn about local conditions or cultivate a common understanding with host country officials. For example, the Peace Corps assigned a staff person on temporary duty from the Philippines to design its environment program in Poland, even though the person did not know the language and had no previous experience in the region. As a result, the program's design did not address Poland's environmental goals or have much impact. In another case, a consultant for the Peace Corps designed Russia's Far East small business program without traveling to the region to assess its business situation.

Once drafted, sector plans were not systematically reviewed by senior Peace Corps management officials on a timely basis. Peace Corps personnel who normally provide technical support to country programs

told us that they were usually left out of the review process. When reviews did take place they were often cursory or were done after volunteers were already in the country. For example, Russia's small business project plans were not reviewed by the Peace Corps' technical support officials until several months after volunteers were at their sites. These critiques identified a number of gaps in the planning process, such as the failure to identify assignments before volunteers were placed at sites. This later turned out to be a critical problem. Finally, the Peace Corps' senior management did not formally approve country program plans prior to their implementation.

We were told that the Peace Corps' regional directors are ultimately responsible for ensuring the adequacy of country program plans in their regions and are given significant authority and autonomy to ensure that their programs are effectively managed. However, they often did not carry out this responsibility, and management oversight of the country programs we visited appeared to be minimal. For example, the Peace Corps sent small business development volunteers to Uzbekistan despite the fact it had not developed a business program. In Poland, the small business program designed and implemented in 1991 was not approved until 1994.

Peace Corps management officials told us that some newer programs required greater management support from Washington than others, and in February 1993, Washington staff began playing a direct role in managing certain problem programs in the former Soviet Union. They said actions taken included delaying the entry of volunteers into some programs to give staff more time to prepare; making staff changes; and instituting initiatives to strengthen training, programming, and staff support.

Insufficient and Unprepared Staff

Peace Corps policy manuals require that programs be sufficiently staffed in order to properly plan volunteer assignments and support volunteers at their sites. However, the Peace Corps did not always provide adequate numbers of staff to open new posts and did not assign sufficient staff to countries once the programs were underway. Compounding the problems caused by inadequate staffing was the short lead time the Peace Corps had to prepare for the arrival of the large number of volunteers assigned to the region.

The Peace Corps' recruitment of staff for these new country entries was reactive. The Peace Corps' recruiting efforts largely consisted of sending announcements of vacancies to a few publications and foreign affairs

associations. The Peace Corps also relied on former volunteers and staff from other countries to fill its staff positions.

The quality of the staff was uneven in Central and Eastern Europe and the former Soviet Union countries. The Peace Corps often assigned staff that had prior Peace Corps experience but did not have necessary language skills. Also, some staff and consultants lacked the necessary cultural knowledge and technical skills.

The Peace Corps' staff training was also inadequate. Many of the staff we interviewed said they did not receive any training until after they started their assignments. In addition, staff we spoke with said that what training they received after they started their assignments was too general in nature and failed to prepare them for the particular challenges of their posts. Many of the staff we met told us they had little knowledge of the local language and culture before they arrived, which they said significantly hindered their effectiveness.

Peace Corps staffing data indicates a pattern of shortages and turnover throughout the region, as illustrated in the following examples:

- Country directors resigned or were terminated within the first year in 3 of 4 countries we visited and in 9 of 18 country programs in the region. The Bulgaria program had four country directors and one acting director in a 20-month span.
- Three of the four countries we visited did not have an Associate Peace Corps Director (APCD) for their small business programs until after the volunteers arrived in country. In Poland, the small business APCD arrived 18 months after the first business volunteers arrived. In Bulgaria and Uzbekistan, there was no small business APCD for 6 months or more while volunteers were in the field.
- In Poland, the first APCD for the TEFL program was responsible for developing assignments for 60 volunteers, when the normal staff ratio is one APCD for approximately 30 volunteers.
- At the time of our fieldwork, many country programs in the region had other staff vacancies, including positions in Russia and Uzbekistan that had been vacant for over a year.

