

PEACE CORPS

TENTH ANNUAL REPORT



THE PEACE CORPS

Declaration of Purpose: The Congress of the United States declares that it is the policy of the United States . . . to promote world peace and friendship through a Peace Corps . . . to help the peoples of countries and areas in meeting their needs for trained manpower, and to help promote a better understanding of the American people on the part of the peoples served and a better understanding of other peoples on the part of the American people. (1961)

THE PEACE CORPS

Established by President Kennedy in 1961, the Peace Corps is an agency of the United States government which sends Volunteers into service in developing countries around the world, to meet those countries' requests for skilled assistance in their economic and social development. Each Volunteer is selected from among those who apply, and is then trained for a minimum of three months in the language and other skills he must have to work effectively in his country of assignment. Following training he serves for two or more years overseas, where he is supervised by host country agencies

and supported by an administrative staff that exists in all but two countries served by the Peace Corps. While on assignment, the Volunteer receives a monthly allowance sufficient to live at a level comparable to that of his host country counterparts. On his return to the United States he receives a stipend of \$75 for each month of service.

Effective July 1, 1971, the Peace Corps joined VISTA, RSVP, SCORE, ACE, and the Foster Grandparent Program as a member of ACTION, the Federal citizen service corps which mobilizes volunteers in the United States and abroad.

The Peace Corps has had three directors since its founding: Sargent Shriver (1961-1966), Jack Vaughn (1966-1969); and Joe Blatchford (1969-present).

NOTE TO LIBRARIANS: There are six previous annual reports of the Peace Corps: the First through Fifth (1962-1966) and the Sixth (1968). Annual reports for 1967, 1969, and 1970 were in the form of Congressional presentations for those fiscal years, and not distributed publicly.



Foreword

BY NEIL ARMSTRONG,
CHAIRMAN, PEACE CORPS
NATIONAL ADVISORY COUNCIL

From the moon, earth is a blue and white ball rolling slowly in black space. It is difficult to picture, from out there, the harsh conditions of life that people suffer over much of that globe: disease-racked barrios and villages where hunger is a fact of daily life.

It is hard to see those places from here, too, from our pleasant and structured part of the world. But there are people who have been there, lived there and dealt with overwhelming poverty and hunger and disease and ignorance, who will never forget their experience there. I visited them when they were planting miracle wheat for the Green Revolution in India and operating a tuberculosis control program in Korea. They are the Peace Corps Volunteers.

Over 43,000 Volunteers have returned to America, and they have gained greater insight into our problems here at home. Many of them have foregone the careers they had planned before they went overseas, in order to help other Americans in need. The Peace Corps, and now ACTION, are trying to find more ways for them to do so.

But what of the Volunteers' work overseas? Did they really get good work done? I know that they did. But drilling wells or teaching is only the beginning. New nations have plunged into the twentieth century with the speed that we plunged into the space program. With experience their goals have changed, and their needs have changed.

The Peace Corps has responded to these new priorities. And when Joe Blatchford called upon farmers and teachers, businessmen and union men, to give two years of their skills and understanding to help, they too responded. More last year than the year before; and more this year than last. They are eager to pass on their skills to others—others who can take over those skills and build healthy nations with them.

I remember 1961 as the year the United States sent its first man into space. It was also the first year we sent men and women into the underdeveloped world with the Peace Corps. A decade later both efforts have made dramatic achievements and have led us to the realization that what lies ahead is as demanding and important as what has gone before.

We still do not know how big the universe is, or to what extent it can be conquered; but we are still working at it. What we do realize, after ten years of the Peace Corps, is the enormity of the problem of poverty in the world. Knowing this, and knowing what we can do to help ease the conditions it causes, we must keep working. And the Peace Corps is.

A handwritten signature in black ink, appearing to read "Neil". The signature is fluid and cursive, with a large, stylized letter "N" on the left and a smaller "e" and "l" following it. There are some additional, less distinct strokes extending to the right.

Introduction

BY JOE BLATCHFORD,
DIRECTOR, PEACE CORPS

People often ask me what the Peace Corps "really" does. They want to know how effective it is, whether it's worth the money. And they want me to wrap the answer up neatly, quickly—in a short, direct statement of program and emphasis.

Even after ten years of Peace Corps work though, no one knows what the Peace Corps "really" does . . . except the people all over the world who live better today than they did yesterday, because of the Peace Corps. They are the people who should answer the questions. Many of them, in fact, have done so, in the form of letters to President Nixon, to our Ambassadors overseas, and to me, telling about the work Peace Corps Volunteers have done, the changes they have brought to barrios and villages, to farms, schools and workshops in 70 different countries.

Quantifying the Peace Corps effort is virtually impossible. The difference its Volunteers have made in thousands of people's lives is not a matter of dollars and cents or facts and figures. When they helped farmers to bring water and flourishing grains to their barren land, the value was not only in the harvest. Nor was the number of lives saved the sole measure of the aid they brought to sick and crippled children. In ten years the Peace Corps has seen great successes, and it has struggled with enough misses and near misses to know how challenging and difficult its job can be.

So much change, which years ago seemed impossibly remote, is coming to Africa, Asia, and Latin America. The Peace Corps isn't doing all the work—it couldn't possibly. It is sharing the work, teaching new methods, and offering confidence to go on doing more.

What is quantifiable about the Peace Corps is how much it costs. The first thing I think about when I hear of a mammoth jet transport or a new submarine the government is paying for is what *they* cost—a little more than the whole Peace Corps. To some extent we can also quantify what we are doing to intensify our effort, to make our Volunteers count for still more. That is what we have set down in this report.

Credit: Stan Wayman, LIFE Magazine © Time, Inc.



Joe Blatchford

1971: AN OVERVIEW

The tenth anniversary of the Peace Corps marked the end of an important trial year. It was the year yielding the first conclusive returns on the "New Directions" policies instituted in 1969, and testing the viability of the Peace Corps' continuing role in economic and social development.

The result has been an unqualified success, an upswing in every aspect of the Peace Corps operation. The facts themselves are eloquent. This year the greatest number of development projects—over 540—are being carried out, and more effectively, than in any year of Peace Corps history. This success is due to the close involvement of host countries in defining and implementing these projects, and the 8500 volunteers whose range of 312 skills and 187 languages and dialects surpasses any previous total. Applications are up, reversing a five-year trend; attrition, or the drop-out rate, is down—in fact, 1168 Volunteers extended their service in 1971. For all this, Peace Corps costs were the lowest in seven years.

Those are just some introductory figures. They cannot express the value of the Peace Corps mission; no assembly of figures could, because the real value is immeasurable—the human service of thousands of Americans who have helped others to fight disease, to get an education or enough to eat. Shoulder-to-shoulder progress has always been the Peace Corps ethic; now that ethic specifies *help where it is most needed*.

A few years ago the Peace Corps began receiving a flood of requests

from host countries for highly skilled Volunteers. There had always been some technicians and professionals, but the developing countries now needed more, and more kinds: irrigation specialists, automotive mechanics, and electricians. They needed architects, economists, and city planners.

When Joe Blatchford, as the new director of the Peace Corps, visited host countries in May 1969, he made note of these changed conditions. Many countries had come of age in a few short years of the speeded-up Sixties. Experience had shown what was most essential now: technical assistance to get the long-range development plans of the Seventies underway. It was hoped that the Peace Corps could provide this assistance.

The question was: could skilled workers and established experts be persuaded to give up the comforts of home to serve, without financial benefit or promise of a career, in the often-grim conditions overseas? And was it worth the effort for the Peace Corps to go out and recruit them?

A task force the same year examined the Peace Corps' mission for its second decade in terms of the new demands upon it. Based on the recommendations of the task force, Joe Blatchford initiated a plan with a five-point thrust. Briefly, it proposed: 1) a shift in emphasis to the high priority needs of developing nations; 2) broader, more streamlined recruitment and training; 3) greater involvement of host country people in Peace Corps operations; 4) cooperation with international groups and agen-

cies; and 5) the channeling of the talents of returned Volunteers to significant work at home.

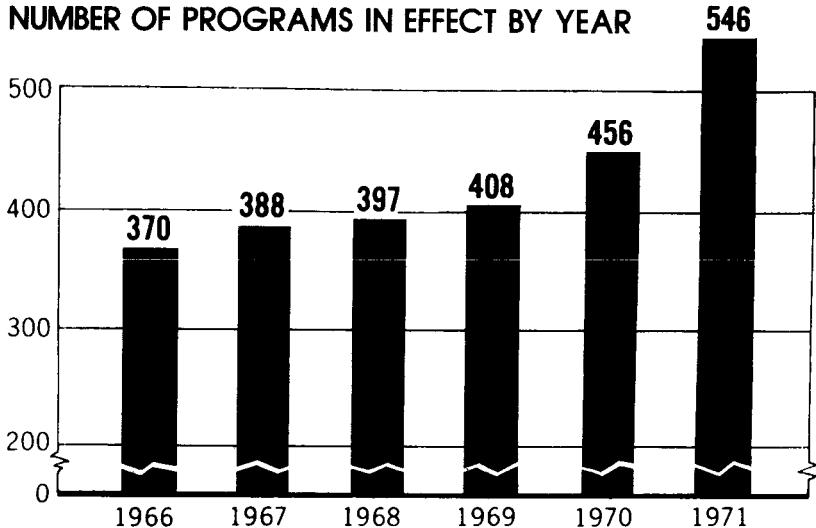
The plan was implemented, and by the end of 1970, local success stories began to come in from the field. In 1971, there were many more. Volunteers have trained 100 Thais in auto mechanics, grown miracle wheat in India and Nepal, set up an accounting system for the government of Malaysia. In the Philippines, a Volunteer has designed a lab facility to provide rabies vaccine; another, in El Salvador, has helped design and set up a department of forestry for the government. The point is that under New Directions greater importance has been placed both on meeting the needs host

countries have identified and on the long-term effects of Peace Corps work.

It is this responsiveness to requests from abroad that has made the Peace Corps' work seem similar to that of other technical assistance agencies. But the Peace Corps' continuing tradition is what makes it unique: it is people-to-people, not government-to-government. Living as part of the communities they serve, Volunteers speak the language and learn to understand the customs, the beliefs, and the needs of those communities, as well as of the host nations.

Each year the demand for specialists has grown: 59% of the regular program requests in 1970, and 69.3%

NUMBER OF PROGRAMS IN EFFECT BY YEAR



(Records not kept before March 1965)

in 1971. Teams and families and individual Volunteers have gone into the field to meet these new requirements—and in both years the Peace Corps has been able to satisfy over 90% of the requests it has received from overseas.

At the same time, the difficulties that have always accompanied the



The government of Morocco is undertaking reforestation of the country, and Roy T. Hagen, 23, is helping select the best trees for the program. Here he and a co-worker inspect a seedling pine, one of many new trees whose growth will be charted over a period of years. Forestry, water resources, ecology and pollution control are some of the specialized environment fields in which the Peace Corps has development programs overseas.

Peace Corps' unique mission have continued during 1971. At a Volunteer's request, for example, a number of sewing machines were located by an American friend and shipped to a remote village in Peru. Unfortunately, the nearest source of electrical power was dozens of miles away, in the nearest market town, and the machines had to be used in other villages.

Not all the misunderstandings could be dealt with so easily by a smile and an offer to try again. In some countries it proved impossible for the Peace Corps to continue its work during 1971, and Volunteers were withdrawn; in no case, however, were the problems due to the Volunteers, or to dissatisfaction with their work. In fact, each of the five departures of the Peace Corps was the occasion of protests and sadness on the part of those the Volunteers had worked with.

Of course, the full story of the Peace Corps' departure from any country is a complex and lengthy one, often involving internal political disputes or other delicate matters of diplomacy. The following brief summaries give only the central issue in each case: In Nigeria, internal strife created situations too dangerous for effective work by Peace Corps Volunteers; the Guyanese, on the other hand, decided not to request new Volunteers from any of the volunteer agencies serving in Guyana because of a decision to do things on its own. In Bolivia and Ceylon, an increasingly nationalistic outlook was apparent as the underlying cause of the departure of the



Peace Corps, while in Panama, a decision was made to rely on its domestic volunteer service, established with Peace Corps help, and multi-national teams of which Peace Corps Volunteers are a part.

The Peace Corps was also invited into three new countries in 1971. Volunteers are now assisting the people of the Democratic Republic of the Congo in road construction, vocational skills training, health, and education. In Mali, other Peace Corpsmen are working in agriculture extension, and in the Solomon Islands help is being provided in malaria control and small business development.

Two countries, meanwhile, which had seen Peace Corps groups reduced to very small size, expanded their association with the agency this

PCV Gary Larson (r) is an example of an individual placement in the Peace Corps. On sabbatical from Bethany College where he is head of the biology department, he is working on the development of a math/science curriculum for schools in Gambia. Nearly 300 individual placements were made by the Peace Corps in 1971.

year when Turkey and Malawi requested New Directions Volunteers.

These Volunteers are no longer alone in the field. To the advantage of all, their commitment is now being shared not only by the people they serve but by international teams as well—by the United Nations and by groups of countries in partnership. The Peace Corps idea is spreading around the globe, and America cannot be more proud than to have pioneered it.

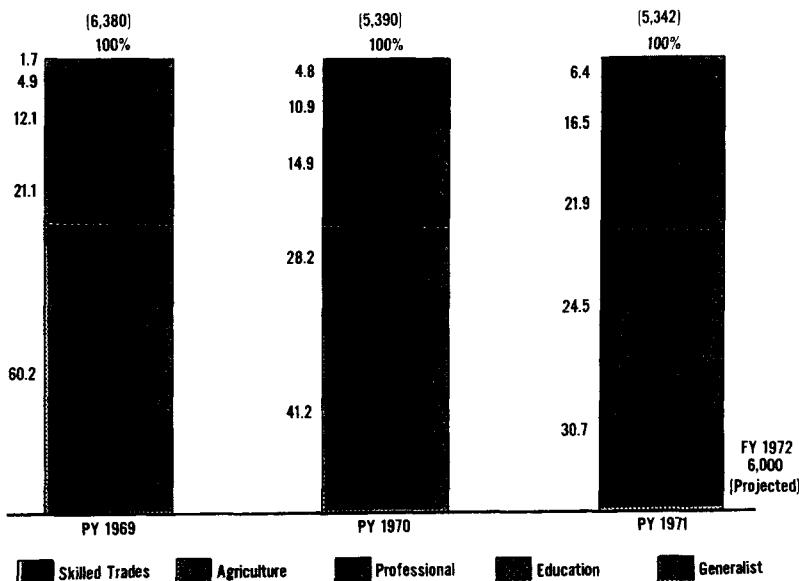
NEW DIRECTIONS FOR THE PEACE CORPS

Two years ago when Joe Blatchford initiated the New Directions policies, he called together the program directors from around the world for a work session to chart the future of Peace Corps operations. What came out of these meetings was the recommendation that there be a four-year plan for the Peace Corps program in each country—a plan worked out with host country authorities to meet their highest priority needs, even though it presented a stiff challenge to Volunteer recruitment and training at home. Recruitment difficulties were not permitted as an excuse; at the time, Blatchford said, "It is better that we try to find the people with the talents that are needed. If we fail, we discover our

limits, and we can turn to our partners overseas and frankly admit what we cannot do. But if we succeed, we bring a new kind of service to the developing world, a kind of service they need more today than ever before."

The challenge from abroad was indeed a difficult one. Although host countries had been requesting skilled specialists since the beginning, the difficulties of recruiting experts were such that the Peace Corps had continued to stress programs in which generalists could serve effectively. By 1969, however, this approach to programming was no longer possible. The need for skilled manpower had become critical and could not be ignored.

HOST COUNTRY REQUESTS By Program Year (Sept.-Aug.)



Give what is needed, not what can be spared

In 1969, host country requests for specialists stood at 40% of total requests. By 1971, as the Peace Corps predicted, they had soared to 70%. To meet this year's needs, it had to find and train 3,450 persons with unique skills, skills which were also in demand in the United States. Still higher requests for scarce skills for next year are being received.

By end of the 1971 fiscal year, the Peace Corps recruiters had done their job well; over 90% of the requests received from abroad had been satisfied, and 4,594 Americans had entered Peace Corps training. This success was attributed to redoubled efforts to recruit scarce skills, in which the cooperation of key groups and associations throughout the country was enlisted. But it was also due to the reassessment of some of the Peace Corps regulations, such as so-called "high impact" programming, and the prohibition against the placement of family units with dependents overseas.

"High impact" programming originally called for large contingents of Peace Corps Volunteers—from 30 to as many as 150—working in closely related jobs in the same area. The "critical mass" thus accumulated, it was thought, would effect dramatic changes in living conditions in the host country.

Whatever the merits of this idea, it proved difficult to execute in prac-



Food production is India's most urgent need, and Peace Corps Volunteers now at work there include fisheries experts, agronomists, irrigation specialists, horticulturalists, and many other skill categories. Joseph L. (Smokey) Guthrie, 53, is among them as a designer of farm equipment. Smokey, who has a degree in vocational agriculture, styled this all-purpose stationary thresher specifically for the type of farming done in the Punjab.

tice. Large delegations of Volunteers tended to become isolated from the host country population, conspicuous targets of suspicion and hostility abroad; they tended, at the same time, to become an integral part of the host country's labor force, which made it difficult to phase out the Peace Corps role as time passed.

Recently, then, the emphasis on size has shifted to fielding smaller groups of Volunteers to more precisely defined jobs. Volunteer teams and "individual placements" have become the rule, to fill the demand for specialists who are not available to the Peace Corps in large numbers.

Nearly 300 Volunteers were assigned as individual placements during 1971. They are working apart from any distinctively "Peace Corps" projects, in close cooperation with host country people who have complementary skills and abilities. Dr. Richard Cirillo, an air pollution expert from New York University, is assigned as an individual placement Volunteer in Bangkok, to serve on the technical staff of the government's Pollution Control Unit. Other instances are Gary Larson, a curriculum specialist in Gambia, and Dr. Henry C. Hadaway, an ecologist who will soon be working in the Kingdom of Tonga.

Perhaps the most widely known of the Peace Corps' New Directions has been the recruitment of families. It had always been true that one of the difficulties in the recruitment of specialists into the Peace Corps was that people with the needed skills tended to be established, not only in their communities but also in families with children. By relaxing the

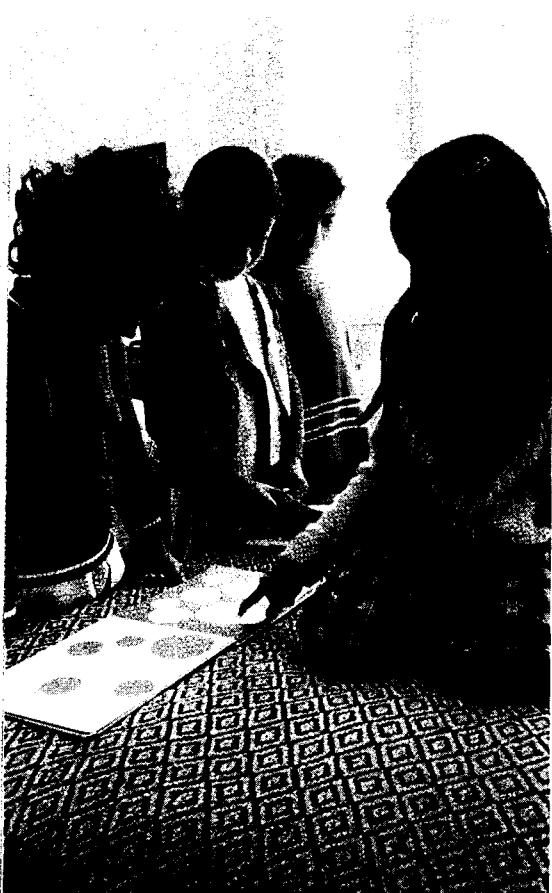
prohibition against Volunteers with dependents, the Peace Corps has opened new opportunities to call upon the talents and energies of men and women in mid-career.

The recruitment of families has gone on long enough now for this experiment to be judged a success. The first group of 44 families entered service in 1970; at the end of 1971 another 72 had gone overseas, and 212 are now in country or in training as Peace Corps Volunteers. Families can and do fulfill a variety of needed roles overseas; frequently members of a single family perform several diverse tasks. In Swaziland, for example, while her husband trains artisans in cabinetmaking, Karen Trenner teaches and clerks for a handicraft organization. In Venezuela, Carl and Jean Dimino care for their five children while teaching electrical engineering and assisting in a "head start" program. Another married couple, a zoologist-entomologist team, will soon travel to Ghana with their small child to work on ecology projects.

The shifts to individual placements and family recruitment have been relatively small-scale. But they serve to demonstrate the determination under the New Directions program to seek every opportunity to respond to the needs of the nations the Peace Corps serves. Similar shifts, of broader scope, have affected recruiting and training during 1971.

Respond to the challenge from abroad

While a wide-ranging public relations campaign brought the shift in



1971 saw many new families enter Peace Corps service to fill the increasing need for mid-career specialists in development programs overseas. Here Celia Sugiyama (r.) plays with friends in Rabat, Morocco, where her Volunteer father works as a consultant to centers for juvenile delinquents. Curt Sugiyama, 37, of Novato, California, holds an MS in social work. Including those currently in training, there were more than 200 families in the Peace Corps this year. Family Volunteers are as varied as agronomists, chemists, ecologists, plumbers, and businessmen setting up marketing cooperatives in low-income countries.

Peace Corps scope to the attention of millions of Americans, recruiters went on the road to agricultural schools, to professional associations and to trade unions, searching out every opportunity to attract into service the sorts of men and women the developing nations had said they needed. At the same time, the training staff investigated new and improved methods of instructing generalists in needed skills, so that even those who came to the Peace Corps with no experience could provide a needed resource in service. Regular training programs have been refined as well, and the processing of applications speeded up, to avoid losing promising people.

These efforts have been fruitful ones. Perhaps the most striking result is that a five-year decline in applications to the Peace Corps has been reversed, while the proportion of applicants with special skills has risen to unprecedented levels. In the program year which ended in the late summer 1971, 26,534 Americans applied to the Peace Corps, an increase of 40% over the preceding year. Of these, 50% were skilled or experienced, an upward trend from 46% the preceding year and 40% in 1969.

Some reports on specific fields will make these facts more graphic. In 1969, 82 farming specialists were in service with the Peace Corps, and 308 additional Volunteers had some background in agriculture. By 1971 there were 225 specialists and 769 experienced farmers—about two and one half times as many in both cases.

In 1969, there were 85 skilled craftsmen overseas; this year, 242

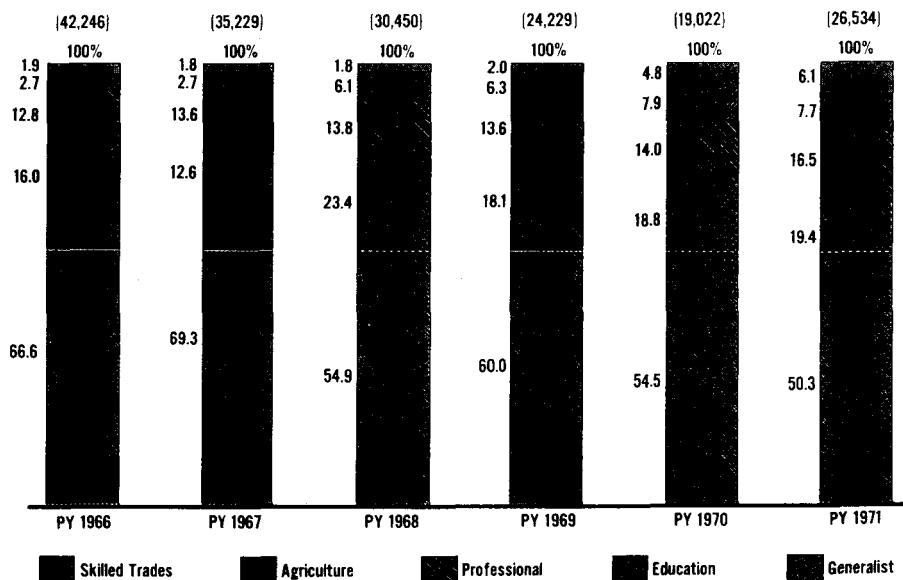
were sent, adding their skills to the 200 already in the field. There were no programs two years ago geared to long-term development and maintenance of natural resources. By 1971, 301 professionals and skilled personnel were at work as Peace Corps Volunteers in other nations' programs in ecology, forestry, wildlife management and park development.

To recruit this trained and experienced manpower, the Peace Corps was itself resourceful: it sought alliances with institutions with established standing in the natural sciences. In 1970, an agreement was reached under which the Smithsonian Institution, drawing on its con-

tacts within the scientific community, began recruiting and helping to place graduate-level Volunteers. In some cases the Smithsonian has also provided technical support for these Volunteers, who serve in such specialized tasks as watershed management and entomological research.

To fill other specialized requests — for foresters in this case — the Peace Corps is negotiating an agreement with the National Park Service. This arrangement will create a forestry training program for ten Volunteers per year, administered by the Park Service. As an integral part of their training, the foresters will serve abroad in the Peace Corps for two years, in programs designed in coop-

APPLICATIONS BY SKILL GROUP Program Year (Sept.-Aug.)





eration with the Park Service which will then employ these uniquely experienced Volunteers on their return.

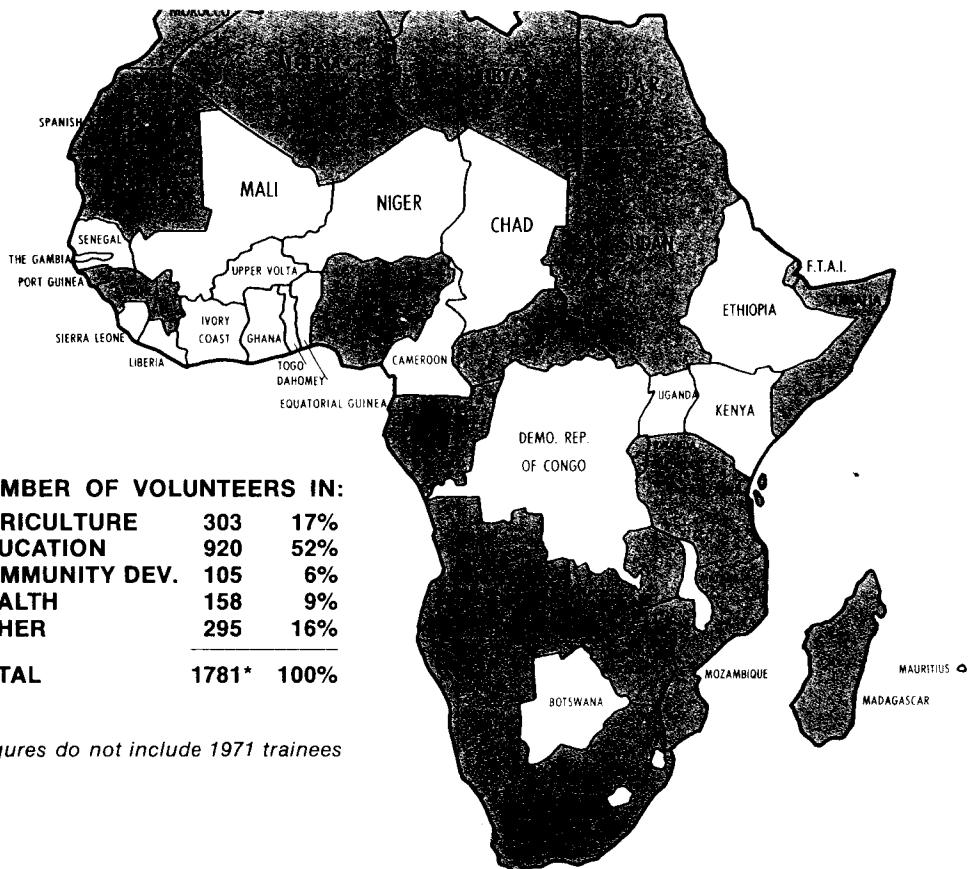
SO THAT ALL MAY SERVE

The Peace Corps, under New Directions, has also been engaged in a concerted campaign to draw minority group Americans into its programs.

In 1970, a campaign was mounted to convey to blacks, orientals and Spanish-speaking Americans that they were needed and wanted. Special recruitment materials were developed and distributed to minority colleges and to cities, but it was evident that more aggressive means were necessary. The Peace Corps found the means in the form of "intern" programs with universities—an arrangement which has proved effective in recruiting and training an increasing proportion of its Volunteers as a whole. Currently one

Before entering the Peace Corps, Hershel MacDonald, 59, was a gas appliance repairman for the Pennzoil Corporation. In Kingston, Jamaica, where he and his wife Idell are Volunteers, Hershel teaches small appliance repair at the Operation Friendship Training Center, in the Trenchtown section of the city. Idell is a teacher of home economics. The relaxation of the bar against families in the Peace Corps has attracted many older applicants with special skills. In 1971, 30% of the more than 26,000 applications came from people over age 28.

university is supplying minority Volunteers, and internships are being developed at five more universities. Students in these programs complete an intensive intern year, which includes regular Peace Corps training. The two years they then spend teaching overseas earn them credits toward masters' degrees from the universities, in English, math or science education.



NUMBER OF VOLUNTEERS IN:

AGRICULTURE	303	17%
EDUCATION	920	52%
COMMUNITY DEV.	105	6%
HEALTH	158	9%
OTHER	295	16%
TOTAL	1781*	100%

*Figures do not include 1971 trainees

TWELVE YEAR SUMMARY: Volunteers in Country at end of Calendar Year

AFRICA	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	Est 1971	Est 1972
Ghana	51	114	140	128	109	130	252	207	212	285	240	245
Nigeria	104	189	473	559	621	742	328	111	66	—	—	—
Sierra Leone	37	125	130	148	198	219	289	285	286	211	140	145
Tanzania/Tanganyika ..	35	62	97	292	335	330	166	41	—	—	—	—
Cameroon	40	90	105	101	84	55	45	45	50	64	55	60
Ethiopia	276	415	434	587	465	420	458	318	156	170	175	—
Ivory Coast	31	56	56	60	75	82	98	110	108	95	100	—
Liberia	89	283	350	347	295	222	261	256	147	145	150	—
Niger	7	14	43	81	114	122	84	71	71	50	55	—
Senegal	5	66	68	78	91	121	129	95	93	75	80	—
Somali Republic	44	29	58	86	99	96	74	42	—	—	—	—
Togo	46	37	63	75	77	104	89	77	88	55	60	60
Gabon	72	36	52	62	57	—	—	—	—	—	—	—
Malawi/Nyasaland	43	205	254	218	117	138	140	50	25	25	25	25
Guinea	54	70	66	—	—	—	19	22	—	—	—	—
Kenya	75	123	197	225	198	243	295	200	205	—	—	—
Uganda	38	35	33	114	91	72	70	95	95	95	95	95
Botswana	—	—	—	58	54	74	53	60	60	65	65	65
Chad	—	—	—	33	30	41	52	45	30	35	35	35
Mauritania	—	—	—	12	—	—	—	—	—	—	—	—
Gambia	—	—	—	—	17	14	18	39	50	50	50	50
Upper Volta	—	—	—	—	47	44	56	49	45	60	60	60
Lesotho	—	—	—	—	—	71	59	50	27	30	30	30
Dahomey	—	—	—	—	—	—	26	32	43	30	35	35
Swaziland	—	—	—	—	—	—	30	41	24	30	35	35
Mali	—	—	—	—	—	—	—	1	25	25	25	25
Mauritius	—	—	—	—	—	—	—	23	20	20	20	20
Republic of the Congo	—	—	—	—	—	—	—	9	50	50	50	50
Totals	227	1028	1999	2728	3208	3334	2989	2597	2359	1980	1715	1800

NOTE: The actual number of Volunteers in each country may vary from these projections as Volunteer allocations for each country are made at a later date on the basis of firm host country requests and worldwide comparisons of programs.

AFRICA - Regional Report

The emphasis of the Peace Corps programs in Africa remains, as it has always been, in education. Of the 1781 Volunteers serving in 22 African nations, 52% are in this field.

Africa was the first part of the world to receive Volunteers, when teachers were urgently requested for newly opened schools in 1961. For some time teachers continued to make up 75% of the Volunteer force; in Ethiopia and Sierra Leone, Peace Corpsmen composed half of all secondary school faculties.

Today, however, education requirements have become more refined, and Peace Corps teachers now include an increasing number of professional educators who develop curricula for schools, and train other teachers in latest methods. A particular emphasis is on science and math teacher instruction.

Agriculture has risen to the second ranking area of involvement; Peace Corps programs are focusing on the rural areas of Africa, where 85% of the people live. In 1971, a total of 303 agriculture Volunteers are in service, many of them in such specialized fields as water development, range management, crop improvement and extension, animal husbandry, and fisheries.

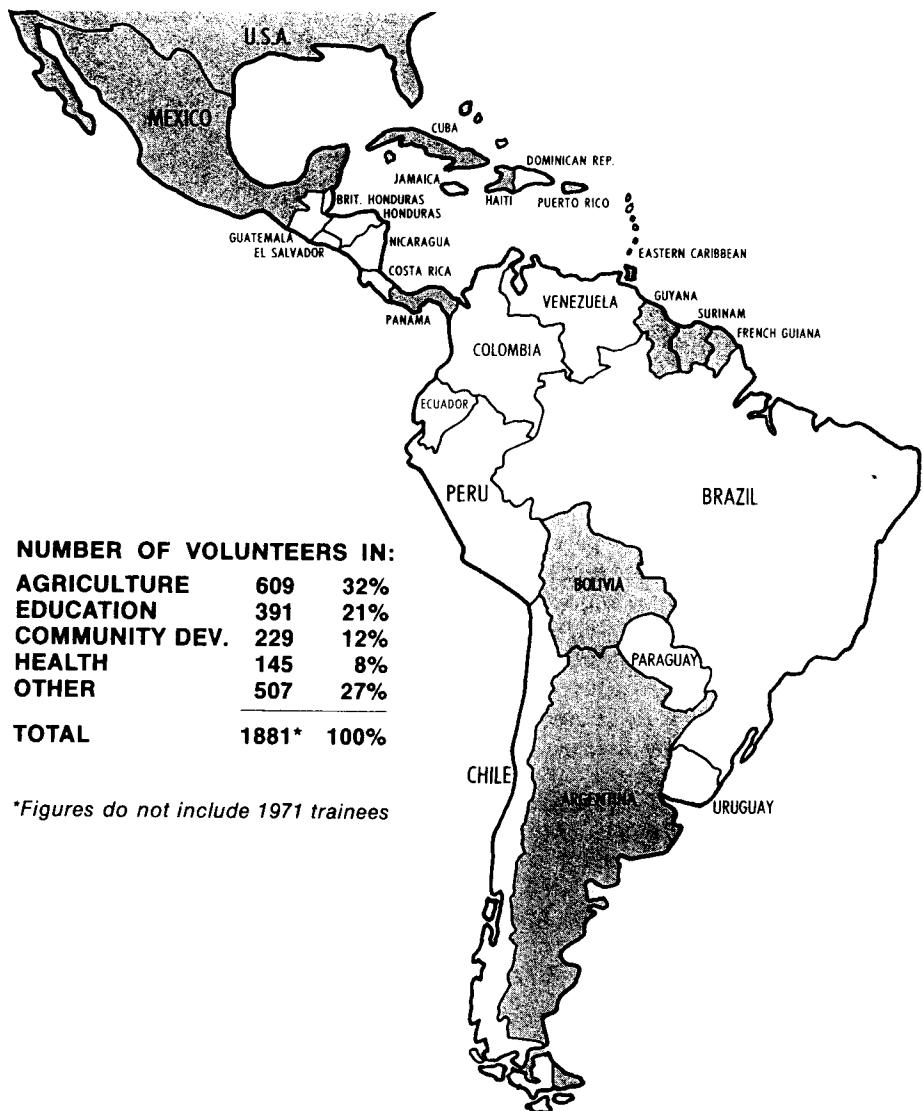
Public health programs are likewise becoming more specialized. New sophisticated programs—public works, business development,

urban planning—have virtually replaced community development, which is now down to 6% of Peace Corps activity. Skilled trades are also of high priority. In Ghana this year the Peace Corps launched a joint program with the government for training in construction craftsmanship. A first group numbering 900, including Ghanaians and a few Peace Corpsmen, will be trained through the program next year.

Throughout Africa, Volunteers have had the opportunity to participate in the crucial process of nation-building in newly independent countries. Often their skills have put them in high-level positions, such as the assignments that several Volunteers took on in planning agencies in Chad and Botswana.

African leaders have been unrestrained in their enthusiasm over New Directions. President Diori Hamani of Niger has commented that "as we progressed, we have asked higher skills and more extensive training of our friends. I am very grateful to the Peace Corps for responding to our wishes by modifying its recruitment and training programs accordingly."

Nene Mate Kole, one of Ghana's most revered elder statesmen, has commented that among the benefits the Peace Corps brings to the developing nations is the "self-confidence and genuine pride that the Peace Corps can generate by working with, not for, our people."



NUMBER OF VOLUNTEERS IN:

AGRICULTURE	609	32%
EDUCATION	391	21%
COMMUNITY DEV.	229	12%
HEALTH	145	8%
OTHER	507	27%
TOTAL	1881*	100%

*Figures do not include 1971 trainees

TWELVE YEAR SUMMARY: Volunteers in Country at end of Calendar Year

LATIN AMERICA	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	Est 1971	Est 1972
Chile	45	100	107	268	383	389	317	236	201	109	90	90
Colombia	62	166	429	610	512	636	687	632	276	132	210	225
Eastern Caribbean	15	15	17	15	47	41	133	163	163	168	155	160
Brazil	145	214	489	652	664	616	538	405	334	215	225	
El Salvador	23	44	45	60	132	124	104	58	67	60	65	
Jamaica	34	38	50	85	109	128	121	159	199	160	165	
Venezuela	91	99	250	326	334	359	195	164	129	165	175	
Bolivia	70	121	237	306	308	278	236	133	130	—	—	
British Honduras	33	27	28	48	45	46	40	28	42	45	50	
Dominican Republic	62	173	114	105	157	151	161	68	40	50	50	
Ecuador	167	236	308	258	243	297	267	112	114	120	135	
Honduras	25	61	106	118	128	179	152	106	117	100	110	
Peru	202	366	404	417	391	329	194	101	220	190	200	
Costa Rica	68	54	85	171	134	86	57	102	110	115		
Guatemala	112	113	70	98	110	111	75	77	100	105		
Panama	57	155	140	131	186	154	84	107	—	—		
Uruguay	18	19	51	66	23	4	22	14	15	15		
Guyana				43	53	44	55	24	—	—		
Paraguay				1	34	51	66	70	50	50		
Nicaragua						9	28	50	60	65		
Totals	122	1133	2187	3265	3663	4087	4184	3498	2361	2245	1895	2000

NOTE: The actual number of Volunteers in each country may vary from these projections as Volunteer allocations for each country are made at a later date on the basis of firm host country requests and worldwide comparisons of programs.

LATIN AMERICA - Regional Report

Over the ten years of Peace Corps history, 16,000 Volunteers have served in 20 Latin American countries. Currently, there are 1881 of them there, working in 184 programs to improve conditions for a population of about 173 million.

Peace Corps people are tackling problems at high levels now. Food production takes priority; and agronomists and experts in fisheries and animal husbandry number high among the 609 Volunteers working in agriculture. They are testing and initiating new high-yield crops, building fishing cooperatives, and introducing better breeds of poultry and livestock.

In education, where once the emphasis was on elementary and secondary teaching, and vocational instruction, the 391 Volunteers now serving are primarily in curriculum development and teacher training—they are handing on programs and techniques that can be taken over by others.

A third area is health. The Peace Corps in years past proved tremendously effective in its immunization programs, health clinics, and child care centers. Many of its health Volunteers were generalists with paramedical training; now, to complement them, the Peace Corps also has professional nutritionists and health education specialists in service.

Once the largest proportion of Volunteers in Latin America worked in a general area known as community development. That meant service

that was not strictly education or health or agriculture but often involved all three. Now community development has been largely replaced by such specialties as urban planning, social work, natural resource conservation, and skilled trades, like carpentry and plumbing. A PCV in El Salvador has helped to set up and design a government forestry department. Another in British Honduras has supervised some \$3,000,000 worth of construction during his tenure as architect and city engineer with the Department of Public Works.

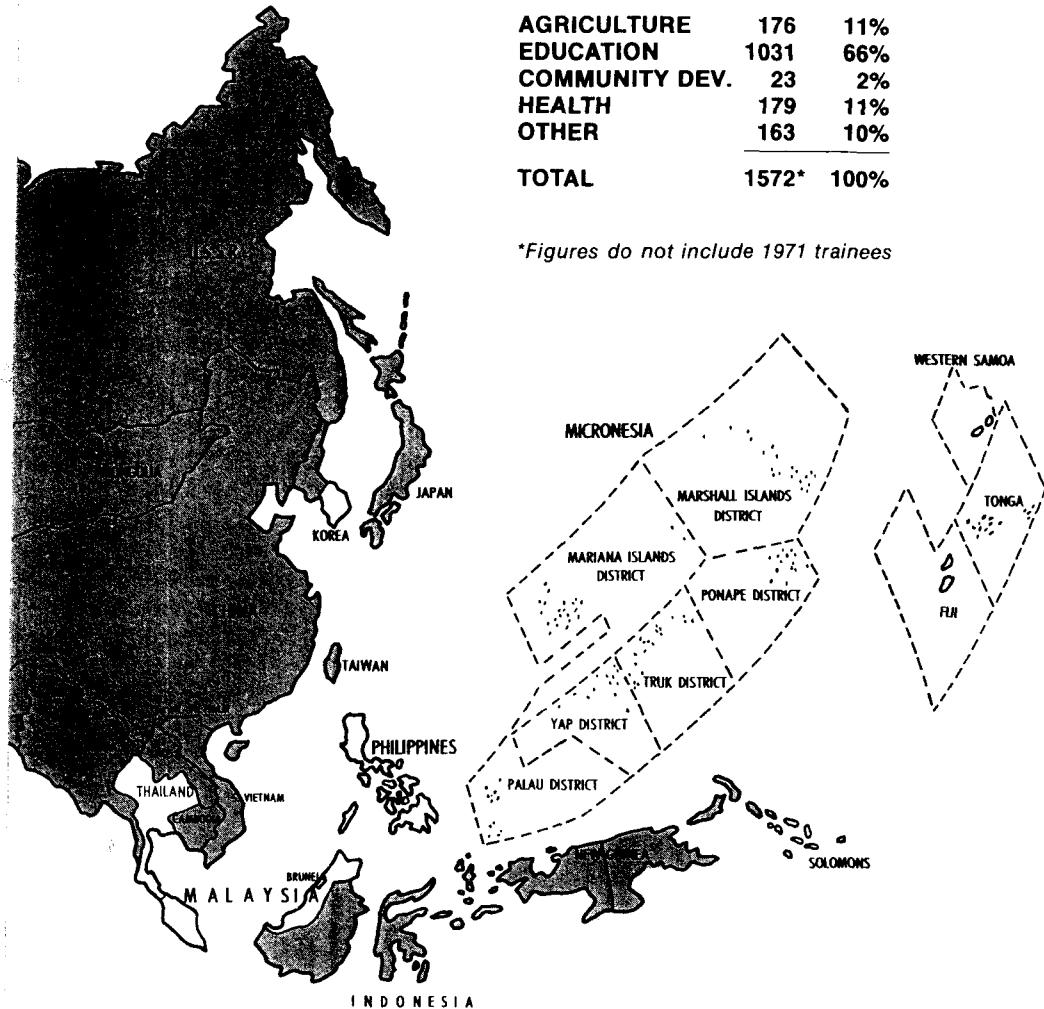
In Colombia, two Volunteers with MBA degrees have assisted small businesses in raising sales 40% and in some cases as much as 300%. This has consequently increased employment in these firms by as much as 200% in two years.

A high Colombian official, Eduardo Gaitan Duran, Deputy Chief of Mission to the United States, considers that the greatest contribution the Peace Corps has made in Colombia is the reconstitution of the country's communities. He states that urban development is a major issue of the 70s and that the Peace Corps will be an essential force in it. "As the Peace Corps begins its second decade," he has remarked, "it is particularly appropriate that the continuous examinations of development priorities should include an increase in involvement by the Peace Corps in urban problems in Latin America."

NUMBER OF VOLUNTEERS IN:

AGRICULTURE	176	11%
EDUCATION	1031	66%
COMMUNITY DEV.	23	2%
HEALTH	179	11%
OTHER	163	10%
TOTAL	1572*	100%

*Figures do not include 1971 trainees



TWELVE YEAR SUMMARY: Volunteers in Country at end of Calendar Year

EAP	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	Est 1971	Est 1972
Philippines	182	573	548	335	569	706	758	730	410	347	275	320
Malaysia				119	466	549	588	519	313	403	310	335
Malaya	114	143	171	46	—	—	—	—	—	—	—	—
Sabah/Sarawak	62	85	114	57	6	—	—	—	—	—	—	—
Thailand	99	243	278	311	422	308	253	231	216	200	215	—
Indonesia		17	45	—	—	—	—	—	—	—	—	—
Korea				96	266	196	118	174	295	320		
Micronesia					316	663	546	390	286	270	225	
Western Samoa						76	117	35	46	70	85	
Tonga						41	103	31	40	65	80	
Fiji							48	109	98	110	120	
Solomon Islands										9	20	
TOTALS	182	848	1036	1062	1449	2095	2700	2512	1637	1610	1604	1720

NOTE: The actual number of Volunteers in each country may vary from these projections as Volunteer allocations for each country are made at a later date on the basis of firm host country requests and worldwide comparisons of programs.