The Peace Corps gave several reasons for having insufficient staff. First, the Peace Corps had already reached its overall staff ceiling established by the Office of Management and Budget. Second, in some instances the State Department restricted the number of U.S. personnel allowed into a

country. For example, the Peace Corps was restricted to managing its three Baltic programs—Estonia, Latvia, and Lithuania—from a central office in Latvia. Third, the Peace Corps had difficulty attracting qualified candidates to fill a number of its staff positions.

Peace Corps officials attributed the high staff turnover to two factors. First, the Peace Corps did not have enough lead time to recruit, prepare, and place staff in the field before the volunteers arrived. Once staff arrived, they had to accomplish too many tasks in a short amount of time, which led to frustration and burnout. Second, some staff were not a good match for their assignments and lacked the necessary skills and temperaments for the job.

Problems in Providing Volunteers With Support and Well-Developed Assignments

The Peace Corps did not provide adequate assignment programming and other support for volunteers in the countries we visited. In many cases, volunteer sites were not visited, assignments were ill-defined, and host-country sponsors were not identified. Host country officials were often uncertain what the Peace Corps' goals and philosophy were, what volunteers had to offer, and what the Peace Corps expected of host country officials. In addition, sponsors did not provide what they committed to provide, such as housing, office space, and counterparts, because they lacked a clear understanding of their roles and had no written agreements. These problems eventually led many volunteers to change their assignments or leave the Peace Corps early.

Designing adequate assignments for its volunteers has been a long-standing Peace Corps problem. In 1990, we reported that, worldwide, many volunteers had no positions or were underemployed, were forced to develop their own assignments, or did not receive host government support—problems we first reported in 1979.³ We recommended in 1990 that the Peace Corps establish procedures to improve the planning and development of volunteer assignments and projects. In response to our recommendation, the Peace Corps developed the PATS manual to improve its programming efforts. The manual states that all sites are to be visited and surveyed and that the roles and expectations of the local people should be clarified 3 to 6 months before volunteers arrive for training. The scope of this review did not include a worldwide evaluation to determine whether the Peace Corps' actions corrected the assignment problems in

³Peace Corps: Challenges of the 1990s (GAO/NSIAD-90-122, May 18, 1990) and Changes Needed for a Better Peace Corps (GAO/ID-78-26, Feb. 1979).

other areas; however, site identification and development problems persisted in each of the four countries we visited.

In Poland, over one-half of the first small business volunteers were moved to new assignments because of insufficient staff work on site placements and project design. These assignment problems have persisted, as some small business volunteers of subsequent groups have had difficulties finding meaningful positions. Volunteers assigned to work in the environmental sector were largely unemployed because the Peace Corps had not developed project plans that were accepted by Polish officials. Volunteers assigned to teach English in secondary schools told us that their schools had large numbers of skilled English teachers and that it was hard to justify their continued presence in the schools.

In Bulgaria, half of the first class of small business volunteers left early due to frustrations over their assignments. The centerpiece of the Peace Corps' small business program was to be the creation of regional resource centers where volunteers would provide information and advice to local businesses. However, the centers lacked local sponsorship and an independent funding source. This left the volunteers unsupported and forced them into fund-raising activities. According to the volunteers, office equipment and supplies needed to set up the centers did not arrive until some volunteers were already halfway into their 2-year assignment. Over 25 percent of the first TEFL volunteers had to be reassigned because sponsors had failed to provide them adequate housing or teaching positions. Although generally positive about their experience, many of the TEFL volunteers we spoke with questioned their placements, since their schools had large numbers of capable English language teachers.

The Peace Corps also experienced some of the same difficulties in Russia that we saw in other countries. The main problem in Russia was a lack of local government officials' understanding of and commitment to the program and the Peace Corps' inability to provide volunteers with business equipment and other support. These factors, coupled with frustrations over undefined assignments and lack of housing, contributed to the departure of 30 percent of the volunteers within the first year. Local officials expected the Peace Corps to staff and equip sophisticated business centers, speak Russian proficiently, and attract joint ventures. When these expectations did not materialize, their support for the volunteers declined. Nonetheless, according to the Peace Corps, local officials continue to request more volunteers.