EAST ASIA AND THE PACIFIC Regional Report

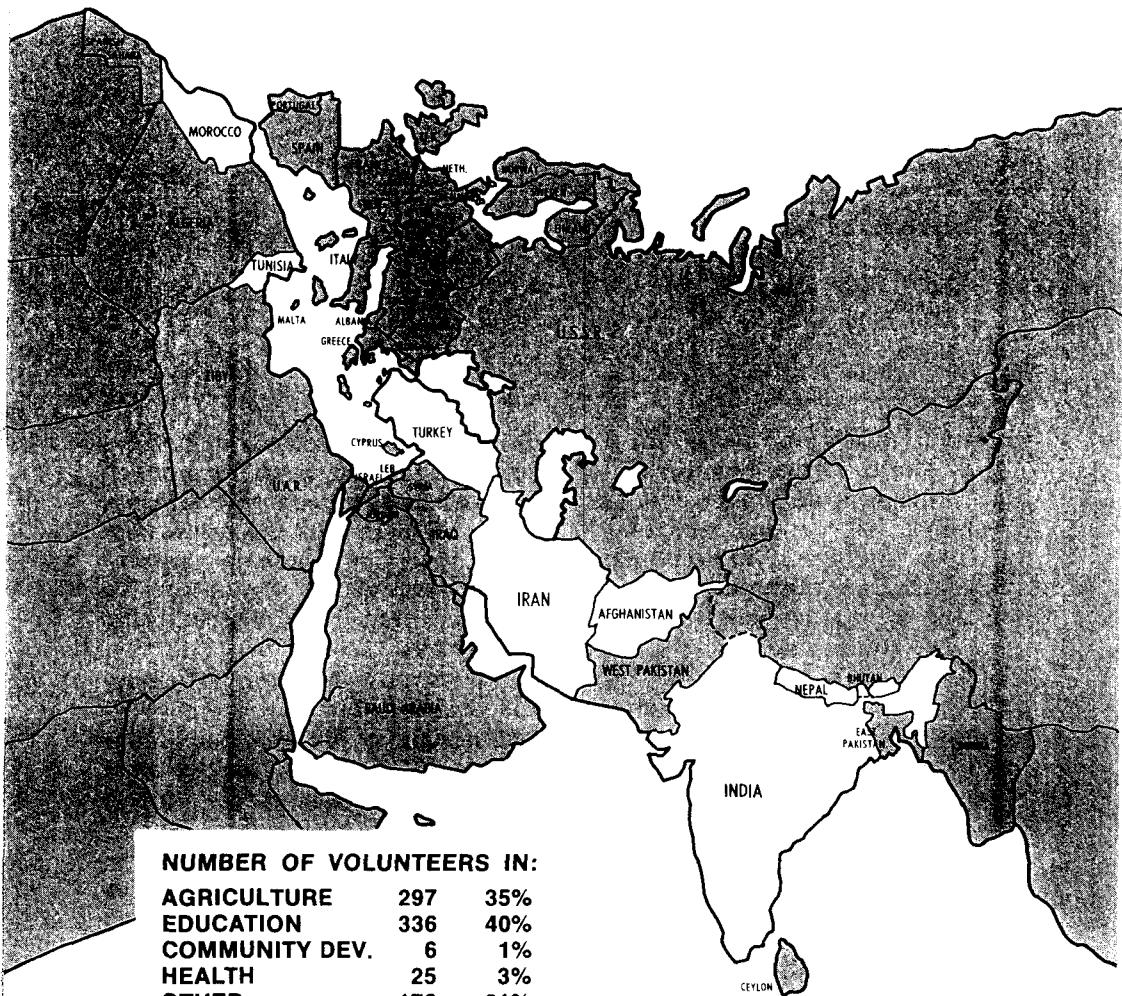
In their host countries of the Far East, Peace Corps Volunteers enjoyed assignments of unusually great responsibility and dimension in 1971. In Malaysia, 30 accountants and computer specialists are redesigning the government's budgeting and accounting practices; another Volunteer there has drawn up a national plan for teaching vocational trades. In Micronesia, Peace Corps architects have given a facelift to the district of Ponape, with low-cost housing, new schools, and public facilities, including the new airport. In Tonga, a plant pathologist, a home economist, a marine biologist and an entomologist are working to determine how best to protect the balance of nature for the island.

By and large, as in two other Peace Corps regions, education leads as the area of greatest development need, at both specialist and generalist levels. Of the 1572 Volunteers in 87 programs here, 1031 are in education.

It was in this region, in the Philippines, that the Green Revolution of miracle high-yield grains began. Peace Corpsmen have helped spread

its benefits to Malaysia and Thailand, and then on to other regions of the world. Volunteers in Southeast Asia are also at work in farm mechanization centers, where they are preparing equipment operators to use, maintain, and repair farm machinery.

Pollution control, speech therapy, and marketing cooperatives—including one in Fiji that has grown from a \$2000 broom factory to a \$250,000 enterprise—are also among the tasks for Peace Corps projects in Asia. In Thailand, during his first four months of service, a Volunteer brought 40 acres of farmland under irrigation, and is now assisting local farmers in construction of a reservoir which will ultimately irrigate thousands of acres. It is efforts like his that have prompted commendation from Apilas Ostananda, deputy director general of Thailand's Department of Technical Cooperation. "I would like," he said, "to see the Peace Corps strengthen and expand its activities. This is because of the growing needs for its services in Thailand."



*Figures do not include 1971 trainees

TWELVE YEAR SUMMARY: Volunteers in Country at end of Calendar Year

NANESA	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	Est 1971	Est 1972
India	26	74	123	275	590	1264	977	561	452	433	390	425
Pakistan	57	120	195	179	47	13	—	—	—	—	—	—
Tunisia	64	92	165	218	238	239	201	136	84	100	110	110
Afghanistan	9	35	112	186	176	197	205	137	112	135	150	150
Ceylon	39	34	—	—	—	58	39	14	—	—	—	—
Cyprus	22	22	—	—	—	—	—	—	—	—	—	—
Iran	43	45	160	255	331	328	245	200	153	155	165	165
Nepal	69	101	118	134	201	239	188	126	143	160	175	175
Turkey	39	142	319	527	447	220	236	164	1	1	5	5
Morocco	..	103	104	103	109	84	101	106	132	135	150	150
Libya	18	13	177	—	—	7	9	10
TOTALS	83	479	892	1432	2060	2797	2355	1953	1335	1065	1085	1190

NOTE: The actual number of Volunteers in each country may vary from these projections as Volunteer allocations for each country are made at a later date on the basis of firm host country requests and worldwide comparisons of programs.

NORTH AFRICA/NEAR EAST/SOUTH ASIA Regional Report

NANESA includes eight countries with an incredible population total of 630 million persons. It is a region of old and established cultures and institutions, a fact which has heavily influenced the Peace Corps' policy there. In 1971, 840 Volunteers were in service.

Seven of the NANESA nations continue to stress education as their most vital development need, and today 336 Volunteers are in the region working on 102 programs. Many are teaching English as a foreign language; others are in teacher education, or are developing new curricula for schools.

The big exception is India, where a population of 542 million is concentrated. Peace Corps work in India is very much aligned with the main thrust of the country's development plans, laying heavy emphasis on food production. Volunteers there are introducing new "miracle" wheat and rice grains as part of the Green Revolution. Others are in such programs as water resource, farm management, and animal husbandry.

India also has a high demand for family planning services, teacher training, and small business assistance, among other programs the Peace Corps has undertaken to sup-

port. In several of the NANESA nations, urban planning and public works are fields of high priority. Iran now has a broad selection of Peace Corps experts which includes systems analysts, food service technologists, education specialists and even professional musicians.

One of the Peace Corps' success stories is its mission in Nepal. Until 20 years ago, this South Asian kingdom was locked in isolation, suspicious of the outside world. But now the Nepalese have welcomed Volunteers to live in close daily contact with them in rural communities. Among the 115 working there in 1971 were geologists, fisheries experts, foresters, and agriculturalists. Six months ago, having reviewed the effectiveness of Peace Corps programs in Nepal, the government submitted requests for Volunteers covering the next five years.

Mrs. Effat Nahvi of Iran, where she is chief of the Technical Cooperation Bureau which monitors volunteer assistance agencies for the government, is equally well disposed toward working with the Peace Corps. She describes the mutual development effort as a "lively, evolving process, constantly bringing about involvement in fresh fields of activity."

On the staff of the Peace Corps, minorities were well represented in 1971, in Washington as well as abroad. Of the 85 directors or deputy directors of the organization, 29 (34%) were members of minority groups, and total representation among staff members was 29.3%.

JOIN EDUCATION WITH SERVICE

While applications from experts and technicians have steadily risen in number, they still have not been able to fill all the requests from overseas for agricultural and education specialists. In Asia, in Africa, and in Latin America, these have been, and continue to be, areas of prime need. The program of internships of which those for recruiting minorities were a part has proved an effective way of answering that need. Thus far, 16 education and agriculture intern programs have been established.

An alliance with the Teacher Corps initiated in 1970 led to graduate level internships with five participating universities. Under the agreement, 22 Volunteers, having served one year with the Teacher Corps in the United States, have then gone overseas for two years as teacher education specialists. Another 136 are currently preparing for future service. On their return from the Peace Corps, these Volunteers, most of whom are in mathematics and science, will be awarded credits toward graduate degrees.

Apart from the Teacher Corps, ten more intern programs are presently in operation; they graduated, in 1971, 193 Volunteers. Some sample cases: 12 graduates trained in agri-

culture at the University of Massachusetts are earning academic credits through service as Volunteers in Botswana. In Liberia, 28 secondary education teachers from Texas Southern are also accumulating credits during their tours of duty.

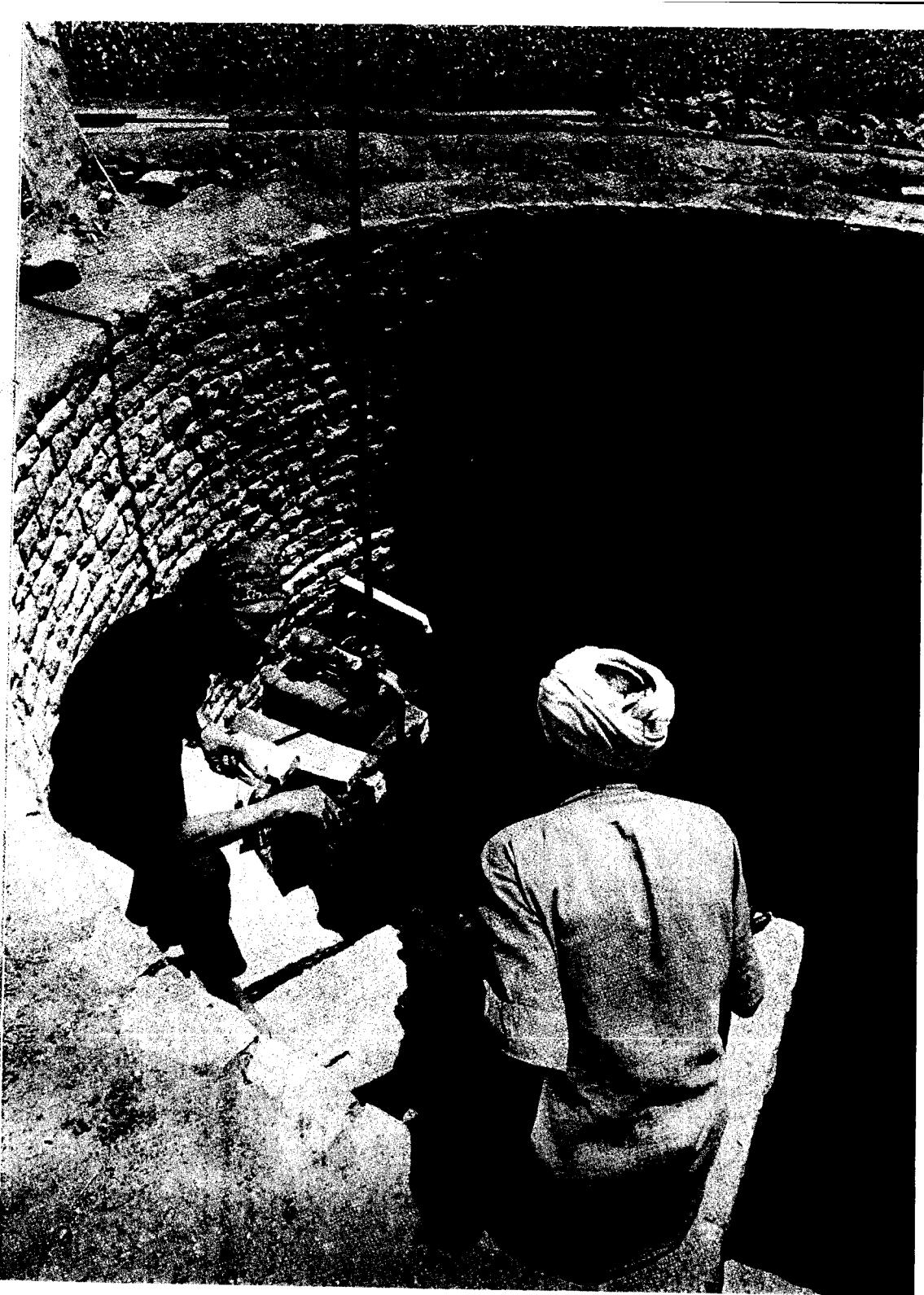
An additional nine universities are developing internship programs for 1972, supplying Volunteers in other fields such as forestry and urban planning. The Peace Corps anticipates a total of 500 Volunteers from a variety of internships next year.

TAILOR THE VOLUNTEER TO THE NEED

All Peace Corps Volunteers receive individual training to match them to their program assignments. For some, training has involved year-long internships in specialized fields. Others, who come to the Peace Corps with seasoned skills or experience, receive the basic three-month Peace Corps training—including language and cross-cultural preparation—that applies to those who will be assigned “generalist” jobs overseas.

There is another category of technical jobs in the Peace Corps for which non-specialists can be quickly trained. As a result of brief parapro-

D. W. Stafslien, 48, worked for 24 years with Western Electric before joining the Peace Corps. A Volunteer in India with a well-blasting program, he works under an Indian supervisor for the Mysore State Agro-Industries Corporation along with two Indian air hammer operators and one assistant. Peace Corps programs world-wide now recruit experienced technicians as well as professional people and generalists.





Dennis Paradis, 23, a graduate in psychology from Michigan State University was trained by the Peace Corps as a paraprofessional in animal husbandry for his service in India. Now skilled in cattle management and artificial insemination, he has encouraged the introduction of registered Jersey cattle into the Rajasthan area. The Peace Corps' experience has shown generalist applicants like Dennis to be highly successful in specific assignments in agriculture after only brief, intensive preparation during training.

fessional courses, Peace Corps Volunteers with liberal arts backgrounds have in the past demonstrated effectiveness in small-scale irrigation projects or as paramedicals in campaigns which have virtually stamped out malaria in several heavily afflicted areas around the world.

Paraprofessional training, therefore, has continued and increased in 1971, preparing a growing proportion of Volunteers for specific jobs in medicine and agriculture. It has enabled some to set up disease prevention and treatment centers, others to carry out shallow well-drilling projects. In poultry farming as well and one-crop food production—usually specializing in high-yield grains like wheat, corn, or millet—significant work has been accomplished by Volunteers with no experience in the area prior to joining the Peace Corps.

In the learning of languages, the Peace Corps holds an impressive record. The intensive language courses that make up part of basic training have given Volunteers an incredible range this year of 187 languages and dialects, among them many as remote as Hausa, Satawalese, and Tigrinya.

It is in aspects other than language preparation that selection and training have been altered, to prepare Volunteers more specifically for their assignments. In the past, a discontinuity between a Volunteer's expectation and the reality of Peace Corps work has sometimes led to his dropping out of the program, either during training or in the first year of service. Two new changes have served to cut back on attri-



tion of this kind, by acquainting prospective Volunteers and trainees with the particulars of their assignments from the very beginning.

One such change was the institution, in 1971, of pre-invitational stagings (PRISTS), a three-day orientation seminar designed to show the applicant as precisely as possible what conditions he will live under, what he will be doing, and what his service will ask of him. PRISTS also give the applicant the opportunity to question Peace Corps personnel, and allow them in return to study the applicant's reactions. All further training effort and cost is thus saved if a

More and more, the training of Peace Corps Volunteers is shifting from the U.S. to the countries in which they will be serving. In 1971, training for 52% of programs was conducted in-country; 13% was done at home, and the remaining 35% divided between the two locations. Trainees for service in Kenya this year were given intensive language courses in Swahili at a coastal training site in Mombasa. Together with the newly-instituted pre-invitational stagings (PRISTS) prior to selection, in-country training serves to acquaint prospective Volunteers with the particulars, and the surroundings, of their assignments overseas. It is also credited with helping to reduce the rate of attrition this year.

misplaced applicant leaves the program at this time. During the summer cycle of 1971, 65% of new Volunteers went through PRIST; this

fall's group will be 90% PRIST-screened.

The second change is an increasing shift toward training in host countries rather than in the United States. By 1970, training for 28% of Peace Corps programs was conducted entirely in-country; 24% was done completely in the United States, and the remainder split between the two. This year 52% was done overseas, with only 13% at home, and the outlook for 1972 promises a rise to 60%, as opposed to 8% in the United States.

While putting trainees in the countries of assignment where they familiarize themselves with programs and surroundings, in-country training has the side benefit of economizing on the costs of trainees' food and housing. More important, this is one of the ways in which de-

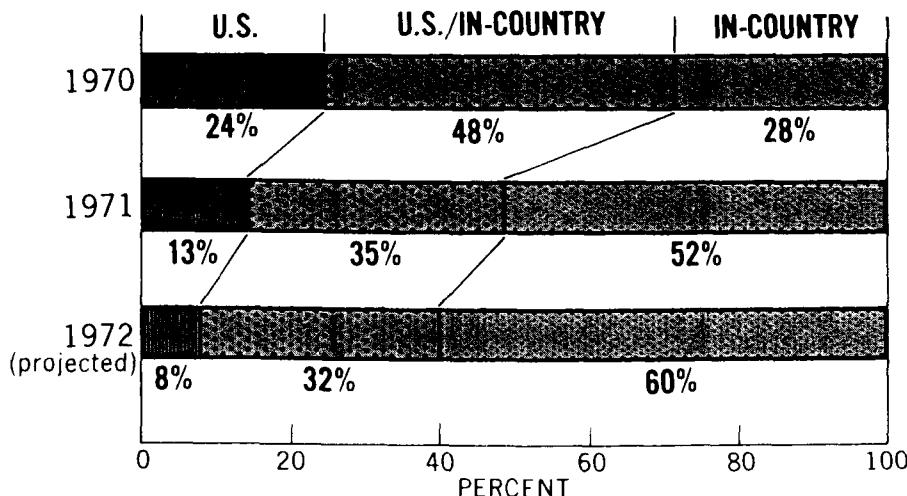
veloping nations are becoming directly involved in Peace Corps operations, moving toward genuine partnership in the overall effort.

Theirs as well as ours

There have been several New Directions changes in in-country administration. Programs now are more frequently effected in partnership with the host countries, with the result that they are better tailored to the specific needs of the country. This partnership means as well that the responsibility for Volunteer job supervision has been shifted to host country agencies, and thus that the Peace Corps is no longer regarded as a purely American undertaking.

The staffs of the Peace Corps abroad, once entirely American, consisted in 1971 of approximately 50% host country people, of whom

LOCATION OF TRAINING SITE (By Project)



30% were in policymaking positions. Peace Corps India this year had nine associate directors, an executive officer and a regional director who were Indian citizens.

The establishment of host country National Advisory Councils, made up of people of the public and private sector, is also being encouraged. Thus far, six nations have such councils—Korea, the Dominican Republic, the Philippines, Costa Rica, Ghana and Mauritius—whose function is to coordinate Peace Corps Volunteer activities with national aims, overseeing such factors as long-term evaluation, technical assistance, and host country contributions. Some countries, lacking such councils at the national level, do have regional advisory boards or groups concerned with specific subjects, such as education or business. Colombia, for instance, cooperates with the Peace Corps through its Agricultural Research and Extension Agency, providing advice and technical assistance on programs. It also has a National Business Foundation which contributes professional skills as well as program evaluations and technical training for Volunteers.

A third administrative change has made Peace Corps Volunteers responsible not to their own staff members alone, but to local ministries as well. Thus the Volunteers themselves have become, in a sense, "theirs as well as ours." And thus the Peace Corps has come to be viewed as a politically disinterested agency providing genuine assistance to countries abroad.



Teacher training and curriculum development, rather than straight teaching, have become the Peace Corps' focus in education programs overseas. Volunteer Susan Telman, 23, a graduate in elementary education, now works as an advisor for the basic school program in Jamaica, B.W.I. Regularly visiting a half dozen schools, Susan helps teachers, many of whom have received only minimal training, to produce lesson plans and work out curricula. In education as in other fields, the Peace Corps' role has progressively become that of a catalyst in countries' own long-range development.

Increasingly, campaigns to raise levels of living in the countries the Peace Corps serves are becoming local efforts, calling upon national assistance. As a part of this shift, and to assure the long-term continuation of its work, the Peace Corps is helping to launch citizen service corps in its host countries. Currently, Ghana has an active National Youth Service, and Panama, Iran, Ethiopia, India, and Kenya have similar programs. In Korea, another is in the planning stages for next year.

The New Directions partnership effort, in sum, has served to strengthen the Peace Corps and at the same time reduce its administrative functions. There are two instances, at present, where programs are in effect with no in-country administration at all. The Government of Malta, in the absence of a Peace Corps staff, supervises the work of Volunteers and also pays the monthly living allowances of the nine Volunteers on the island. A similar arrangement holds for Turkey.

Host countries are now, in fact, assuming many Volunteer expenses at the Peace Corps' encouragement, along with other responsibilities. Monetary contributions this year, and others that were in-kind—payment of housing, travel or supplies costs—added up to \$2,226,000. Liberia, as an example, contributed \$227,000 in cash; Sierra Leone provided equipment and supplies, housing, and some Volunteer allowances to a value quantified at \$89,000. But besides cutting costs, besides reinforcing the mission of the Peace Corps, partnership has demonstrated

the viability of the cooperative effort, as an example for other advanced nations to follow.

A mission for the world to share

It was on the model of Peace Corps' success that the United Nations General Assembly passed a resolution to establish a U.N. Corps of Volunteers in 1970. The Peace Corps welcomed this extension of its own work, and has given its support. In addition to advisory assistance and contributions to the U.N. Volunteer fund, it is assigning 20 to 25 Peace Corps Volunteers as part of the first U.N. Force, which will go into the field this fall; they will not maintain a relationship with the United States Peace Corps.

Another group of Volunteers—249 in all—have accepted assignments on projects connected with U.N. agencies while retaining Peace Corps Volunteer status. Requests have been filled, for instance, for a UNICEF staff position in Kenya; for two education planners with UNESCO in Kenya; and an FAO position in Lesotho. The International Labor Organization (ILO) now has 35 Volunteers

After the 1970 earthquake in Peru, the Peace Corps flew in physical therapist Volunteers to help rehabilitate people who had broken bones or lost limbs in the disaster. In the hospital that was set up outside Lima in a government recreation center, Elaine Smalley, a Volunteer with a B.S. in physical therapy, here examines a patient. This effort was an example of Volunteer relief that, on an international scale, offers promise of swift aid to disaster zones around the world in the future.



assisting its programs, and with WHO, several more are assigned to malaria control efforts in the Solomon Islands, Malaysia, and Thailand.

The Peace Corps has also taken further initiatives toward the expansion of international voluntarism, having proposed the establishment of an International Secretariat for Volunteer Service (iSVS), which now involves 56 countries around the world. Two multinational teams (MVTs), composed of volunteers from ten nations, are now at work under iSVS on projects in Yemen and Panama. Plans are meanwhile underway for further MVTs to go into programs in Kenya, Uganda, the Congo, and Chile.

There are also cooperative efforts on a smaller scale that have been organized independently—like a British-American-Tunisian teaching project in Tunisia, and joint training in Cameroon and Ivory Coast that involves American and Dutch volunteers. A number of private agencies, like CARE and the World Wildlife Association, may soon be sponsoring volunteers. They are now examining the feasibility of volunteer service within their own spheres of activity.

Voluntarism on an international basis, as the Peace Corps recognizes, has potential to do what no national volunteer force can do. In the first place, international teams are less susceptible to the winds of change in local politics. In the second, international groups may in the future attain a size that will make them effective as instant resources of skill and energy for large-scale disaster



A Volunteer who became a hero overseas is Mel Boozer (l.) 27, a Dartmouth graduate who spent nearly four years in the fishing village of Sepitiba, Brazil. As a result of his work there, the people of Sepitiba have better housing and better jobs, and some have returned to school for degrees.

Mel taught, helped set up several cottage industries, and innovated a neighborhood organization to fund self-help projects and emergencies. His methods were untraditional ones. To raise money he held fund-raising parties. To encourage learning in his classes, he started a system of incentives in the form of prizes, that got his adult pupils into the "habit" of learning.

Now returned to the U. S. from a place that has no race consciousness, Mel says he has gained a new perspective on race. "In the U. S. the problem of community," he says, "is more important than the problem of race."

relief. To the Peace Corps, that is a goal well worth pursuing in the 1970s.

Never an "Ex-" Volunteer

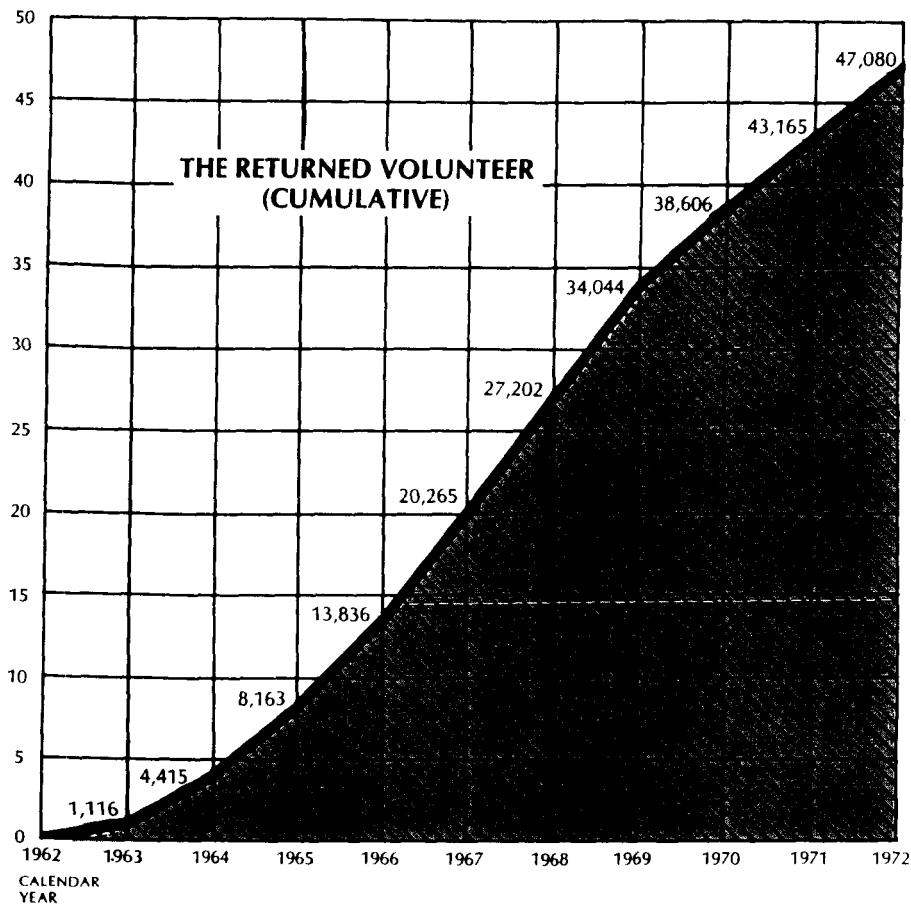
Many of the more than 43,000 returned Volunteers, influenced by their overseas experience, have

wanted to continue their work at home. Under New Directions, the Peace Corps has been expanding opportunities for putting their maturity and unique experience to best use.

Broadly, the effort is designed to relate ex-Volunteers to the enormous problems of social change in the

THE RETURNED VOLUNTEER

THOUSANDS



United States. Opportunities are sought in change-oriented programs in such areas as population, curriculum reform, ecology, and urban planning, in which returned Peace Corps volunteers might play significant roles.

Two years ago an active campaign was launched to inform schools, foundations, businesses and city governments of the resource of volunteer talent and its possible relationship to their programs. Rosters have been created which describe the qualifications of individuals; they are distributed regularly to prospective employers. Meanwhile, on the other side, two periodicals summarizing employment opportunities are published: a monthly, *Transition*, mailed to both in-service and ex-Volunteers; and *Hotline*, a weekly addressed to those returned during the last year.

Currently, as a result of overall efforts, ten ex-Peace Corps teachers hold high-level positions with the State Education Department of New Jersey. And a boost for a lot more RPCVs came this year from the New York State Department of Education, which so far has certified and helped find employment for 1500 of them in that state.

In industry, meanwhile, a group of Spanish-speaking RPCVs with the U.S. Research and Development Corporation are training hard-core unemployed Puerto Ricans for industrial jobs in San Juan.

Cities are hiring, too. Cleveland has agreed to take on Peace Corps veterans as city planners, civil engineers, and law enforcement officers, and the model cities effort of Atlanta will soon be interviewing for executive positions. A pilot intern program

is now being developed by the Peace Corps and New York City, which may open up many new opportunities for returned Volunteers in urban affairs agencies in large United States cities.

In voluntary terms, there are abundant outlets for the special abilities of RPCVs, and large-scale requests for their help. Four thousand, five hundred have been invited by the producers of the television program, "Sesame Street"—who have also taken on five black former Volunteers as paid specialists—to help make the show accessible to inner-city preschoolers. Another 500 have been asked to develop a consumer education program for the National Foundation of Consumer Credit.

In connection with the creation of ACTION, a Federal citizen service agency to include the Peace Corps as well as other Federal volunteer programs, further efforts are being devised to channel returning volunteers into meaningful service opportunities in the United States. One promising avenue will link two years of service in the Peace Corps with an additional year as a VISTA, "state-side." Eventually it may be possible to design sequences of this sort with specific programs both domestically and overseas, so that recruiting and training can be planned around a defined series of tasks which link the needs of the poor in the United States, the priorities of developing countries, and the talents of dedicated volunteers. At present, recruiting literature describing VISTA is presented to Peace Corps Volunteers at the conclusion of their terms of service, and Peace Corps literature, similarly, to VISTAs.

CURBING THE COST

Some New Directions innovations brought higher costs with them. PRISTS last year amounted to \$290 per participant; and families required both a larger living allowance and higher readjustment compensations on their return to the United States.

In spite of this, however, and in spite of inflation, the overall expenditure of the Peace Corps was down from the previous year, and in fact the lowest it has been since 1964. How was this possible?

The principal reason was staff streamlining. A major reorganization of administrative functions has resulted in a reduction in force of 29% without loss of efficiency.

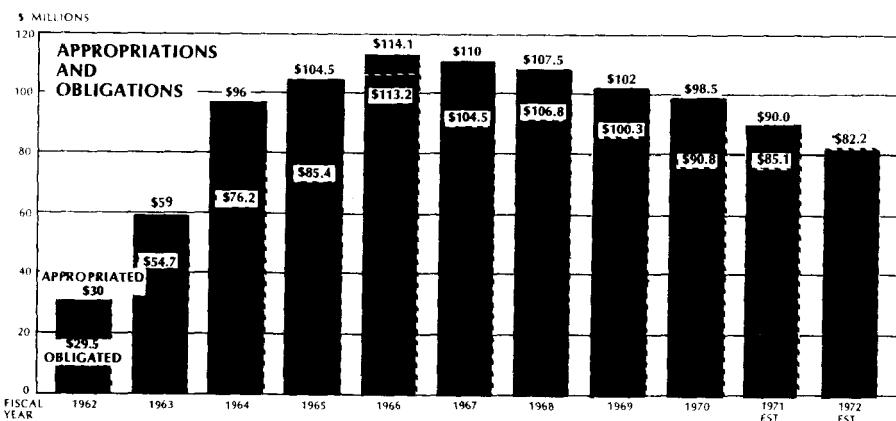
On the recruitment and training front, whereas PRISTS were introduced this year, the Peace Corps more than balanced the cost by eliminating the majority of expensive full-field investigations previously conducted on every applicant invited for training; these were costing, at the beginning of the 1971 fiscal year, over \$500 each. At the same time,

though it is a less quantifiable factor, there were benefits implicit in the lowered attrition rate: from 27.4% in 1969, to 23% in 1970, to 21.2% in 1971.

A number of economies reflected in the 1971 totals are continuing ones, and relate to the increasingly large role that host countries are taking in the Peace Corps operation. Many costs of training, housing, and supplies for Volunteers this year were underwritten by host countries, and some nations made cash contributions altogether totalling \$2,226,000. In the meantime, expenses have been curbed by the gradual substitution of in-country training for U.S. field training, which saves approximately \$100 per trainee week.

Within a few years, U.S. training is expected to be all but phased out; and as other aspects of the Peace Corps' work become more and more joint functions with the host countries, these costs, as well, will be reduced.

THE COST OF THE PEACE CORPS



THE OUTLOOK FOR 1972

Overall expenses of the Peace Corps operation, partly as a result of these continuing economies, are on a downward trend. They will be lower for 1972, even though there will be more Volunteers in service next year than there were in 1971.

The percentage of specialists among the Volunteer force, however, will remain high, and is expected to rise from 69% in 1971 to 76% in 1972. To ensure that it will be able to continue to supply the best, the Peace Corps' planning during the coming year will center on expanding the means of recruiting and training specialists for service. New arrangements similar to the Smithson-

ian alliance are being investigated, and more internships are sought to supplement the 16 now in force. In 1972, approximately 10% of all Volunteers will come from these sources.

More than 200 recruited and trained Volunteers currently overseas with the Peace Corps are in intern programs with universities. Before entering service, Darrell Penning, 22, worked 6 months in a soil testing lab and a year at the research experiment station of the University of Minnesota, where he received a B.S. in plant and soil science in 1970. He is now in Morocco, setting up a complete soil testing lab, which will become a research lab for food and drugs.





On July 1, 1971, President Richard Nixon signed an Executive Order which transferred the Peace Corps from its special relationship to the Department of State into a new Federal citizen service agency—ACTION. In ACTION, the Peace Corps joins VISTA, RSVP, SCORE, ACE, and the Foster Grandparent program as a component of a co-ordinated and integrated program of support for local initiatives through the provision of trained full- and part-time Volunteers.

Each of the programs joined in ACTION will maintain its separate identity, but each will also be able to call upon the expertise and resources of the others as well. Joint recruiting was already underway shortly after the merger; joint training and programming, at least in certain areas, were being intensively studied.

Volunteer Sherill Delayhoussaye (r.), a 1969 graduate in psychology from the University of Southern California, provides public health instruction to villagers with whom she lives in Niger, West Africa. She and Diane Hedcock, shown with her, are part of a highly successful program that has contributed significantly to combatting infant mortality in the area.

TOWARD A BETTER LIFE FOR ALL

The heart of the Peace Corps' work, as always, is the specific job that is being done, whether it is a tuberculosis control program in Malaysia or a sophisticated system to irrigate drought areas in Nepal. Other good that is accomplished diffuses outward from that job: in good will, in the understanding of a foreign culture, and in the adoption of the Peace Corps idea by other agencies, and other nations.

Under New Directions, the Peace Corps has borne down on each individual program, defining it, finding and training people with the skills to handle it, assuring technical backup and the cooperation of the people who are working and learning on that job. The big new difference is that the Peace Corps is no longer satisfied just to be *doing* the job; now it is *teaching how to do* the job, passing on skills that can be put to use long after all the PCVs have gone.

Speaking the language, knowing their jobs, becoming a part of their local communities, Volunteers have bridged enormous culture gaps,

something that no gifts or policies have been able to do. In this way also, they have become living proof that technical assistance, contrary to popular thought, can be given effectively, even at low cost to the United States.

The Volunteers have often become heroes of their communities. This happened, for example to Mel Boozer, a Volunteer in Brazil who innovated ways to train fishing villagers for new kinds of work. By the time he left this year, he had demonstrably raised their standard of living. It also happened to Barkley Moore in Iran, where libraries got built, and many children were able to get a secondary education as a result of his extended service there.

These are our Peace Corps ambassadors now. They are people of different ages, different races, from many parts of America. They come from varied backgrounds, and work in many fields. More than ever before, the Peace Corps represents

During one of the trips he has made to Africa since being appointed Director of the Peace Corps by President Nixon in 1969, Joe Blatchford (r.) discusses an agriculture project in Kenya with Volunteer Henry Der. On July 1, 1971, the Peace Corps became part of the new Federal citizen service corps, ACTION, and Joe Blatchford was named to become the new agency's director. In developing ACTION, Blatchford expects to design programs which encourage Volunteers to use their skills in service projects both in the United States and abroad.





America's diversity abroad, drawing in many new groups to supplement the young college graduates that were once its mainstay.

The Peace Corps' mission from the beginning was to offer real assistance and good will from the United States to under-privileged people around the globe. It was a little agency doing a big job. With a small amount of money and a few people, the Peace Corps has gone into 70 different and remote lands and proved what the world no longer believed: that the gates to progress could be opened, with trust and skill and patience.

The Peace Corps is still a little agency doing a big job. Now it has refined itself to pursue the same goals in its second decade. No one can say who reaps the greater benefit, the Volunteer who serves or the people who are helped by his service—only that both reap more than before. For like all great ideas in human exchange, the Peace Corps seeks to offer something of enduring value to

Volunteer Barkley Moore returned this year after six and a half years of Peace Corps service in Iran, where he accomplished critical tasks in the northeastern Turkoman area. He raised money to launch 30 libraries; started a kindergarten; taught 50 hours a week to some 2000 people, all told; and took on the support of numerous children who otherwise could not have gone to high school. He feels the need for the Peace Corps strongly, asserting the need that people of the world "see us as Americans, rather than as people coming with our arms loaded down with money. It's easy to give money when you've got plenty," he says. "It's easy to give arms when your factories are turning them out. But to give part of yourself, that's what counts."

all concerned while helping to build a better world.

Its principle, meanwhile, has been extended to the home front, to our poverty towns and our ghettos. Not just the Peace Corps' sister agencies, but cities, communities, and private groups are pitching in. And our progress in the 1970s is going to depend on them.

ACTION

PEACE CORPS

VISTA VOLUNTEERS IN SERVICE TO AMERICA

FGP THE FOSTER GRANDPARENT PROGRAM

RSVP RETIRED SENIOR VOLUNTEER PROGRAM

SCORE SERVICE CORPS OF RETIRED EXECUTIVES

ACE ACTIVE CORPS OF EXECUTIVES

Citizens in service to communities in need

PEACE CORPS

Congressional Presentation

Fiscal Year 1971

February, 1970

PEACE CORPS CONGRESSIONAL PRESENTATION
FISCAL YEAR 1971

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PEACE CORPS
WASHINGTON

OFFICE OF
THE DIRECTOR

February 26, 1970

Members of Congress:

Fiscal Year 1971 will mark the Tenth Anniversary of the Peace Corps. Of the many things that can be claimed for the agency during those years, perhaps the most important accomplishments cannot be reduced to numbers. The Peace Corps has spoken for the United States in a way that might otherwise never be understood--our desire to help other people where our help is needed. It has inspired more than a dozen other countries to initiate volunteer corps of their own, for service either at home or abroad. And more than 40,000 Americans have gained a unique and valuable experience which they are now putting to work in the United States.

In the years to come these intangible benefits will continue because the basic ingredient of the Peace Corps--dedicated men and women living modestly and helping on a people-to-people basis--will remain at the core of its work. But in the future the Peace Corps will increase its stress on solid accomplishment. This can be done by recruiting Volunteers with the skills in greatest demand abroad, by improving training and selection, and by insuring that each Volunteer has a useful job contributing to a priority need in the receiving country. It will also require better cooperation with non-government organizations in the United States and abroad and with international and multi-national development institutions. Above all the Peace Corps will seek to help the people of other countries create new resources and capacities to deal with their own problems.

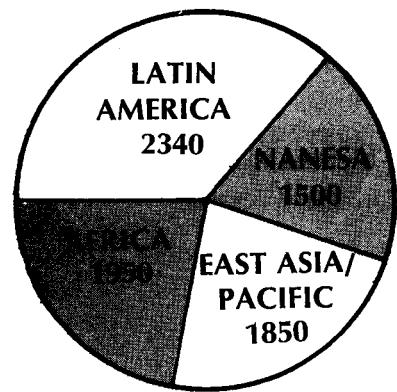
That idea--to promote self-help rather than dependency--has been eloquently advocated by this country for twenty years. In the Peace Corps today self-help is not just a catch phrase. It is at the heart of what we are all about.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph H. Blatchford".

Joseph H. Blatchford

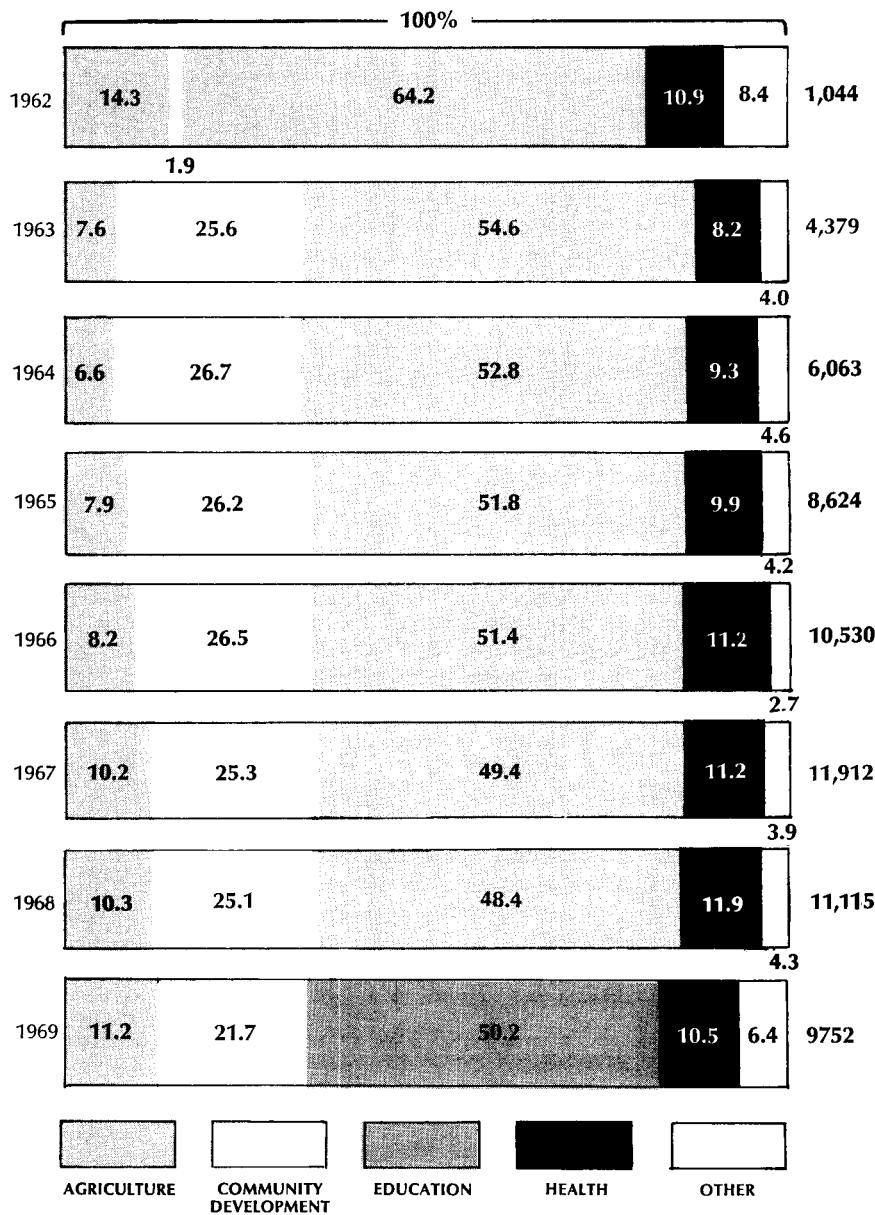
PEACE CORPS STATISTICS



WHERE THEY ARE HEADED is depicted in the chart above which projects the number of Volunteers overseas as of June 30, 1971. Latin America continues to absorb the most Volunteers. A more detailed representation of Peace Corps work in the four major regions is contained on the following pages.

WHAT VOLUNTEERS ARE DOING by type of program is charted at right. Education continues to be the task of almost half of the Volunteers. (Figures as of June 30, 1969.)

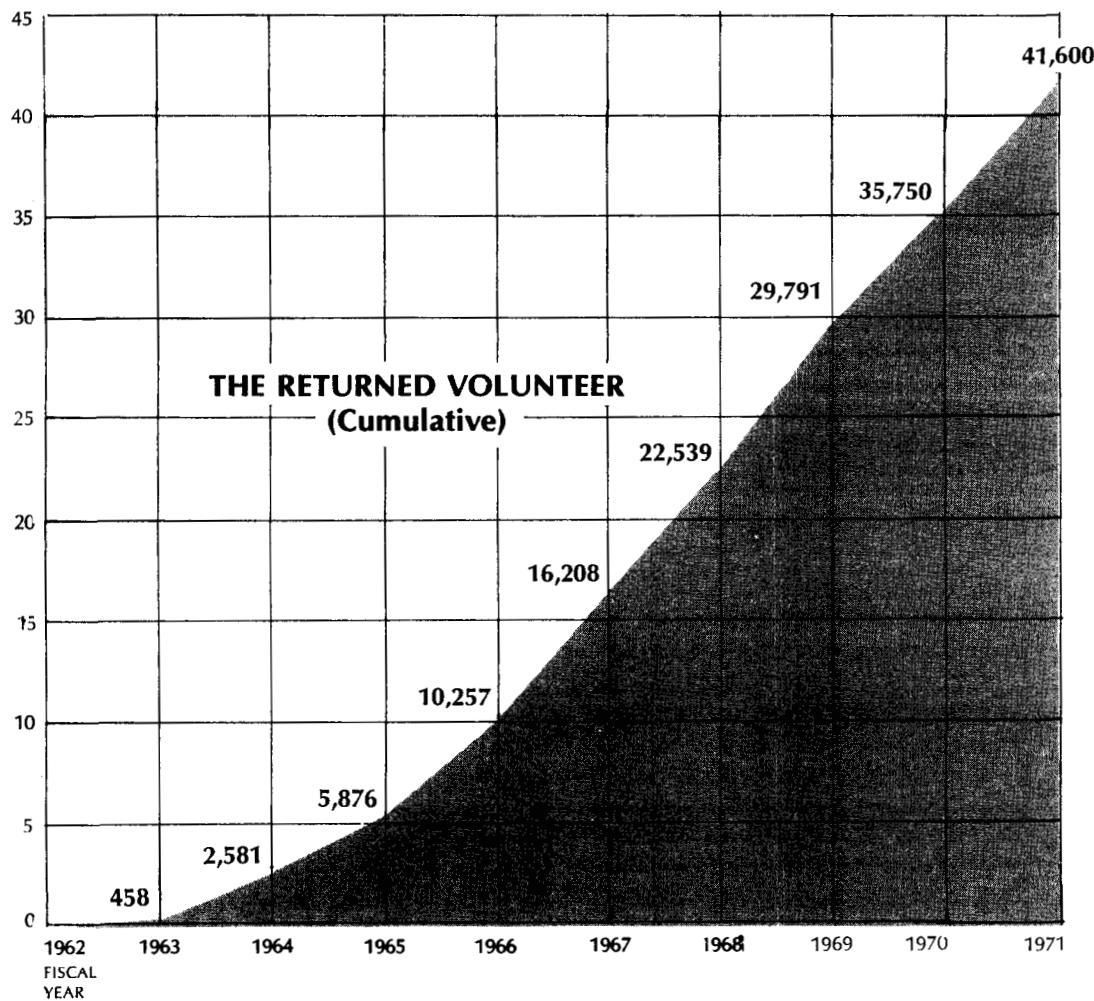
The work of the Peace Corps will never be told in statistics alone. But the numbers do provide a basic index of the scope of its operations. By October, 1969—early in the ninth full year of Peace Corps history—more than 41,000 Volunteers had gone overseas. Here is a breakdown of Volunteers by region of service and by type of program.