Of the four countries' programs we reviewed, Uzbekistan's program experienced the most difficulties. Half of the volunteers left the program within their first year of service, and of the volunteers that remained, over half had their sites changed due to harassment by the local population, the lack of viable assignments, or the failure of sponsors to follow through with commitments to provide housing. Many volunteers were sent to sites that were not visited by Peace Corps staff. The Peace Corps failed to design a business program, and the business volunteers were thus forced to develop their own assignments. The TEFL volunteers were sent to their sites in March—near the end of the school year—and had to wait until September to start their teaching assignments. The TEFL volunteers' situation was made worse when the preservice training instructor quit and was not replaced. Some of the volunteers told us they were struggling because they lacked the necessary technical training and experience to be in a classroom. Many of the volunteers told us they had made little impact because much of their time was spent finding a meaningful assignment or adequate housing.

The size of a program also affected assignment programming. The Peace Corps' rule of thumb for programs is that each APCD should manage about 30 volunteers. The Poland and Hungary programs started with a ratio of one APCD to 60 volunteers. Overall, the programs in Central Europe and the former Soviet Union averaged over 35 volunteers in their first year.

Problems in Volunteer Training

The Peace Corps' procedures call for the training of volunteers so that they can effectively carry out their assignments. The Peace Corps is expected to provide information to volunteers before their departure and intensive preservice training after they arrive in the country. This training is supposed to help volunteers serve and work effectively and has four components: language, technical, cross-cultural, and personal health and safety. Language training is to provide volunteers with reasonable proficiency to function effectively in their assignments. The technical training strategy is to teach job skills within a cultural context in conjunction with language and social customs.

Many volunteers said that their language training did not prepare them for their assignments. The languages of the region are difficult to learn, so the Peace Corps officials said they focused on improving language training in the region. Nonetheless, most business and environment volunteers we interviewed said that their language skills were not sufficient to perform their jobs and the language training lacked job-related terminology. As a

result, to perform their work, many of them were relying on interpreters. Some of the volunteers we spoke with in Uzbekistan were trained to speak Russian and Uzbek but were assigned to cities where the Tajik language is predominant. TEFL volunteers fared better because they were expected to speak English and did not have to rely on their language skills to function in their assignments.

A common theme struck by the small business volunteers we spoke with throughout the region was that their technical training had little relevance to their assignments. The Peace Corps trainers taught basic U.S. business practices, which were of little use to many volunteers who already had degrees in business, accounting, and law and years of practical business experience. These volunteers said they needed to know how to adapt their expertise to local situations, but their trainers had no knowledge or appreciation of local conditions. Some of the TEFL volunteers we spoke with told us that their technical training did not prepare them for their teaching assignments.

The volunteers we spoke with told us the cross-cultural training they received generally prepared them for living and working in a new culture. However, the volunteers in rural and small urban areas in Uzbekistan told us that they were totally unprepared for the physical and verbal harassment westerners, especially women, received. Many women volunteers in rural and small urban areas in Uzbekistan were targets of physical and verbal assaults, including beatings, fondling, and rock throwing. As a result several volunteers left early. The remaining women volunteers were relocated to larger, safer cities.

The Peace Corps had trouble providing support to volunteers once they were at their sites. The main causes for the lack of support to volunteers were the shortage and turnover of staff and the lack of adequate resources. The unsettled staffing situation pressed Peace Corps missions to operate in a crisis-response mode. This crisis mode did not permit adequate time for dealing with volunteer issues in the field. Volunteers we spoke with told us it was generally up to them to solve any problems related to their assignments or living situations.

Despite Problems, Volunteers Generally Believe They Are Having Some Positive Impact

Despite the programming problems and the lack of preparation and support, many volunteers told us that they were often able to find meaningful work on their own initiative and generally believed they were making some positive impact. Also, according to several U.S. assistance and private voluntary organization officials, volunteers are a low-cost means to provide assistance to the region, and host country officials appreciate Peace Corps support. Various officials said the region needs the long-term technical assistance the Peace Corps provides.

Officials of other assistance agencies told us that Peace Corps volunteers generally worked well with them. Since the Peace Corps has volunteers at the grassroots level, the U.S. Agency for International Development, the U.S. Information Agency, the U.S. and Foreign Commercial Service, and U.S.-funded private voluntary organizations, among others, often relied on volunteers to provide advice and identify suitable development projects, exchange students, and business ventures.