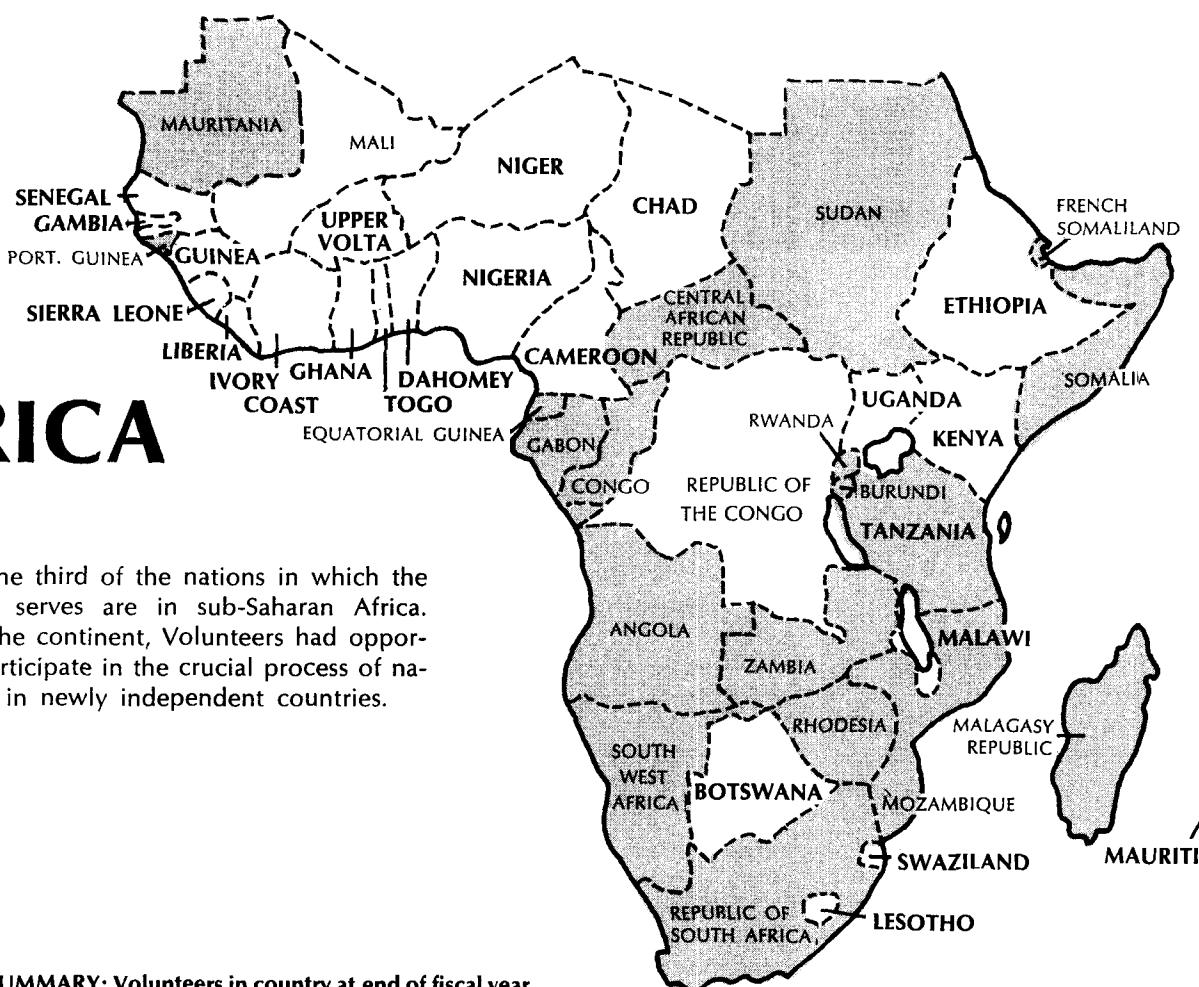
THE RETURNED VOLUNTEER

By the end of Fiscal Year 1970, more than 35,000 Volunteers will have returned to this country. Close to one-half of those who return go back to school, mainly for advanced degrees. Of those who go to work, about a third teach. Many others go into some form of public service work, including agencies with the Federal, state and local governments.

THOUSANDS



AFRICA



More than one third of the nations in which the Peace Corps serves are in sub-Saharan Africa. Throughout the continent, Volunteers had opportunities to participate in the crucial process of nation-building in newly independent countries.

TEN YEAR SUMMARY: Volunteers in country at end of fiscal year

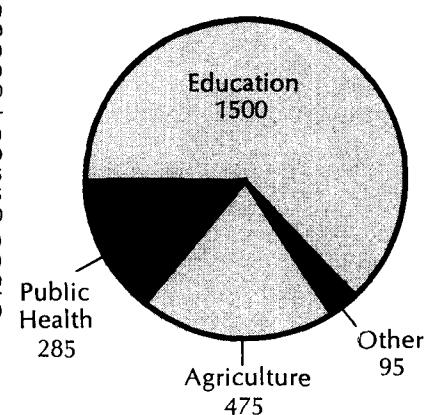
	1962	1963	1964	1965	1966	1967	1968	(now Sched- uled) 1969	Est. 1970
Ghana	51	129	136	110	111	208	242	181	190
Nigeria	109	258	508	634	719	719	248	93	61
Sierra Leone	37	120	159	150	233	236	273	258	271
Tanzania }	35	26	125	326	366	290	143	8	—
Tanganyika }									
Cameroon	39	88	103	118	77	61	50	64	70
Ethiopia	278	402	565	566	432	389	395	292	100
Gabon	41	70	35	49	71				
Ivory Coast	49	51	55	63	71	80	102	102	100
Liberia	132	272	335	399	317	299	327	276	250
Niger	16	12	43	48	129	156	45	44	60
Malawi }	42	97	230	231	153	123	140	129	—
Nyasaland }									
Senegal	34	62	51	55	75	119	98	68	80
Somali Rep.	35		58	80	96	73	51	—	—
Togo	44	59	56	49	109	102	85	84	70
Guinea		52	95	81			1	23	20
Kenya		129	197	229	253		277	306	260
Uganda		35	56	118	123		97	88	100
Botswana					56	50	68	64	60
Chad					30	38	46	55	50
Mauritania					11		—	—	—
Gambia						16	14	17	50
Upper Volta						44	52	51	50
Lesotho						66	57	61	55
Dahomey						26	37	51	55
Swaziland							44	50	20
Congo									20
Mauritius									20
Mali									20
Totals	232	1,243	2,093	3,010	3,421	3,427	2,924	2,526	2,355
									1,950

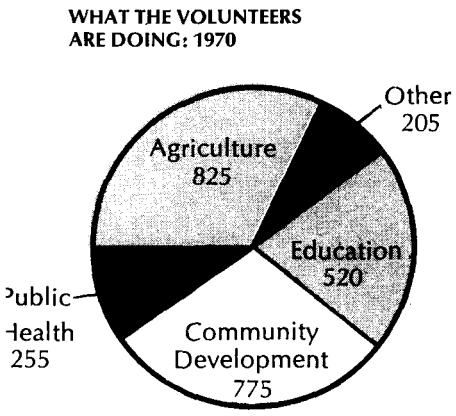
NOTE: Projections for June 30, 1971, are based on a worldwide position. Regional and country totals, established within the worldwide framework, are based on currently known requirements and projections of June 30, 1970 in-country strength. The actual number of Volunteers in each country on June 30, 1971 may vary from these projections as Volunteer allocations for each country are made at a later date on the basis of firm host country requests and worldwide comparisons of programs.

WHAT THE VOLUNTEERS WILL BE DOING IN AFRICA: 1971

Keeping in tune with the needs in a rapidly changing region of the world, the Peace Corps will continue to diversify its programs with a special emphasis on rural work through agriculture, and public health projects. Education, however, will remain the major Peace Corps effort.

WHAT THE VOLUNTEERS ARE DOING: 1970





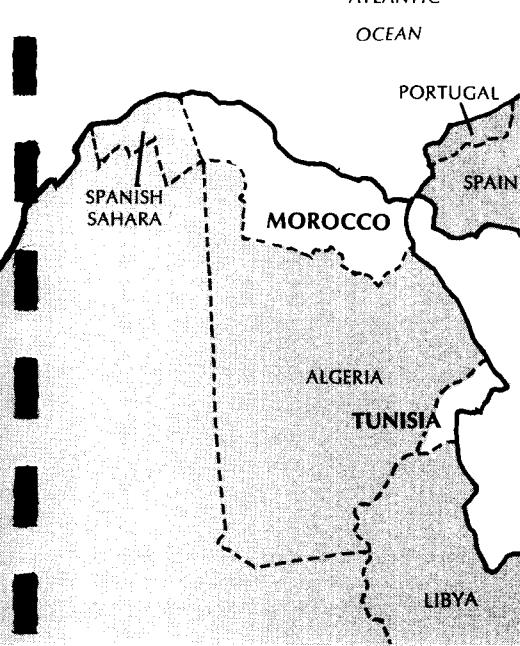
LATIN AMERICA

By number of Volunteers, this is the largest of the Peace Corps regions. More than 14,000 Volunteers have served or are serving in Central and South America in nine years. The major emphasis is almost evenly divided between agriculture and community development, which aims at creating a sense of identity and purpose among the people the Peace Corps serves and promoting self help as a desirable and practical method for the improvement of men and communities.

TEN YEAR SUMMARY: Volunteers in country at end of fiscal year

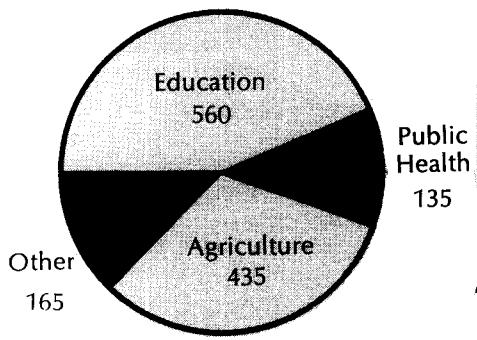
	1962	1963	1964	1965	1966	1967	1968	1969	(now Scheduled) 1970	Est. 1971
Brazil	43	168	210	548	639	601	580	456	400	350
Chile	63	99	106	294	397	392	254	197	150	100
Colombia	103	229	561	544	506	522	576	467	280	145
El Salvador	25	21	49	55	51	105	119	87	86	45
Jamaica	38	32	62	77	70	101	117	112	146	155
Eastern Caribbean Islands	15	14	17	5	45	89	124	131	155	175
Venezuela	23	83	117	265	292	352	262	206	150	175
Bolivia	35	112	126	220	266	303	219	230	184	145
British Honduras	33	18	49	33	42	45	35	26	26	35
Costa Rica	26	65	61	107	154	98	83	88	88	65
Dominican Republic	144	171	85	101	140	161	121	63	45	45
Ecuador	156	236	309	211	255	247	200	152	150	150
Guatemala	27	105	83	69	140	151	85	84	75	75
Honduras	27	46	103	107	174	167	152	100	100	135
Panama	28	76	133	196	171	174	112	100	105	105
Peru	285	293	379	301	349	283	137	185	185	185
Uruguay	18	4	48	65	31	14	21	20	20	20
Guyana					44	51	43	58	50	50
Paraguay					35	56	65	71	80	80
Nicaragua						30	51	75	75	75
Totals	345	1,484	2,276	3,214	3,439	4,034	3,715	2,963	2,550	2,310

NOTE: Projections for June 30, 1971, are based on a worldwide position. Regional and country totals, established within the worldwide framework, are based on currently known requirements and projections of June 30, 1970 in-country strength. The actual number of Volunteers in each country on June 30, 1971 may vary from these projections as Volunteer allocations for each country are made at a later date on the basis of firm host country requests and worldwide comparisons of programs.



WHAT THE VOLUNTEERS WILL BE DOING IN AFRICA: 1971

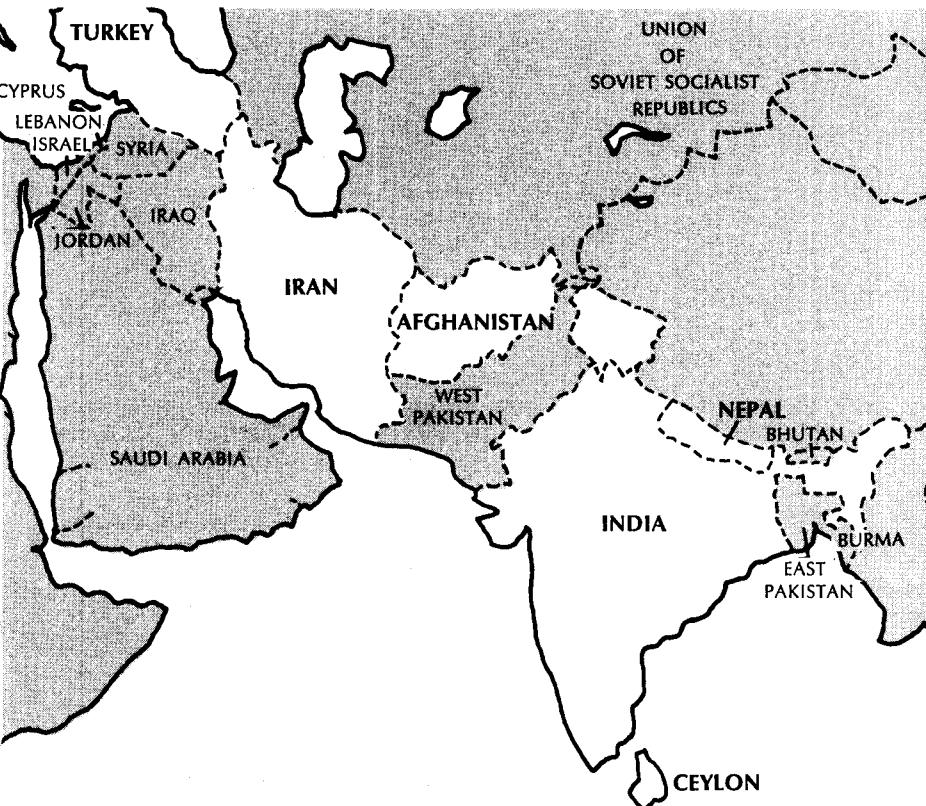
Keeping in tune with the needs in a rapidly changing region of the world, the Peace Corps will continue to diversify its programs with a special emphasis on rural work through agriculture, and public health projects. Education, however, will remain the major Peace Corps effort.



WHAT THE VOLUNTEERS ARE DOING: 1970

	1962	1963	1964	1965	1966	1967	1968	1969	(now Scheduled) 1970	Est. 1971
India	26	115	153	401	754	1,133	750	536	500	595
Pakistan East	29	28	172	191	141	35	83	94	118	124
West										
Morocco	56	102	133	117	83	94	118	124	160	160
Tunisia	94	48	135	192	252	230	192	135	115	115
Afghanistan	35	62	136	181	207	171	164	123	130	130
Ceylon	36					42	30	26	60	60
Cyprus	23									170
Iran	41	36	149	272	267	167	191	168	168	170
Nepal	65	96	120	150	221	179	185	159	135	135
Turkey	39	114	338	481	225	158	161	60	60	125
Libya						18	13	161		
Malta									10	
Totals	83	676	802	1,553	2,182	2,406	1,804	1,738	1,295	1,500

NOTE: Projections for June 30, 1971, are based on a worldwide position. Regional and country totals, established within the worldwide framework, are based on currently known requirements and projections of June 30, 1970 in-country strength. The actual number of Volunteers in each country on June 30, 1971 may vary from these projections as Volunteer allocations for each country are made at a later date on the basis of firm host country requests and worldwide comparisons of programs.



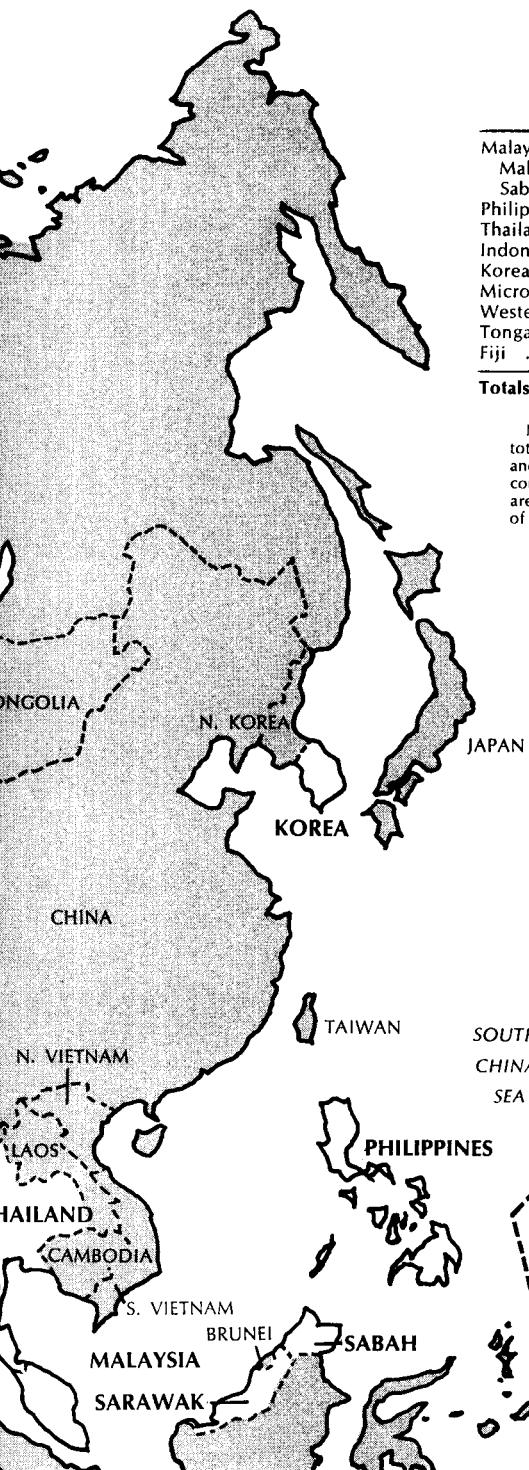
NORTH AFRICA/ NEAR EAST/ SOUTH ASIA

From the Atlantic to the Bay of Bengal, Volunteers serving in the eight nations of the NANESA region are engaged in a diverse series of programs ranging from rural development in Morocco to tubewell construction in India. In addition to their labors on food production and nutrition problems on the India sub-continent, Volunteers also promote family planning education at the request of the Indian government.

TEN YEAR SUMMARY: Volunteers in country at end of fiscal year

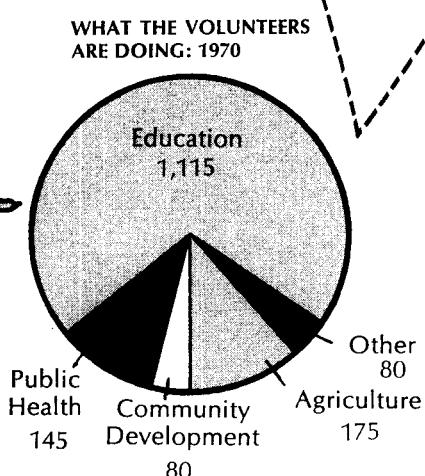
	1962	1963	1964	1965	1966	1967	1968	1969	(now Sched- uled) 1970	Est. 1971
Malaysia	378	561	583	495	495	417	450	
Malaya	67	169	206							
Sabah/Sarawak	91	124								
Philippines	272	472	286	227	571	601	720	662	309	335
Thailand	45	227	245	242	356	321	228	283	204	180
Indonesia	17	31								
Korea					92	310	265	179	295	
Micronesia					448	625	478	200	300	
Western Samoa						129	115	69	70	
Tonga						114	88	68	60	
Fiji						51	139	149	160	
Totals	384	976	892	847	1,488	2,045	2,672	2,525	1,595	1,850

NOTE: Projections for June 30, 1971, are based on a worldwide position. Regional and country totals, established within the worldwide framework, are based on currently known requirements and projections of June 30, 1970 in-country strength. The actual number of Volunteers in each country on June 30, 1971 may vary from these projections as Volunteer allocations for each country are made at a later date on the basis of firm host country requests and worldwide comparisons of programs.



EAST ASIA/PACIFIC

Volunteers are participating in education, health, and, to an increasing degree, agriculture programs in the eight host nations of the region.

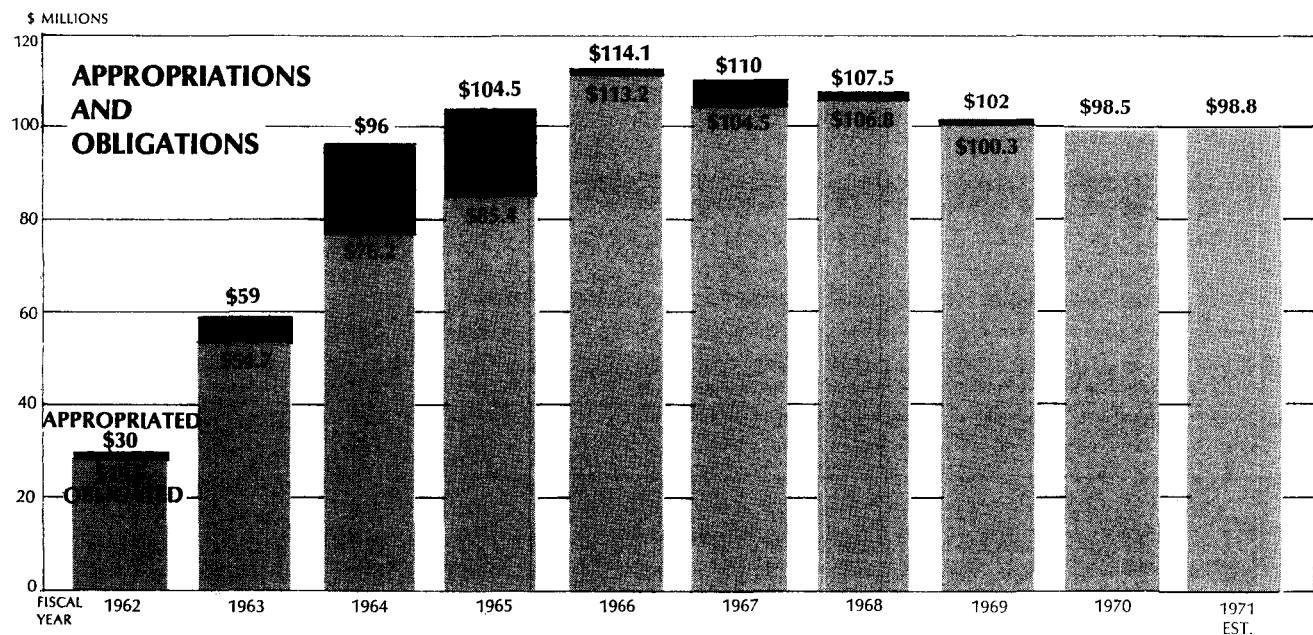


WHAT THE VOLUNTEERS WILL BE DOING IN EAST ASIA/PACIFIC: 1971

Education is the prime concern for Volunteers in East Asia/Pacific.