Peace Corps' Efforts to Address Problems in the Region

Top Peace Corps officials acknowledged that the agency had difficulties introducing programs in Central and Eastern Europe and the former Soviet Union and told us they are taking steps to address them. They said they are taking precautionary measures to ensure better planning and preparation for future programs and actions to address problems in existing programs.

According to Peace Corps officials, the schedule for introducing programs into the region was overly ambitious, both in terms of time to adequately develop the programs and the funding and staff resources to support them. They said that future programs would be more thoroughly planned before their introduction and better supported when introduced. They also said additional emphasis would be placed on developing individual volunteer assignments and volunteer support programs.

In conjunction with this increased emphasis, the Peace Corps' office of Europe, Central Asia, and Mediterranean (ECAM) operations, which is responsible for managing country programs in the former Eastern bloc, recently clarified its planning, review, and approval processes and made them policy. ECAM also plans to request input from technical advisors when designing new volunteer projects and will develop program plans prior to sending volunteers to a country.

The Department of State provided the Peace Corps fiscal year 1994 supplemental funding, which was being used to stabilize new country programs in the region. The funds were used to contract for additional consultants to help strengthen ongoing programs, among other things. The funds will also be used to place more staff in programs in the region. In addition, a recently completed Peace Corps evaluation recommended improvements in staff hiring and support practices, and a special recruitment effort was underway at the time of our review to increase the pool of small business staff candidates.

The Peace Corps was also revising and testing its overseas staff development training curriculum and expanding staff training in the field. Officials said the revised curriculum would be fully developed and operational by April 1995. In addition, ECAM has hired additional staff to increase the time volunteers devote to language training, is developing additional language materials, and is making technical training more specific to the country.

Peace Corps' Expansion Into the Former Eastern Bloc Was Not at the Expense of Other Regions

The Peace Corps' entry into the former Eastern bloc did not appear to adversely affect staffing and financial resources for programs in the African, Asian and Pacific, and Inter-American regions. During fiscal years 1990-94, the Peace Corps received incremental budget increases to facilitate the start-up of new programs. In addition, in fiscal year 1994, the Department of State transferred \$12.5 million to the Peace Corps to develop and stabilize its new programs in the former Soviet Union. For fiscal year 1995, the Peace Corps has requested \$11.6 million from the State Department for these programs. Table 1 shows the Peace Corps funding for fiscal years 1989-95.

Table 1: Peace Corps Funding

Dollars in millions			
Fiscal year	Annual appropriation	Transferred from State	Total
1989	\$153.5	0	\$153.5
1990	165.6	0	165.6
1991	186.0	0	186.0
1992	197.0	0	197.0
1993	218.1	0	218.1
1994	219.7	\$12.5	232.2
1995	219.7	11.6 ^a	231.3

^aThis is the amount requested by the Peace Corps.

According to the Conference Report on the fiscal year 1995 appropriations act, the Congress expects that the State Department will transfer funds to the Peace Corps to cover the full cost of its fiscal year 1995 operations in the newly independent states of the former Soviet Union.

During expansion into the 18 countries in Central and Eastern Europe and the former Soviet Union, the Peace Corps also started 20 additional programs in the rest of the world and closed or suspended 10 programs, for a net increase of 28 country programs.

From fiscal year 1989 through 1993, Peace Corps direct-hire staff increased by 10 percent, from 1,071 to 1,183. Our review of staffing allocations indicates that the African and Inter-American regions received staffing increases of 4 and 9 percent, respectively, during this period, and staffing in the Asian and Pacific region decreased by 10 percent. According to the Peace Corps, if the new Europe, Central Asia, and Mediterranean region and its new posts were excluded, the number of fully active posts would have increased from 52 to 66, a 27-percent increase, and the direct hire staff equivalent would have increased by 18, a 3.4-percent increase. The Peace Corps' Washington staff levels remained relatively constant during this period.