THE COST

Between the end of Program Year 1962 (the Peace Corps' first full year) and 1971, total strength will have grown from 2,816 Volunteers and trainees to 10,000 Volunteers and trainees, while the total number of countries will have grown from 17 to more than 60. In the same period, appropriations have increased from \$30 million to \$98.5 million in FY 1970 and \$98.8 million requested for FY 1971. The slow rate of growth in the budget, despite a number of pay increases for administrative personnel and the general inflationary trend, can be traced to a constant effort to reduce costs and improve efficiency, particularly in the significant areas of training, administration of overseas programs, and size of Washington headquarters staff.



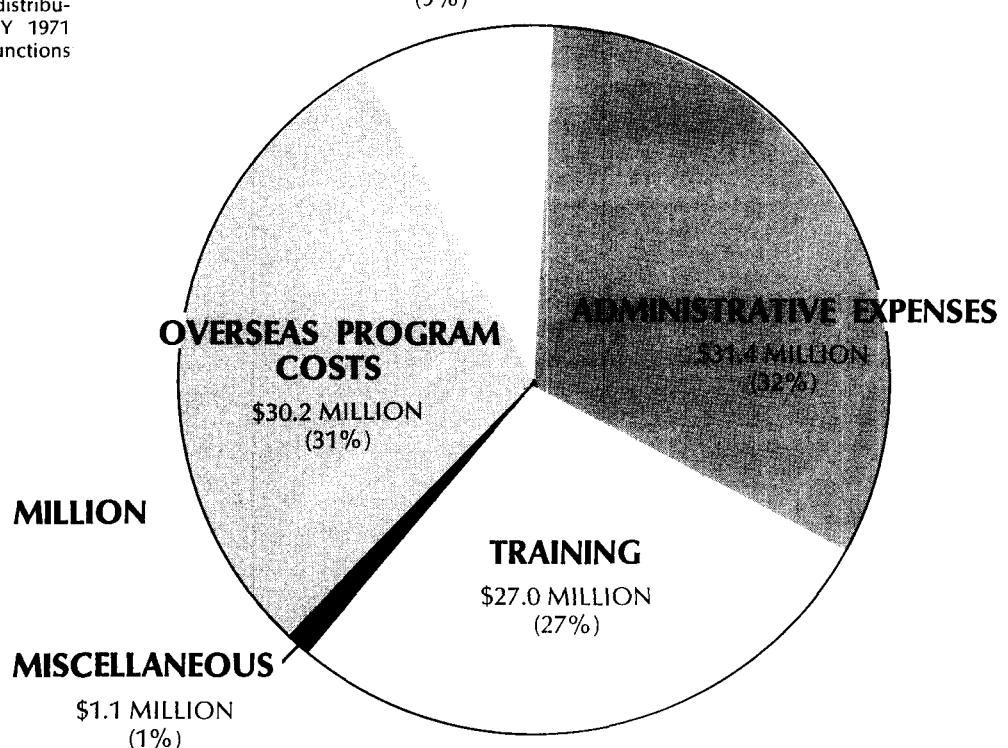
RECEIVED AND SPENT: Of \$102 million appropriated by the Congress for Fiscal Year 1969, the Peace Corps obligated \$100.3 million. The estimates for Fiscal Years 1970 and 1971 are approximately level at \$98.5 million and \$98.8 million, respectively and support a volunteer and trainee strength of about 10,000.

READJUSTMENT ALLOWANCES

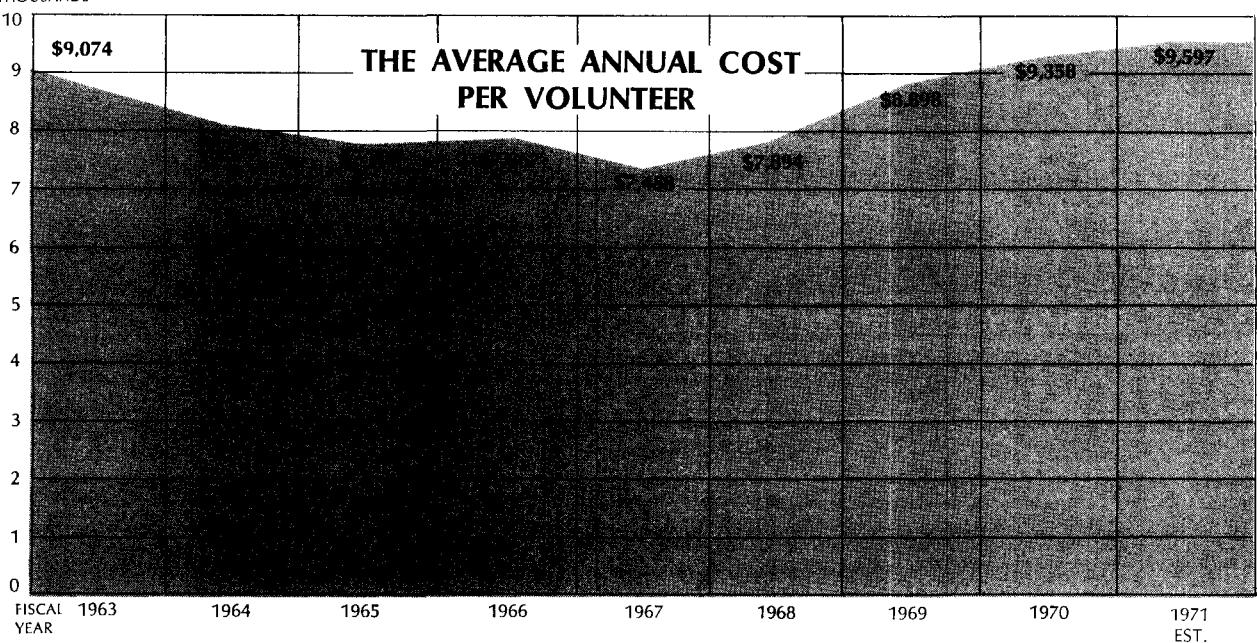
\$9.1 MILLION
(9%)

This diagram illustrates the distribution of the Peace Corps FY 1971 budget among the major functions supported by these funds.

TOTAL \$98.8 MILLION



\$ THOUSANDS



The trend in the cost per Volunteer is mainly a function of the trend in the size of the Peace Corps. So long as the total number of Volunteers and trainees is increasing, an "economy of scale" occurs and the average cost per Volunteer can be expected to decline from year to year. This was the case through FY 1967. However, when the number of Volunteers and trainees is progressively lower each year, the trend reverses itself and the cost begins to rise — as is the case in FY 1968, through 1971. In addition, several other factors have produced an increase in the per Volunteer cost. These include higher health care costs due to the use of direct-hire physicians rather than Public Health Service Physicians, continual Federal salary increases and the increased cost of certain mandatory payments to other agencies.

THE BUDGET FOR FY 1971

The Peace Corps budget request for FY 1971 supports the following new directions in the Peace Corps.

- Increased use of experienced Americans, such as farmers, mid-career professionals and craftsmen from industry as Volunteers.
- The acceptance of married couples with dependent children where the skill of the husband is unusually important and not available from single Volunteers.
- A smaller and more highly skilled staff.
- Increased efforts to promote local volunteer groups which can take over some projects from the Peace Corps.
- A relative constant strength from 1969 through 1971 of approximately 10,000 Volunteers and Trainees.

ANALYSIS OF PROGRAM AND REQUIREMENTS

The major program and fiscal data for FY 1969-71 are as follows:

	FY 1969 <u>Actual</u>	FY 1970 <u>Estimate</u>	FY 1971 <u>Estimate</u>
1. <u>Program Year Trainee Input</u>			
Regular contract	1,667	1,563	1,713
Peace Corps centers	332	467	467
PC Center/In-country	687	938	938
Contract/In-country	2,461	2,344	2,594
Complete In-country	1,079	1,088	1,188
Advance programs	77	100	100
	<u>6,303</u>	<u>6,500</u>	<u>7,000</u>
2. <u>End Strengths at End Program Year (August 31)</u>			
Volunteers	8,021	7,150	7,060
Trainees	<u>2,637</u>	<u>3,350</u>	<u>2,940</u>
	<u>10,658</u>	<u>10,500</u>	<u>10,000</u>

	<u>FY 1969 Actual</u>	<u>FY 1970 Estimate</u>	<u>FY 1971 Estimate</u>
3. <u>Funds (Obligations in \$millions)</u>			
Training and pre-training costs	\$ 23.5	\$ 25.3	\$ 27.0
Overseas costs (transportation, allowances, medical care, etc)	35.2	31.0	30.4
Readjustment allowance	11.2	9.3	9.1
Miscellaneous	.9	.8	.9
Total Volunteer and Project Costs	\$ 70.8	\$66.4	\$ 67.4
Administrative Expenses			
Washington	14.8	16.0	15.5
Overseas	<u>14.8</u>	<u>16.1</u>	<u>15.9</u>
	<u>29.6</u>	<u>32.1</u>	<u>31.4</u>
TOTAL Appropriation	\$100.4	\$ 98.5	\$ 98.8
4. Number of host countries	60	61	64

In total, the appropriation changes only slightly -- from \$100.4 million in FY 1969 to \$98.8 million in FY 1971. As indicated in the table above (under "Funds", item 3), the major budgetary and program changes are:

- An increase in training costs for higher training input needed to maintain the strength of the Peace Corps at 10,000 Volunteers and Trainees.
- Lower overseas and readjustment allowance costs due to lower numbers of Volunteers overseas.

The principal dollar changes are as follows:

	<u>\$ in millions</u>
FY 1970 Appropriation	\$ 98.5
Increase of 500 trainees from 6,500 in 1970 to 7,000 in 1971	+ 1.7
Decrease in overseas costs and readjustment allowance due to reduction in Volunteer strength	- .8
Increased participation in international programs	+ .1
Administrative Expenses	<u>- .7</u>
FY 1971 Estimate	\$ 98.8

ADMINISTRATIVE EXPENSES

FY 1971 Administrative expenses are estimated to be \$31.4 million. This is \$700,000 below the FY 1970 level. Major increases and decreases projected for FY 1971 are as follows:

- Personnel and related costs -- The only significant increase in this category is \$152,000 in operational travel due to the full year impact in FY 1971 of increased per diem rates which became effective in November, 1969. Reductions of \$549,000 in permanent U.S. employees, \$117,000 in temporary U.S. employees and \$140,000 in post assignment travel yield a net reduction of \$ -691
 - Administrative support operations -- Mandatory increases in Federal Telecommunications System costs of \$65,000 and required payments to the Bureau of Employee Compensation of \$55,000 combined with net decreases in all other areas of \$29,000 produce a net change of \$ + 91
 - Shared Administrative Support -- Decreased staff and volunteer man years overseas should reduce FY 1971 costs \$ -100
- \$ - 700

The trend in administrative costs as a percentage of program costs is as follows:

	\$ in millions		Admin percentage of Total Obligations
	<u>Program Costs</u>	<u>Admin Costs</u>	
FY 1969	\$ 70.8	\$ 29.6	29.5
FY 1970	66.4	32.1	32.6
FY 1971	67.4	31.4	31.8

The principle increase in administrative expenses results from the federal pay raise. The principle decrease results from a reduction in the total number of staff. Program costs will increase by \$1 million because of the need to train 7,000 trainees in FY 1971. The net result is that administrative costs will constitute a smaller percentage of total costs in FY 1971 compared to FY 1970.

In addition, the staffing numbers which determine the major portion of administrative expenses have been substantially reduced since FY 1969:

	<u>Administrative Expenses</u>	
	Permanent Full-time	
	<u>Personnel</u>	
	<u>Washington</u>	<u>Overseas</u>
June 30, 1969	657	322
New countries in FY 1970	--	+ 6
Reductions in FY 1970	<u>- 67</u>	<u>- 22</u>
June 30, 1970	590	306
New countries in FY 1971	--	+ 9
Reductions in FY 1971	<u>--</u>	<u>- 12</u>
June 30, 1971	590	303

Through such measures as a continuous review of all personnel requirements, travel orders, and supply and equipment purchasing, the Peace Corps attempts to hold Administrative Expenses to the very minimum consistent with operating needs.

Summary

The present appropriation of \$98.5 million is the lowest dollar level under which the Peace Corps has operated since the "build up" days of FY 1964. The FY 1971 request of \$98.8 million represents a virtually even level of funding for next year. We have based our predictions on program requirements for Volunteers and reduced staffing levels both in Washington and overseas. The size of the Peace Corps has declined from an average overseas strength of 10,229 in FY 1969, to 8,425 now estimated for FY 1970 and 7,703 projected for FY 1971. We seek to arrest this decline and to stabilize our strength. To do this, a new training input of 7,000 and an appropriation of \$98.8 million is required for 1971.

VOLUNTEER AND PROJECT COSTS

	<u>Obligations</u> <u>(In Thousands of Dollars)</u>		
	<u>1969</u>	<u>1970</u>	<u>1971</u>
I. Pre-Training	\$ 3,606	\$ 3,934	\$ 4,063
II. Training	19,889	21,338	22,964
III. Volunteer Costs	35,194	31,022	30,410
IV. Readjustment Allowance	11,241	9,256	9,063
V. Research	653	500	500
VI. Title III Activities	87	190	290
VII. School Partnership Program	107	110	110
	—	—	—
Grand Total	\$70,777	\$66,350	\$67,400

Volunteer and Project Costs

	Obligations		
	1969 Actual (\$000)	1970 Estimate (\$000)	1971 Estimate (\$000)
<u>I. PRE-TRAINING</u>			
1. Background Investigations	\$ 3,485	\$ 3,812	\$ 3,927
2. Health Examinations	<u>121</u>	<u>122</u>	<u>136</u>
SUBTOTAL	\$ 3,606	\$ 3,934	\$ 4,063
<u>II. TRAINING</u>			
1. Contract	\$ 3,822	\$ 4,692	\$ 5,139
2. Peace Corps Centers	1,579	1,727	1,775
3. PC Centers & Host Country	3,307	3,289	3,377
4. Complete In-Host Country	1,627	2,357	2,338
5. Contract & In-Host Country	6,474	6,474	7,066
6. Advance Training	381	279	290
7. Trainee Support	(2,699)	(2,520)	(2,979)
Medical Support	358	275	350
Trainee Travel	974	745	949
Host Country Language Instructors	287	300	300
Language Support	896	1,000	1,000
Dependent's Support	---	---	180
Miscellaneous	<u>184</u>	<u>200</u>	<u>200</u>
SUBTOTAL	\$19,889	\$21,338	\$22,964
<u>III. VOLUNTEER COSTS</u>			
1. International Travel	\$ 7,678	\$ 6,501	\$ 6,405
2. Allowances	(15,201)	(14,367)	(13,142)
Living	11,449	11,795	10,784
Settling-In	581	553	694
Leave	2,461	1,820	1,664
Clothing	710	199	---
First Year	(453)	(---)	(---)
Second Year	(257)	(199)	(---)
3. Health Care	(4,890)	(3,924)	(3,727)
USPHS Physicians	1,733	365	198
Direct Hire Physicians	1,179	2,295	2,374
Supplies & Services	1,978	1,264	1,155
4. In-Country Travel	1,161	674	616
5. Supplies & Equipment	463	253	231
6. Professional Support	2,239	2,146	2,161
7. Dependent's Support	---	---	775
8. Other Support	(3,562)	(3,157)	(3,353)
Vehicle Procurement	305	396	396
Vehicle Shipment	62	100	100
Bureau of Employee Compensation	514	555	681
Miscellaneous Costs	<u>2,681</u>	<u>2,106</u>	<u>2,176</u>
SUBTOTAL	\$35,194	\$31,022	\$30,410
<u>IV. READJUSTMENT ALLOWANCE</u>	\$11,241	\$ 9,256	\$ 9,063
<u>V. RESEARCH</u>	\$ 653	\$ 500	\$ 500
<u>VI. TITLE III ACTIVITIES</u>	\$ 87	\$ 190	\$ 290
<u>VII. SCHOOL PARTNERSHIP PROGRAM</u>	\$ 107	\$ 110	\$ 110
GRAND TOTAL	<u>\$70,777</u>	<u>\$66,350</u>	<u>\$67,400</u>

Volunteer and Project Costs

	Unit Costs (In Dollars)		
	1969 Actual	1970 Estimate	1971 Estimate
<u>I. PRE-TRAINING</u>			
1. Background Investigations (per investigation)	\$ 454	\$ 510	\$ 510
2. Health Examinations (per examination)	19	19	19
<u>II. TRAINING</u>			
1. Contract (per trainee)	2,999	3,000	3,000
2. Peace Corps Centers (per trainee)	4,199	3,800	3,800
3. PC Centers & Host Country (per trainee)	4,077	3,600	3,600
4. Complete In-Host Country (per trainee)	2,070	2,100	2,100
5. Contract & In-Host Country (per trainee)	2,743	2,750	2,750
6. Advance Training (per trainee)	2,750	2,900	2,900
7. Training Support			
1. Medical Support (trainee input)	48	48	48
2. Trainee Travel (per trip)	130	130	130
<u>III. VOLUNTEER COSTS</u>			
1. International Travel (per trip)	594	600	600
2. Allowances			
Living (per Vol. man-year)	1,119	1,400	1,400
Settling-In (per Volunteer)	102	125	125
Leave (per Vol. man-year)	240	216	216
3. Health Care			
USPHS Physicians (per physician man-year)	26,661	28,061	28,254
Direct-Hire Physicians (per physician man-year)	31,027	33,754	33,910
Supplies and Services (per Vol. man-year)	193	150	150
4. In Country Travel (per Vol. man-year)	114	80	80
5. Supplies and Equipment (per Vol. man-year)	45	30	30
6. Professional Support			
COR's (per COR man-year)	47,500	44,800	45,000
PTR's (per PTR man-year)	27,139	28,685	28,899
7. Support Related Requirements			
Vehicle Procurement (per vehicle)	3,165	3,165	3,165
Vehicle Shipment (per vehicle)	800	800	800
Miscellaneous Costs (per Vol. man-year)	262	250	282
<u>IV. READJUSTMENT ALLOWANCE</u>			
	941	941	941

I. PRE-TRAINING

A. Background Investigations

Background Investigations are conducted by the Civil Service Commission for the Peace Corps. An investigation is initiated when a prospective Volunteer accepts an invitation to a training program. The Peace Corps reimburses the Civil Service Commission for these costs at a rate based upon the Commission's total investigative workload.

Funding Data

<u>FY</u>	<u>Number of Investigations</u>	<u>Unit Cost</u>	<u>Total Obligations</u>
1969	7,677	\$454	\$3,485,000
1970	7,475	510	3,812,000
1971	7,700	510	3,927,000

B. Health Examinations

Health examinations are required of all individuals prior to entrance into training programs. They are performed at Government facilities or by private physicians.

Funding Data

<u>FY</u>	<u>Number of Examinations</u>	<u>Unit Cost</u>	<u>Total Obligations</u>
1969	6,370	\$ 19	\$ 121,000
1970	6,420	19	122,000
1971	7,150	19	136,000

II. TRAINING

During the course of a Program Year, which runs from September 1 through August 31, the Peace Corps conducts three training cycles. These cycles correlate with the ending of college and university semesters to facilitate recruitment among graduates of such institutions -- the primary source of Peace Corps Volunteers. However, consistent with the new policy of emphasizing the recruitment of highly skilled, mid-career personnel, provisions have been made for "out of cycle" training and placement of individuals with high level or unique skills. Training programs are conducted for approximately 12 to 14 weeks followed by immediate in-country assignment of the Volunteers. The training is conducted in five ways: (1) by commercial contract at the contractor's site, (2) by a combination of commercial contract at the contractor's site and in the host country, (3) at Peace Corps-operated training centers, (4) by a combination of the Peace Corps center and in the host country, and (5) completely in the host country.

The average direct cost of the various types of training in Program Year 1969 was \$2,920 per trainee. Through a combination of more effective loading of the Peace Corps-operated centers -- resulting in a decrease in per trainee overhead costs -- and increased emphasis on the relatively inexpensive training conducted in host countries, it is anticipated that this cost will be reduced to \$2,905 in 1970 and \$2,887 in 1971.

1. Contract

Funding requested under this category is for training projects conducted at sites in the United States under commercial contracts. During Program Year 1969 the average cost per trainee was \$2,999. It is anticipated that the cost will be approximately the same, \$3,000 per trainee during Program Years 1970 and 1971.

a. Basis of the Computation:

FY 1969 - Actual contracts were entered into for 1,269 trainees. This included contracts for 344 trainees to enter training after August 31, 1969.

FY 1970 - Planning provides for entering into contracts for 1,564 trainees. Of these, 1,219 will be Program Year 1970 trainees, and the balance, 345, will enter training after August 31, 1970.

FY 1971 - It is estimated that contracts will be let for 1,713 trainees during FY 1971. Included in this are 1,368 trainees for Program Year 1971, and 345 who will enter training after August 31, 1971.

b. Total Costs:

FY 1969 - \$3,822,000

FY 1970 - \$4,692,000

FY 1971 - \$5,139,000

Peace Corps Training Centers

The Peace Corps operates three training centers. They are located at Ponce, Puerto Rico, the Virgin Islands and Escondido, California. Under optimal conditions they have a combined input capacity of about 1,500 trainees a year. Two types of training projects are undertaken at these centers; those which train completely at the centers, and those which have an initial phase of training at the centers and a final phase in the host country. Prior to Program Year 1969, the number of the latter type projects were insignificant. However, during Program Year 1969, consistent with a general increased emphasis on in-country training, approximately two-thirds of the input into the centers were projects of this type.

As a result of the shift in the type of projects training at the centers, as well as a generally reduced input, the loading of the centers in Program Year 1969 was significantly below that of previous years. Since many of the costs are rather fixed in nature, the reduced loading had the adverse effect of producing relatively high costs per trainee. Phasing of the planned inputs for Program Years 1970 and 1971 and more efficient utilization of center personnel is expected to reduce the cost per trainee below that experienced in 1969.

Obligations for training programs initiated at training centers during a Program Year involve more than one Fiscal Year's funds. Tables which summarize and correlate the Program Year trainee inputs and Fiscal Year obligations requirements for the two types of training initiated at the centers are included below.

2. Peace Corps Centers (Complete)

Program Year	Trainee Input	Fiscal Year	Cost Per Trainee	Obligations (\$000)		
				For current Year Training Input	For other Years' Input	Total Funds
1969	332	1969	\$4,199	\$ 860	\$ 719	\$1,579
1970	467	1970	3,800	1,155	572	1,727
1971	467	1971	3,800	1,149	626	1,775

3. Peace Corps Center and Host Country

1969	687	1969	\$4,077	\$1,722	\$1,585	\$3,307
1970	938	1970	3,600	2,147	1,142	3,289
1971	938	1971	3,600	2,143	1,234	3,377

In-Country Training

Training in host countries was begun on a significant scale in 1967. Our experience has demonstrated that where conditions are suitable, training in host countries can produce better training at a lower cost. In-country training takes three forms; training done completely in-country under the direction of the Peace Corps, training conducted partly in the United States under contract with additional training overseas under the direction of the Peace Corps country staff, and training conducted partially at a Peace Corps center and partially in-country. The latter form is discussed in the previous section. All three forms are of approximately 12 to 14 weeks duration, the latter two varying in terms of time spent at the initial site and in-country.