As the number of Peace Corps programs increased during the period, the average number of volunteers serving in countries worldwide decreased. From 1989 through 1993 the total number of volunteers increased from 5,185 to 5,351 (approximately 3 percent). Thus, with the net addition of 28 new programs, the Peace Corps added 166 volunteers. During this period, the average ratio of volunteers to country programs decreased from 80 to 57. (Twelve of the new programs did not begin until fiscal year 1993. Because the Peace Corps' policy is generally to phase in the agreed-upon contingent of volunteers over a 2-year period, 11 of the 12 programs had only half their volunteer contingents in place in 1993.⁴ (See table 2.)

⁴The 11 countries were Madagascar, Zambia, Kazakhstan, Kyrgyzstan, Moldova, Turkmenistan, Ukraine, Russia, Armenia, Uzbekistan, and El Salvador. In the 12th country, China, the full complement of 18 TEFL volunteers entered in 1993.)

Table 2: Average Number of Volunteers in a Country Program in Each Region

Fiscal Year	Africa	Asia and Pacific	Inter-American	ECAM	Worldwide
1989	76	67	100	0	80
1993	61	44	78	39	57
Change	-15	-23	-22	+39	-23

Peace Corps officials attributed the reduction in the average number of volunteers per country to factors other than the initiation of programs in the former Eastern bloc. For example, programmatic assessments made prior to 1990 had already suggested reductions of over 250 volunteers in Central America and the Caribbean (Belize, Costa Rica, Guatemala, Honduras, Jamaica, and Haiti). Also, 600 positions became available with the closure of three large programs (Liberia, the Philippines, and Zaire) and the temporary suspension of 11 other programs for safety and security reasons.

Recommendations

Notwithstanding the Peace Corps' earlier development of the PATS manual and its current initiatives, we recommend that the Director of the Peace Corps ensure that the written procedures are followed so that (1) program plans are well-developed, (2) volunteers have received adequate preservice training, and (3) viable assignments are in place before volunteers arrive.

Agency Comments

In commenting on a draft of this project, the Peace Corps stated that its programs in Central and Eastern Europe and the states of the former Soviet Union have been a difficult challenge. The agency indicated that some problems were attributable to unique circumstances in this region, but acknowledged that it had brought some problems on itself. The agency's comments, which are reprinted in their entirety in appendix I, discuss the steps the Peace Corps has taken recently in an effort to improve programming, training, and staffing in the region.

Scope and Methodology

We conducted our review at the Peace Corps' headquarters in Washington, D.C., and in Poland, Bulgaria, Russia, and Uzbekistan. To assess the Peace Corps' new country entry processes, coordination, and volunteer assignment and support issues, we reviewed current and historical records and interviewed numerous Peace Corps officials, including former officials who were primarily responsible for opening new programs in the region.

We reviewed Peace Corps manuals and policy documents and analyzed budget, staffing, and volunteer data. We also met with officials from various U.S. agencies responsible for coordinating assistance to the region, including the Department of State, the Agency for International Development, the U.S. Information Agency, and the Office of Management and Budget.

We selected the Poland, Bulgaria, Russia, and Uzbekistan programs on the bases of their differing sizes, dates of introduction, and geographical and cultural diversity, and because of the countries' differing stages of development. Poland was one of the first programs in the region, and the largest. Bulgaria was a smaller program, introduced after Poland. Russia was the largest program in the former Soviet Union. Uzbekistan was a later entry, and representative of entries into central Asia. The four countries were selected in consultation with the Peace Corps.

In each of the four countries we visited, we obtained pertinent documents and interviewed Peace Corps staff, U.S. embassy officials, and representatives of private voluntary organizations that worked with volunteers. In each country, we interviewed a large number of Peace Corps volunteers at their sites. We also visited several volunteers' project sites and interviewed the host-country people with whom the volunteers lived and worked.

To determine whether the Peace Corps' expansion into the former Eastern bloc came at the expense of other regions' programs, we examined budget and staffing data and spoke with senior Peace Corps officials responsible for managing those programs. However, we did not conduct work in the other regions.

We conducted our review between September 1993 and July 1994 in accordance with generally accepted government auditing standards.

We plan no further distribution of this report until 30 days after its issue date, unless you publicly announce its contents earlier. At that time, we will send copies to the Director of the Peace Corps, the Secretary of State, the Administrator of the Agency for International Development, and the Director of the Office of Management and Budget. Copies will also be made available to other interested parties upon request.