Total obligations for both complete in-country and contract and in-country training projects initiated during a program year (September 1 through August 31) involve more than one fiscal year's authorization. Complete in-country training is funded as a direct cost by the Peace Corps and these funds, are obligated against the particular fiscal year in which they are required. In the case of contract and in-country training projects, contractual leadtimes are such that contracts must be entered into prior to the end of the fiscal year for some projects which begin in the following fiscal year. Summary tables which correlate the Program Year trainee input and Fiscal Year obligation requirements for both types of training are included below.

4. In Host Country (Complete)

Program Year	Training Input	Fiscal Year	Cost Per Trainee	Obligations (\$000)		
				For current Year Training Input	For other Years' Input	Total Funds
1968	690	1968	\$1,950	\$ 541	\$ 461	\$1,002
1969	1,079	1969	2,070	447	1,180	1,627
1970	1,088	1970	2,100	331	2,026	2,357
1971	1,188	1971	2,100	384	1,954	2,338

5. Contract and In-Country

1968	1,927	1968	\$2,413	\$3,803	\$1,642	\$5,445
1969	2,461	1969	2,743	4,867	1,607	6,474
1970	2,344	1970	2,750	4,663	1,811	6,474
1971	2,594	1971	2,750	5,281	1,785	7,066

6. Advance Training

The Peace Corps, in an effort to provide skilled manpower for heavily technically oriented programs in such areas as health, vocational training and agriculture, conducts advance training projects. Selected trainees receive training under Peace Corps auspices during their junior and senior year and during the intervening summer. Upon graduation they receive additional training for a specific project before commencing their in-country assignment.

Basis of Computation and Total Cost

- FY 1969 - During Program Year 1969, 77 trainees entered advance training. Obligations of \$185,000 were incurred for this training, and an additional \$196,000 was obligated to complete prior year advance training programs, for a total of \$381,000.
- FY 1970 - The 1970 program calls for 100 trainees at an average cost of \$2,900. \$252,000 will be obligated for this training, and \$27,000 will be obligated to complete the prior year program. Thus, anticipated FY 1970 obligations total \$297,000.
- FY 1971 - An estimated 100 trainees will enter advance training in 1971 at an average cost of \$2,900. Of this amount \$252,000 will be obligated in FY 1971 in addition to \$38,000 to complete the prior year's program. Total planned obligations are \$290,000.

7. Training Support

A variety of activities, both directly and indirectly in support of Peace Corps trainees, are funded in this category. They include; (1) medical supplies and services required during training, (2) the travel of trainees to and from training sites, (3) the transportation of foreign nationals to and from training sites to serve as language instructors, (4) the development of language training materials and the testing and evaluation of language training, (5) the support of dependents of trainees, and (6) miscellaneous training support, such as training conferences and curriculum development. The total obligations for this category are:

FY 1969	-	\$2,699,000
FY 1970	-	\$2,520,000
FY 1971	-	\$2,979,000

The cost of the individual items are as follows:

Medical Support

All trainees receive medical care during training, as well as immunizations prior to going overseas. Obligation estimates are based on the monthly phasing during the fiscal year of the trainee input rather than the total program year input.

<u>Fiscal Year</u>	<u>Trainees Supported</u>	<u>Unit Cost</u>	<u>Total Obligations</u>
1969	7,465	\$48	\$358,000
1970	5,729	\$48	\$275,000
1971	7,300	\$48	\$350,000

Trainee Travel

Obligations are incurred for trainee travel in the month of entry into training.

<u>Fiscal Year</u>	<u>Trips</u>	<u>Unit Cost</u>	<u>Total Obligations</u>
1969	7,465	\$130	\$974,000
1970	5,729	\$130	\$745,000
1971	7,300	\$130	\$949,000

Host Country Language Instructors

FY 1969 - Actual obligations for language instructors' travel totaled \$287,000.

FY 1970 - Estimated obligations for FY 1970 are \$300,000.

FY 1971 - Estimated obligations are \$300,000.

Language Support

One of the primary aims of Peace Corps training is to provide the Volunteers, in a relatively short period, the level of facility in the language of the host country necessary to operate effectively in their assignments. This entails dealing with the languages of over sixty countries, many of which have within their boundaries more than one language, as well as a variety of local and regional dialects. To meet this requirement, the Peace Corps must develop not only syllabi, but also test and evaluate the results of the training in order to improve the training. In addition funds are provided for consultants, the certification of language testers and similar support. Obligations for this purpose are as follows:

FY 1969 - \$ 896,000
FY 1970 - \$1,000,000
FY 1971 - \$1,000,000

Dependents Support

Commencing in Program Year 1970, the Peace Corps is accepting applicants with children under 18 years of age. Funds will be required for the support of these dependents during their parent's training period. It is anticipated that the initial input of such trainees will be during the summer training cycle of Program Year 1970, which falls in Fiscal year 1971. Therefore, funding for this purpose has been deferred until FY 1971. It is anticipated that approximately 400 dependents will require support during FY 1971 at an average cost of \$450 each, for a total funding requirement of \$180,000. The cost includes medical examinations and immunizations, transportation and subsistence during the 12 to 14 week training period.

Miscellaneous

Funds in this category provide for general support such as trainer's workshops and the development of training plans, manuals, etc. Obligational authority is as follows:

FY 1969 - \$184,000
FY 1970 - \$200,000
FY 1971 - \$200,000

Summary of New Trainee Input

<u>Trainee Entrees (Program Year)</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Contract	1,667	1,563	1,713
Peace Corps Centers	332	467	467
PC Center and Host Country	687	938	938
Complete In-Host Country	1,079	1,088	1,188
Contract & In-Host Country	<u>2,461</u>	<u>2,344</u>	<u>2,594</u>
Sub-Total Regular Complete	6,226	6,400	6,900
Advance Training	<u>77</u>	<u>100</u>	<u>100</u>
TOTAL	6,303	6,500	7,000

Funding Provisions as Required
in the Fiscal Year

Contract	1,269	1,564	1,713
Peace Corps Centers	322	467	467
PC Center and Host Country	687	938	938
Complete In-Host Country	1,117	1,088	1,188
Contract & In-Host Country	<u>2,081</u>	<u>2,344</u>	<u>2,594</u>
Sub-Total Regular Complete	5,476	6,401	6,900
Advance Training	<u>77</u>	<u>100</u>	<u>100</u>
TOTAL	5,553	6,501	7,000

III. Volunteer Costs

All costs related to supporting Volunteers overseas are included in this section. The costs of travel of the Volunteers to and from the host countries, their allowances, health care, and a large variety of other operational in-country support are provided from these funds.

1. International Travel

The costs of travel and per diem of the Volunteers and the transportation of their personal effects to and from the host country. Also included are funds for transporting trainees receiving training in the host countries.

Basis of Computation and Total Costs:

FY 1969 - Funds were obligated for 12,931 trips during FY 1969 - 7,045 return and 5,886 assignments. Total obligations were \$7,678,000 for an average cost of \$594 per trip.

FY 1970 - Funds are provided for 10,834 trips - 5,336 assignments and 5,498 returns - at an estimated \$600 per trip a total of \$6,501,000.

FY 1971 - Funds will be required for an estimated 5,115 Volunteers and in-country trainees who will be assigned during the fiscal year. Returnees are estimated at 5,560. The total of 10,675 trips at a unit cost of \$600 per trip will result in total obligations of \$6,405,000.

2. Allowances of Volunteers

Living Allowance

A living allowance is provided each volunteer to cover day-to-day living expenses, including subsistence. The specific allowance varies with local conditions and living costs. During FY 1969, as a result of a policy change designed to make the individual volunteers less dependent on staff support, the living allowance was increased to provide funds for some job-related supplies and travel, medical expenses and clothing. It is anticipated that this policy change will increase the average living allowance cost per man-year from the \$1,119 experienced during FY 1969 to approximately \$1,400, or \$281 per man year. However, corresponding reductions are anticipated in the other support areas of job-related supplies, travel, medical expenses and clothing. Funding for living allowances are as follows:

<u>Fiscal Year</u>	<u>Man Years</u>	<u>Cost per Man Year</u>	<u>Total Obligations</u>
1969	10,229	\$1,119	\$11,449,000
1970	8,425	\$1,400	\$11,795,000
1971	7,703	\$1,400	\$10,784,000

Settling-In Allowance

A one time settling-in allowance is provided each volunteer upon arrival overseas for the purpose of buying items incidental to getting settled, such as household articles and supplies. The allowance varies with local conditions and living costs. The average allowance provided in FY 1969 was \$102. An increase to \$125 is anticipated as a result of the policy change discussed above. The following table reflects the funding for this purpose.

<u>Fiscal Year</u>	<u>Number of Allowances Paid</u>	<u>Average Cost</u>	<u>Total Obligations</u>
1969	5,694	\$102	\$581,000
1970	4,420	\$125	\$553,000
1971	5,552	\$125	\$694,000

Leave Allowance

During a Volunteer's tour of service overseas (21 to 24 months) he is entitled to 45 days of leave at \$9 per day. The timing of the leave is dependent on the type of job assignment. For example, the school year of the host country is the determinant of leave period for those Volunteers involved in education projects. The following table reflects the funding for leave allowance on a man-year basis. The FY 1969 data is based on actual experience, and that for FY 1970 and 1971 is based on an average of 24 days per year.

<u>Fiscal Year</u>	<u>Man Years</u>	<u>Average Cost</u>	<u>Total Obligations</u>
1969	10,229	\$240	\$2,461,000
1970	8,425	\$216	\$1,820,000
1971	7,703	\$216	\$1,664,000

Clothing Allowance

In previous years a clothing allowance of \$150 per tour was provided each Volunteer. Of this total, the Volunteer received \$100 at the completion of his training and \$50 after his first year of service overseas. Commencing with those Volunteers entering training in the summer of Program Year 1969 (Fiscal Year 1970) this allowance is no longer being provided separately. In lieu of the separate allowance, and in accord with the policy change discussed under the living allowance, funds are included in the living allowance for this purpose consistent with local conditions. The second increment of the allowance will be paid those Volunteers who entered service prior to the establishment of this policy. Thus, no funds are required for this purpose in Fiscal Year 1971. The following table summarizes the obligations for 1969 and 1970.

<u>Fiscal Year</u>	<u>Number of Allowances Paid</u>	<u>Average Cost</u>	<u>Total Obligations</u>
<u>1969</u>	<u>9,670</u>	<u>\$73</u>	<u>\$710,000</u>
1st Year	4,530	100	453,000
2nd Year	5,140	50	257,000
<u>1970</u>	<u>3,986</u>	<u>\$50</u>	<u>\$199,000</u>
1st Year	---	---	---
2nd Year	3,986	50	199,000

3. Health Care

The Peace Corps provides medical care for all of its Volunteers. An overseas staff of physicians is maintained, along with the necessary dispensary and medical facilities and supplies and equipment to meet this requirement. During FY 1968 and prior the services of physicians were obtained through the United States Public Health Service on a reimbursable basis. However, as a result of changes to the Selective Service Laws, the Peace Corps is replacing those physicians detailed from the USPHS with direct-hire physicians as they complete their tour.

Physicians

FY 1969 - An average of 103 physicians were overseas during FY 1969. Of these, 65 were detailed from the USPHS and 38 hired directly by the Peace Corps. The average cost for the USPHS physicians was \$26,661 each, for a total obligation of \$1,733,000. The average cost for the direct hire physician was \$31,027 each or a total of \$1,179,000. Thus, total obligations for physicians were \$2,912,000.

FY 1970 - An average of 81 physicians overseas is estimated for 1970. Thirteen will be serving on detail from the Public Health Service at an average cost of \$28,061. 68 will be hired directly by the Peace Corps and their average cost is estimated at \$33,754. The resulting total requirement is \$2,660,000.

FY 1971 - Planning provides for 77 physicians overseas. Of these, seven will be on detail from the USPHS at an average cost of \$28,254 per physician, or a total cost of \$198,000. The other 70 will be directly hired by the Peace Corps. Their estimated average cost is \$33,910 per physician, or a total of \$2,374,000. Total obligational authority requested for physicians is \$2,572,000.

Medical Supplies and Services

The table included below indicates obligations for this purpose on a Volunteer man-year basis. The FY 1969 data reflects actual obligations. A decrease is anticipated for FY 1970 and 1971 because funds are included in the living allowance for certain medical costs as discussed under the section on living allowances.

<u>Fiscal Year</u>	<u>Man Years</u>	<u>Average Cost</u>	<u>Total Obligations</u>
1969	10,229	\$193	\$1,978,000
1970	8,425	\$150	\$1,264,000
1971	7,703	\$150	\$1,155,000

4. In-Country Travel

Funds in this category are for those travel and per diem costs incident to the performance of Peace Corps Volunteer service overseas. The funding is reflected in the following table on a Volunteer man-year basis. The FY 1969 data are actuals. The reduction anticipated for FY 1970 and 1971 is a partial offset to the increase in the living allowance, which now includes some funds for this purpose.

<u>Fiscal Year</u>	<u>Man Years</u>	<u>Average Cost</u>	<u>Total Obligations</u>
1969	10,229	\$114	\$1,161,000
1970	8,425	\$ 80	\$ 674,000
1971	7,703	\$ 80	\$ 616,000

5. Volunteer Supplies and Equipment

This category finances the supplies and equipment used by Volunteers in their job assignments. These include bicycles, textbooks, hand tools, medical instruments, and demonstration kits. The funding is summarized on a Volunteer man-year basis in the table below. The anticipated reduction in FY 1970 and 1971, as compared to the actual data for FY 1969, is a partial offset to the increase in the Volunteer living allowance. Funds for some of these items are now included in the living allowance, consistent with the policy change discussed in that section.

<u>Fiscal Year</u>	<u>Man Years</u>	<u>Average Cost</u>	<u>Total Obligations</u>
1969	10,229	\$45	\$463,000
1970	8,425	\$30	\$253,000
1971	7,703	\$30	\$231,000

6. Professional Support

Various Peace Corps programs require specialized professional and technical support. In the past, these technical support services were provided to the extent possible through contractual arrangements with institutions in the United States which sent Contractor's Overseas Representatives (COR's) to work with Volunteers for a period of approximately two years. This support included institutional backstopping in the form of materials and resources as well as the COR personnel. As the demand for technical personnel has increased, we have sought to provide technically qualified personnel by hiring them directly for the Peace Corps overseas staff. These Program Technical Representatives (PTR's) are performing, at a lower cost, the duties formerly done by contract personnel. Where specialized needs exist, the Peace Corps is continuing to contract with institutions when such arrangements can be made to our benefit.

FY 1969 - (1) COR's - Contracts were signed to provide 2 man-years of COR service at an average man-year cost of \$47,500 for total obligations of \$95,000.

(2) PTR's - The average number on board for FY 1969 was 79 at an average cost of \$27,139 per man-year. This includes all costs of salary, orientation and language training, housing, travel, allowances, and related costs such as supplies, equipment and office space. Total obligations for PTR's were \$2,144,000.

FY 1970 - (1) COR's - Contracting for COR's is expected to be limited to the extension of current contracts for approximately five man-years. The cost per man-year is estimated at \$44,800, or total obligations of \$224,000.

(2) PTR's - An average strength of 67 PTR's is projected for FY 1970. The average cost is estimated at \$28,685 per man-year. Obligation requirements total \$1,922,000.

FY 1971 - (1) COR's - The estimate includes five man-years of COR services at a cost of \$45,000 per man-year. The total funding requirement is \$225,000.

(2) PTR's - 67 man-years are projected for FY 1971 at a cost of \$28,899 per man-year. Total obligations are estimated at \$1,936,000.

7. Dependent's Support

Commencing in Program Year 1970 the Peace Corps began accepting applicants with children under 18 years of age. It is anticipated that approximately 400 of these dependents will be overseas during FY 1971. Current estimates indicate that an average of \$1,938 will be required for the transportation and subsistence of each of these dependents, as well as an educational allowance, where applicable. Thus \$775,000 will be required for dependent's support during FY 1971.

8. Other Support

These requirements represent an aggregate of items ranging from the procurement of program-utilized vehicles to the printing of the Volunteer Magazine. Important among them are the following:

Vehicle Procurement

- FY 1969 - Actual purchase of 98 program vehicles at a cost of \$305,000.
- FY 1970 - Purchase of 125 program vehicles at an estimated cost of \$3,165 each, or total obligations of \$396,000.
- FY 1971 - Purchase of 125 program vehicles at a unit cost of \$3,165. Total obligations \$396,000.

Vehicle Shipment

Funding for the shipment of new vehicles overseas is as follows:

- FY 1969 - \$62,000
- FY 1970 - \$100,000
- FY 1971 - \$100,000

Bureau of Employee Compensation

Annual required payments to Department of Labor under Federal Employees Compensation Act.

- FY 1969 - \$514,000
- FY 1970 - \$555,000
- FY 1971 - \$681,000

Miscellaneous Costs

This category funds a variety of small requirements for the support of the Volunteer on the job. They include rental of Volunteer housing when not included in the living allowance, Volunteer language testing, printing and reproduction, reimbursement for lost property, etc. In the aggregate they represent a recognizable factor when based upon the average number of Volunteers serving overseas.

Consistent with the policy change discussed under living allowance, funds for some of these items are being included in the living allowance beginning in FY 1970. The reduction in the average cost for FY 1970, as compared to FY 1969, reflects this policy change. The increase in FY 1971 provides for the storage of personal effects of married Volunteers with children.

<u>Fiscal Year</u>	<u>Man Years</u>	<u>Average Cost</u>	<u>Total Obligations</u>
1969	10,229	\$262	\$2,681,000
1970	8,425	\$250	\$2,106,000
1971	7,703	\$282	\$2,176,000

IV. Readjustment Allowance

Volunteers and trainees receive \$75 for each month of satisfactory service. These funds are placed in a deposit account for payment upon completion of service. The average cost in FY 1969 for 12,217 Trainee and Volunteer man-years was approximately \$941 including associated payments under the Federal Insurance Contribution Act (FICA). The total obligations for each year are shown below.

FY 1969 - \$11,241,000
FY 1970 - \$ 9,256,000
FY 1971 - \$ 9,063,000

V. Research

The objective of Peace Corps research programs is to develop and disseminate applied research that will help the Peace Corps to carry out its operations. This research includes studies for improving the recruitment, selection, training and overseas performance of Volunteers.

The funds requested are for research conducted under contract with colleges, universities and private organizations, as well as for in-house projects done by the Peace Corps research staff. Over the last several years, greater emphasis has been placed on increasing our in-house research activities. Funding for this purpose is as follows:

FY 1969 - \$653,000
FY 1970 - \$500,000
FY 1971 - \$500,000

VI. Encouragement of Volunteer Service Programs (Title III)

Title III of the Peace Corps Act, as amended, provides for encouraging and assisting volunteer programs in other countries under national or international auspices. The Office of International and Special Programs of the Peace Corps is responsible for implementing Title III and conducts its activities as follows:

1. Bilaterally, through the exchange of information with countries who have Volunteer programs or who indicate interest in developing such programs. It also seeks to assist those countries wishing to establish Volunteer programs by providing technical expertise and by advising such organizations on financial and other resources which might be available in the international and private sectors.
2. Multilaterally, through coordinating the U.S.'s participation in the International Secretariat for Volunteer Services. Peace Corps support of this organization is limited to the detail of two staff members who serve on the staff of ISVS and work with the 4 to 6 professional staff personnel provided by other ISVS Council members.
3. The Office is also charged with coordinating and supervising Peace Corps relations with the UN, UN Agencies, and other international, multilateral and/or regional organizations. It encourages multi-national programming and works closely with existing Volunteer organizations for this purpose. As part of its responsibilities, it is developing an international registry of volunteers and volunteer programs of all countries.

The increase in funding from FY 1969 to FY 1971 is related to increased participation in programs which further international volunteer activities.

Funding Data

FY 1969	-	\$87,000
FY 1970	-	\$190,000
FY 1971	-	\$290,000

VII. School Partnership Program

This program is designed to involve Volunteers overseas in the kind of self-help community effort necessary for effective community development, and to enable American school children to make meaningful contributions to the development of other countries' educational resources.

Funds are budgeted for the salaries, travel, supplies, and equipment of the personnel involved in the administration of this program.