If you or your staffs have any questions about this report, please call me on (202) 512-4128. Major contributors to this report were David R. Martin, Patrick A. Dickriede, Edward D. Kennedy, and Peter J. Bylsma.

A handwritten signature in black ink that reads "Harold J. Johnson". The signature is written in a cursive style with a large, prominent initial "H".

Harold J. Johnson, Director
International Affairs Issues

Comments From the Peace Corps



November 21, 1994

Mr. Henry L. Hinton, Jr.
Assistant Comptroller General
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Hinton:

I am pleased to provide Peace Corps' comments on the GAO report on new country entries into Eastern and Central Europe and the former Soviet Union.

Let me say at the outset that I am committed to following Peace Corps established procedures for planning, introducing and implementing new country programs, and have so instructed my staff. Appropriate guidance is now codified in a New Country Entry Manual which was approved in July, 1993.

There is no question that programming and Volunteer support in the countries of the former Soviet bloc, but particularly in the NIS countries, has been a difficult challenge for Peace Corps. Some of the problems the Agency brought on itself. Others are attributable to the unique circumstances that existed when these programs were established. The region, previously closed to most Americans, was undergoing profound changes in every aspect of society. This was uncharted territory for Americans and host country partners alike. There were no models from which to work.

In the NIS, weaknesses in communications and transportation systems and the lack of a banking system created difficult logistical problems. The paucity of local institutions with which to work also posed significant challenges, as did the fact that some host country promises of placement and housing did not always materialize.

The pioneering Volunteers serving in these new programs carry a special burden. Peace Corps owes them the best support it can provide. The Agency has learned a great deal from its early

1990 K Street, N.W., Washington, D.C. 20526

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successes and failures. We have learned, for example, that Volunteers coming into this region often have the appropriate technical skills, but Peace Corps must do a better job of providing the language and cross-cultural tools they need to transfer their technical knowledge.

Programming also needed improvement, although time and experience have eased some of the early problems. Peace Corps is now more familiar with the regional environment, and host country officials have a much clearer understanding of Peace Corps and the role of the Volunteer.

To assure continued improvements in programming and training in this region, the Agency has taken the following steps over the last year:

--The training program for incoming Volunteers has been extended from ten weeks to twelve weeks, mainly to provide additional language training.

--Additional training officers have been hired throughout the region.

--A regional language coordinator has been hired and language coordinators have been appointed for each post in the region.

--The cross-cultural component of the training programs is under redesign.

--The region's programming and training unit at headquarters has been revamped and additional program officers have been hired to provide stronger support to the field.

As noted in this GAO report, staffing has been a problem. Some early placements proved inappropriate for particular countries. Those staff have now been replaced. At this writing, we are fully staffed in the field. And as we gain experience, our talent pool expands. We are doing a better job of finding and recruiting staff with the appropriate background and skills. Specific steps that have been taken to institutionalize improvements include the following:

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--Overseas Staff Training has been revamped agency-wide. We are testing the new model over the next six months. It takes a more practical approach than the previous model, and has components specifically geared to country directors.

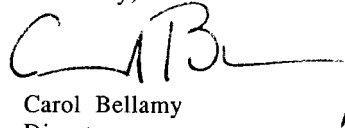
--The region has hired a personnel advisor to help recruit professionals with the background and skills needed to manage economic development programs in the counties of the former Soviet bloc.

--Language training is now offered to Country Directors before they go out to their posts

The changes made in training, the steps taken to strengthen programming, and the improvements in staff recruitment and development should result in more effective programs and stronger support to the Volunteers. Indeed, I believe the older programs in Central and Eastern Europe have matured considerably and the newest programs in the NIS are beginning to stabilize.

Going into fiscal year 1995, Peace Corps has over 6500 Volunteers and trainees in the field. That's the highest level in fifteen years. With this milestone comes the responsibility to provide all Volunteers--those in the former Soviet bloc as well as those who serve in Africa, Asia and Latin America--with the training and support they need to make a solid contribution to their host communities and to have a rewarding Peace Corps experience. We appreciate the contribution the GAO has made to our efforts.

Sincerely,



Carol Bellamy
Director

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