FY 1969	-	\$107,000
FY 1970	-	\$110,000
FY 1971	-	\$110,000

FY 1971 BUDGET

Administrative Expenses

(Dollars in thousands)*

	PC/Washington			Overseas Costs			Total		
	FY 1969	FY 1970	FY 1971	FY 1969	FY 1970	FY 1971	FY 1969	FY 1970	FY 1971
A. Personnel and related costs	\$11,556	\$12,325	\$11,843	\$ 9,084	\$ 9,954	\$ 9,745	\$20,640	\$22,279	\$21,588
B. Administrative support operations	**3,232	3,684	3,657	2,226	2,437	2,555	5,458**	6,121	6,212
C. Administrative support - Dept. of State	---	---		3,475	3,700	3,600	3,475	3,700	3,600
TOTAL	\$14,788	\$16,009	\$15,500	\$14,785	\$16,091	\$15,900	\$29,573**	\$32,100	\$31,400

* Totals may not add due to rounding

** Includes \$49,000 transfer of Washington office rental to GSA for comparative purposes.

ADMINISTRATIVE EXPENSES

(Dollars In Thousands)

	PC/Washington			Overseas			Total		
	FY 1969 Actual	FY 1970 Estimate	FY 1971 Estimate	FY 1969 Actual	FY 1970 Estimate	FY 1971 Estimate	FY 1969 Actual	FY 1970 Estimate	FY 1971 Estimate
Personnel and Related Costs									
Personnel Compensation									
Permanent Employees - U.S.	\$ 6,928	\$ 7,378	\$ 6,986	\$ 4,769	\$ 4,888	\$ 4,731	\$11,697	\$12,266	\$11,717
Foreign Nationals	49	75	75	577	690	706	626	765	775
Temporary and Part-time Employment	2,035	2,017	1,900	92	100	100	2,127	2,117	2,000
Reimbursable Details	122	117	104	97	100	100	219	217	204
Overtime	164	160	160	30	30	30	194	190	190
Terminal Leave	5	55	10	85	120	100	90	175	110
Night Differential	1	1	1	--	--	--	1	1	1
Personnel Benefits									
Retirement, Life & Health Insurance	606	674	654	359	387	378	965	1,061	1,032
Education Allowances	--	--	--	161	177	194	161	177	194
Quarters Allowances	--	--	--	248	275	275	248	275	275
Severance Pay	2	10	10	--	20	20	2	30	30
Background Investigations	235	243	243	--	--	--	235	243	243
Medical & Dental Examinations	--	--	--	18	25	25	18	25	25
Language Training	--	--	--	82	100	100	82	100	100
Travel & Transportation of Personal Effects for Staff & Dependents to & From Overseas Posts	--	--	--	1,151	1,487	1,347	1,151	1,487	1,347
Residential Rents	--	--	--	595	655	693	595	655	693
Operational Travel	1,409	1,600	1,700	820	906	952	2,229	2,500	2,652
SUB-TOTAL - Personnel Costs	\$11,556*	\$12,325	\$11,843	\$ 9,084*	\$ 9,954	\$ 9,745	\$20,640*	\$22,279	\$21,588

ADMINISTRATIVE EXPENSES (cont'd)

(Dollars In Thousands)

	PC/Washington			Overseas			Total		
	FY 1969 Actual	FY 1970 Estimate	FY 1971 Estimate	FY 1969 Actual	FY 1970 Estimate	FY 1971 Estimate	FY 1969 Actual	FY 1970 Estimate	FY 1971 Estimate
<u>Administrative Support Operations</u>									
PC/W Communications (telephone, cables)	\$ 546	\$ 577	\$ 642	\$ --	\$ --	\$ --	\$ 546	\$ 577	\$ 642
PC/W Postage Fees	475	550	550	--	--	--	475	550	550
PC/W Office Rents	65	50	50	--	--	--	65	50	50
PC/W Computer Services	195	251	251	--	--	--	195	251	251
PC/W Equipment Rentals	66	72	72	--	--	--	66	72	72
Overseas Office Rents, Comm's & Utilities	--	--	--	654	672	690	654	672	690
Printing	604	600	600	16	17	17	620	617	617
Building Alterations & Repairs	28	100	60	70	70	70	98	170	130
Entertainment - PC/W	3	5	5	--	--	--	3	5	5
Overseas Representation Allowance	--	--	--	2	5	5	2	5	5
Vehicle Maintenance & Repair	3	3	3	64	65	65	67	68	68
Audit Services	72	80	80	--	--	--	72	80	80
Security Services from AID	92	102	103	--	--	--	92	102	103
Recruiting Advertising	142	142	142	--	--	--	142	142	142
Mailing Services	166	150	150	--	--	--	166	150	150
Miscellaneous Services from Other Agencies	61	68	69	13	13	13	74	81	82
Placement Tests	30	30	30	--	--	--	30	30	30
Miscellaneous Contractual Services	408	550	500	250	250	250	658	800	750
Supplies & Materials	180	180	180	572	601	631	752	781	811
Equipment	41	100	100	151	210	225	192	310	325
Maintenance and Repair of Equipment	28	30	30	44	45	45	72	75	75
Transportation of Supplies & Equipment	20	20	20	90	100	100	110	120	120
Moving Services	7	22	18	--	--	--	7	22	18
Vehicle Procurement	--	--	--	240	297	297	240	297	297
Shipment of Government Vehicles	--	--	--	45	72	72	45	72	72
Payments to Bureau of Employees Compensation	--	--	--	2	5	60	2	5	60
Claims	2	2	2	13	15	15	15	17	17
SUB-TOTAL, Administrative Support	\$ 3,232*	\$ 3,684	\$ 3,657	\$ 2,226*	\$ 2,437	\$ 2,555	\$ 5,458*	\$ 6,121	\$ 6,212
<u>Administrative Support - Dept. of State</u>									
Shared Administrative Support	--	--	--	3,475	3,700	3,600	3,475	3,700	3,600
TOTAL - Administrative Expenses Limitation Transfer to GSA (PBS)	\$14,788*	\$16,009	\$15,500	\$14,785*	\$16,091	\$15,900	\$29,573*	\$32,100	\$31,400
	<u>- 49</u>				<u>- 49</u>		<u>- 49</u>		
	\$14,739						\$29,524		
<u>Distribution by Function</u>									
Recruitment & Selection	\$ 4,500	\$ 4,428	\$ 4,188				\$ 4,500	\$ 4,428	\$ 4,188
Other Washington Operations	10,289	11,581	11,312				10,289	11,581	11,312
Overseas Operations	--	--	--	\$14,785	\$16,091	\$15,900	\$14,785	\$16,091	\$15,900
TOTAL	\$14,788*	\$16,009	\$15,500	\$14,785*	\$16,091	\$15,900	\$29,573*	\$32,100	\$31,400

* Totals may not add due to rounding

ADMINISTRATIVE EXPENSES

These costs cover administrative expenses for Peace Corps Headquarters in Washington and overseas administrative operations in each host country. In total, these funds constitute a limitation contained in each year's appropriation act. The FY 1970 amount of \$32,100,000 includes: \$1,600,000 related to the most recent Federal pay raise which became effective in July 1969 in accordance with the Federal Salary Act of 1967 (P.L. 90-206, December 16, 1967, and Executive Order 11474 of June 16, 1969), \$369,000 related to the increase in Per Diem rates which became effective in November 1969 in accordance with Public Law 91-114 of November 10, 1969, and \$31,000 related to the increase in the government's share of the Civil Service Retirement System which became effective in January 1970 in accordance with Civil Service Retirement Amendments of 1969 (P.L. 91-93 of October 20, 1969). Within the FY 1970 appropriation of \$98,450,000, provision has been made for these costs and no supplemental appropriation will be necessary for FY 1970. However, authority to increase the limitation from the \$30,100,000 enacted to \$32,100,000 in order to cover the pay raise and these other statutory increases will be separately requested in the Government-wide FY 1970 supplemental appropriation request.

The FY 1971 estimate of \$31,400,000 is \$700,000 below the FY 1970 total of \$32,100,000. The \$31,400,000 requested includes funds for an anticipated total of 64 host countries by the end of Program Year 1971 (August 31, 1971). In spite of the higher number of countries, we plan a \$700,000 decrease by a reduction of nearly all administrative costs below the FY 1970 level.

The following table illustrates the trend of administrative expenses as a percentage of the total appropriation:

<u>Fiscal Year</u>	<u>Percentage of Total Obligations</u>
1969	29.5
1970 (est.)	32.6
1971 (est.)	31.8

As previously explained, the "increase" in percentage of Administrative Expenses has resulted from repeated increases in Federal salaries and increases in FY 1970 in Per Diem and Retirement combined with declining program costs which reached a peak of \$89.6 million in FY 1966, and are estimated at \$67.4 million in FY 1971.

ADMINISTRATIVE PERSONNEL

Direct personnel costs such as salaries, benefits, operational travel, and other related expense requirements are by far the most significant element of Administrative Expenses and account for approximately 69% of all costs.

A summary of administrative personnel follows:

	Permanent full-time personnel Employment at end-of-year								(est.)	(est.)
	1963	1964	1965	1966	1967	1968	1969	1970		
<u>Overseas posts</u>										
U.S.	165	234	263	308	355	349	322	306	303	
Foreign Nationals	<u>142</u>	<u>122</u>	<u>97</u>	<u>120</u>	<u>144</u>	<u>171</u>	<u>109</u>	<u>100</u>	<u>100</u>	
Subtotal	307	356	360	428	499	520	431	406	403	
<u>Washington</u>	<u>711</u>	<u>663</u>	<u>668</u>	<u>677</u>	<u>631</u>	<u>691</u>	<u>657</u>	<u>590</u>	<u>590</u>	
Total	1,018	1,019	1,028	1,105	1,130	1,211	1,088	996	993	

The personnel plan for FY's 1970 and 1971 anticipates a reduction of administrative staff below the FY 1969 level both in Washington and overseas.

For Washington offices, the total is 590 at the end of both fiscal years, a reduction of 101 positions or 15% from the June 30, 1968 level of 691. This is the result of a deliberate effort by the Peace Corps to trim personnel and dollar requirements for Washington Headquarters offices by thoroughly reviewing all Headquarters functions, making reorganizations, combining offices and streamlining operations wherever possible. The associated budgetary saving occurring between FY 1970 and FY 1971 is estimated to be \$429,000.

The need to adequately supervise and administer the Peace Corps program at the source - the host country - requires well-trained U.S. staff in adequate numbers. The numerous tasks involved in the direction and day-to-day administration of a country program must be done in a competent and timely manner if the Peace Corps program in that country is to be sound and successful.

Prior to FY 1969, the number of overseas staff had increased from year to year in an attempt to keep pace with the growing numbers of Volunteers, the advent of in-country training programs, and the increasing number of Peace Corps countries. Aside from the added staff for new countries, the number of overseas personnel is being reduced 22 positions in FY 1970 and 12 positions in FY 1971 in recognition of the downturn in the number of Volunteers:

<u>Overseas Administrative Staff</u>	
Strength as of June 30, 1969 (actual)	322
Added for new countries during FY 1970	+ 6
Reduction during FY 1970	- <u>22</u>
Strength as of June 30, 1970 (estimate)	306
Added for new countries during FY 1971	+ 9
Reduction during FY 1971	- <u>12</u>
Strength as of June 30, 1971 (estimate)	303

Thus, the net decrease of nineteen overseas positions between FY 1969 and FY 1971 is the combined effect of an increase of fifteen for new countries and an overall reduction of thirty-four.

Cost Computations

Personnel Costs

These funds provide for the salaries and associated benefits (retirement, life and health insurance) of U.S. and foreign personnel employed in Peace Corps, Washington, and on overseas staffs. It also includes the cost of part-time personnel, personnel on reimbursable detail from other agencies, and overtime work.

1. Permanent Employees - U.S.

		<u>End Strength</u>	<u>Man-Years</u>	<u>Average*</u> Salary	Total (\$000)
<u>Washington</u>	FY 1969	657	657	\$10,545	\$ 6,928
	1970	590	624	11,824	7,378
	1971	590	585	11,942	6,986
<u>Overseas</u>	FY 1969	322	342	13,944	4,769
	1970	306	314	15,567	4,888
	1971	303	304	15,563	4,731
<u>Total</u>	FY 1969	979	999	11,709	11,697
	1970	896	938	13,077	12,266
	1971	893	889	13,180	11,717

* The increase in average salaries between FY 1969 and 1970 is principally due to the Federal pay raise which became effective in July of 1969.

2. Foreign Nationals a/

	<u>End Strength</u>	<u>Man-Years</u>	<u>Average Salary</u>	Total (\$000)
FY 1969	222	229	\$ 2,734	\$ 626
	230	240	3,196	765
	230	240	3,229	775

These cost estimates are based on those personnel paid from Peace Corps appropriated funds. The increase in average salary represents the effect of continuing local salary raises overseas as well as changing patterns of employment resulting in greater use of foreign national personnel in overseas Peace Corps professional and clerical positions.

a/ Includes both direct hire and contract foreign national personnel.

3. Part-time Employees

	(\$000)	
	<u>FY 1970</u>	<u>FY 1971</u>
Washington	\$2,017	\$1,900
Overseas	<u>100</u>	<u>100</u>
Total	\$2,117	\$2,000

4. Personnel on Reimbursable
Detail from Other Agencies

Washington	\$ 117	\$ 104
Overseas	<u>100</u>	<u>100</u>
Total	\$ 217	\$ 204

5. Overtime

Washington	\$ 160	\$ 160
Overseas	<u>30</u>	<u>30</u>
Total	\$ 190	\$ 190

6. Terminal Leave

Washington	\$ 55	\$ 10
Overseas	<u>120</u>	<u>100</u>
Total	\$ 175	\$ 110

The funds requested for Washington part-time employees provide the additional help, principally recruiters, selection and applicant processing personnel, who are needed on a part-time or intermittent basis due to seasonal workload fluctuations.

The success in reducing overtime is demonstrated by the fact that although pay raises have increased overtime rates each year since FY 1966, these costs have been more than cut in half from the FY 1966 level of \$412,000 to the current estimates of \$190,000 for both FY 1970 and FY 1971.

7. Personnel Benefits

	(\$000)	
	<u>FY 1970</u>	<u>FY 1971</u>
Retirement, life and health insurance		
Washington Overseas	\$ 674 <u>387</u>	\$ 654 <u>378</u>
Total	\$1,061	\$1,032

These costs are determined based on the applicable percentages of salaries.

Related Personnel Costs

Estimates for these funds are related to the numbers of overseas staff and their dependents. Included are education allowances for dependent children, quarters allowances, residential rent payments, language training required by the staff prior to assignment overseas, and the cost for travel of the overseas staff and storage or transportation of their personal effects to and from the countries of their assignment. Costs actually spent overseas, such as education and quarters allowances and residential rents, are also influenced by local price increases and prevailing rates in the various host nations.

	(\$000)	
	<u>FY 1970</u>	<u>FY 1971</u>
8. <u>Education Allowances</u>	\$ 177	\$ 194
9. <u>Quarters Allowances</u>	275	275
10. <u>Residential Rents</u>	655	693
11. <u>Staff Language Training</u>	100	100
12. <u>Post Assignment and Return Travel and Transportation to and from Overseas Posts</u>	\$1,487	\$1,347

The most significant of these costs is travel and transportation of staff and dependents to and from overseas posts. The estimate for FY 1971 contemplates 343 trips for both assignments and returns:

	(\$000)	
	<u>FY 1970</u>	<u>FY 1971</u>
Travel		
379 trips @ \$2,162	\$ 819	
343 trips @ \$2,162		\$ 742
Transportation of personal effects		
379 trips @ \$1,566	\$ 594	
343 trips @ \$1,566		\$ 537
Storage of household effects	<u>\$ 74</u>	<u>\$ 68</u>
	<u>\$1,487</u>	<u>\$1,347</u>

13. Background Investigations of Prospective Staff Members Performed by the Civil Service Commission

Investigations are required for all prospective staff personnel. The current Civil Service Commission cost per investigation is \$510.

FY 1970	475 Investigations	@	\$510 =	\$243,000
FY 1971	475 Investigations	@	\$510 =	\$243,000

14. Operational Travel

	(\$000)	
	<u>FY 1970</u>	<u>FY 1971</u>
Washington	\$1,600	\$1,700
Overseas	<u>900</u>	<u>952</u>
Total	<u>\$2,500</u>	<u>\$2,652</u>

Adequate travel by the Washington and overseas staffs is a truly essential element in providing the proper management and direction to the far-flung Peace Corps program. To minimize these costs, a continuous effort is made, both in Washington and overseas, to control travel by such means as: cancelling any trips of relatively low priority; the use by staff of charter flights carrying Volunteer groups to overseas assignments; careful and thorough scheduling of recruiting itineraries; by combining trips when possible; and by reducing in-country per diem rates to the lowest practical level.

The requested increase in FY 1971 over FY 1970 reflects the full year impact of the increased per diem rates which became effective in November 1969.

15. Administrative Support Operations

This category covers a wide variety of day-to-day support costs amounting to about 20% of the total Administrative Expenses funds. It includes diverse but essential costs such as office rents and utilities, equipment rentals, printing, postage, telephone and telegraph charges, supplies, equipment, the procurement and operation of vehicles overseas, and payments for services received from other government agencies. An increase of \$91,000 is estimated for administrative support operations in FY 1971.

The major items comprising this increase are Peace Corps Washington communications (\$65,000) which is due to a rate increase for the Federal Telecommunications System and an increase in required payments to the Bureau of Employee compensation (\$55,000). The net impact of changes in all other costs is a decrease of \$29,000.

The increase is the result of the following:

	(\$000)		
	FY 1970	FY 1971	Change
Peace Corps Washington communications	\$577	\$642	+ \$65
Required payment to Bureau of Employee Compensation	5	60	+ \$55
All other support operations	<u>\$5,539</u>	<u>\$5,510</u>	- \$29
	\$6,121	\$6,212	+ \$91

16. Administrative Support from the Department of State

Under the Shared Administrative Support Agreement, the Department of State, through their various Embassies, provides centralized administrative support to the Peace Corps and other participating agencies with overseas programs. This support includes budgeting and accounting, communications, security, procurement, and a variety of other logistical services. Each participating agency reimburses the State Department for these services.

	(\$000)	
	<u>FY 1970</u>	<u>FY 1971</u>
Shared Administrative Support	\$3,700	\$3,600

The \$100,000 decrease in the amount requested for FY 1971 is the result of decreased staff and Volunteer man-years overseas which is projected to more than compensate for increases due to the addition of new country programs.

FINANCIAL SUMMARY TABLES

1. Reconciliation of FY 1969 Appropriation to FY 1971 Estimate
2. Statement of Authorizations and Appropriations - 1962-1971
3. Summary of Obligations by Activity - 1962-1971
4. Schedule of Obligations by Purpose - 1969-1971
5. Schedule of Obligations by Object Classification - 1969-1971
6. Schedule of Obligations for Administrative Expenses by Object Classification - 1969-1971
7. Average Cost Per Volunteer - 1963-1971
8. Schedule of Host Country Contributions - 1964-1971

RECONCILIATION OF FY 1969 APPROPRIATION TO
FY 1971 ESTIMATE
(in thousands of dollars)

<u>TOTAL NOA</u>	<u>Volunteer & Project Costs</u>	<u>Administrative Expenses</u>
\$102,000	FY 1969 appropriation	\$29,500*
	Reprogramming for Federal pay raise	-800
<u>-1,650</u>	Unobligated balance	<u>-923</u>
\$100,350	FY 1969 obligations	70,777
	Changes:	
	Pre-training expenses \$ +328	
	Training expenses +1,449	
	Overseas Volunteer expenses -4,172	
	Readjustment allowances -1,985	
	Research activities -153	
	Title III activities +103	
	School Partnership Program +3	
<u>-4,427</u>	Subtotal Volunteer & Project Costs	<u>-4,427</u>
	Changes:	
	Personnel and related costs \$+1,639	
	Administrative support costs +663	
	Administrative support - Dept. of State +225	
<u>+2,527</u>	Subtotal Administrative Expenses	<u>+2,527</u>
\$ 98,450	FY 1970 Program	\$66,350
		\$32,100

*For comparative purposes, includes \$49,000 transfer of Washington office rental to GSA.

<u>TOTAL NOA</u>		<u>Volunteer & Project Costs</u>	<u>Administrative Expenses</u>
\$98,450	FY 1970 Program	\$66,350	\$32,100
Changes:			
	Pre-training expenses	\$ +129	
	Training expenses	+1,626	
	Overseas Volunteer expenses	-612	
	Readjustment allowance	-193	
	Research activities	---	
	Title III activities	+100	
	School Partnership Program	---	
		—	
+1,050	Subtotal Volunteer & project costs	+1,050	
Changes:			
	Personnel and related costs	\$-691	
	Administrative support costs	+ 91	
	Administrative support - Dept. of State	<u>-100</u>	
-700	Subtotal Administrative expenses	—	<u>-700</u>
\$98,800	FY 1971 Estimate	\$67,400	\$31,400

PEACE CORPS

STATEMENT OF AUTHORIZATIONS AND APPROPRIATIONS

(Dollars in Thousands)

<u>Fiscal Year</u>	<u>Original Authorization & Budget Request</u>	<u>Amended Budget</u>	<u>Authorized</u>	<u>Appropriated (Including re-appropriations)</u>	<u>Appropriation Transfers to GSA</u>	<u>Obligated as of June 30</u>	<u>Unobligated as of June 30</u>	<u>Re-appropriated</u>
1962	\$ 40,000	\$ --	\$ 40,000	\$ 30,000	\$ --	\$ 29,496	\$ 504	\$ --
1963	63,750	--	63,750	59,000	444	54,692	3,864	3,864
1964	108,000	102,000	102,000	95,964	--	76,164	19,800	17,000
1965	115,000	106,100	115,000	104,100	7	85,449	18,644	12,100
1966	125,200	--	115,000	114,100	--	113,173	927	--
1967	110,500	112,150	110,000	110,000	104	104,525	5,371	--
1968	124,400	118,700	115,700	107,500	--	106,846	654	--
1969	112,800	--	112,800	102,000	49	100,301	1,650	--
1970	109,800	101,100	98,450	98,450	--	98,450 (Est.)	--	---
1971	98,800				--			

SUMMARY OF OBLIGATIONS BY ACTIVITY

Fiscal Years
(In millions of dollars)

	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u> Est.	<u>1971</u> Est.
Volunteer & Project Costs	\$ 19.7	39.3	58.4	65.6	89.6	79.8	78.2	70.8	66.4	67.4
	%(66.7)	(71.9)	(76.7)	(76.8)	(79.1)	(76.4)	(73.2)	(70.5)	(67.4)	(68.2)
Administrative Expenses	\$ 9.8	15.4	17.8	19.8	23.6	24.7	28.6	29.6	32.1	31.4
	%(33.3)	(28.1)	(23.3)	(23.2)	(20.9)	(23.6)	(26.8)	(29.5)	(32.6)	(31.8)
TOTAL	\$ 29.5	54.7	76.2	85.4	113.2	104.5	106.8	100.4	98.5	98.8

SCHEDULE OF OBLIGATIONS BY PURPOSE

	<u>1969</u>	<u>1970</u>	<u>1971</u>
<u>Administrative Expenses</u>	\$ <u>29,573</u>	\$ <u>32,100</u>	\$ <u>31,400</u>
Recruitment & Selection	4,500	4,428	4,188
Other Washington Operations	10,288	11,581	11,312
Overseas Operations	14,785	16,091	15,900
 <u>Volunteer & Project Costs</u>	 \$ <u>70,777</u>	 \$ <u>66,350</u>	 \$ <u>67,400</u>
Pre-Training	3,606	3,934	4,063
Training	19,889	21,338	22,964
Overseas	35,194	31,022	30,410
Readjustment Allowances	11,241	9,256	9,063
Research Studies	653	500	500
Title III Activities	87	190	290
School Partnership Program	107	110	110
 TOTAL	 \$100,350	 \$ 98,450	 \$ 98,800

PEACE CORPS OBLIGATIONS

BY OBJECT CLASSIFICATION
(in thousands of dollars)

	Total Appropriation			Volunteer and Project Costs			Administrative Expenses		
	FY 1969 Actual	FY 1970 Estimate	FY 1971 Estimate	FY 1969 Actual	FY 1970 Estimate	FY 1971 Estimate	FY 1969 Actual	FY 1970 Estimate	FY 1971 Estimate
Personnel Compensation:									
Permanent positions	\$ 14,933	\$16,044	\$15,493	\$ 2,610	\$ 3,013	\$ 3,001	\$12,323	\$13,031	\$12,492
Positions other than permanent	2,435	2,498	2,376	308	381	376	2,127	2,117	2,000
Other personnel compensation	211	210	207	17	19	16	194	191	191
Special personal service payments	<u>28,696</u>	<u>25,594</u>	<u>24,159</u>	<u>28,386</u>	<u>25,202</u>	<u>23,845</u>	<u>310</u>	<u>392</u>	<u>314</u>
Total personnel compensation	\$ 46,275	\$44,346	\$42,235	\$31,321	\$28,615	\$27,238	\$14,954	\$15,731	\$14,997
Personnel benefits	2,769	2,790	2,911	1,391	1,247	1,380	1,378	1,543	1,531
Travel and transportation of persons	13,682	12,396	13,151	10,865	9,130	9,807	2,817	3,266	3,344
Transportation of things	2,670	2,490	2,528	2,028	1,672	1,768	642	818	760
Rents, communications, and utilities	4,155	4,254	4,432	1,592	1,457	1,514	2,563	2,797	2,918
Printing and reproduction	753	738	742	135	121	125	618	617	617
Other services	<u>25,334</u>	<u>26,574</u>	<u>27,486</u>	<u>19,956</u>	<u>20,676</u>	<u>21,728</u>	<u>5,378</u>	<u>5,898</u>	<u>5,758</u>
Supplies and materials	3,527	3,416	3,853	2,776	2,635	3,042	751	781	811
Equipment	1,100	1,365	1,380	668	758	758	432	607	622
Insurance claims and indemnities	<u>60</u>	<u>56</u>	<u>57</u>	<u>45</u>	<u>39</u>	<u>40</u>	<u>15</u>	<u>17</u>	<u>17</u>
Total obligations, Peace Corps	\$100,325	\$98,425	\$98,775	\$70,777	\$66,350	\$67,400	\$29,548	\$32,075	\$31,375
Allocation to State, Office of Inspector General, Foreign Assistance	<u>25</u>	<u>25</u>	<u>25</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>25</u>	<u>25</u>	<u>25</u>
Total Obligations	\$100,350	\$98,450	\$98,800	\$70,777	\$66,350	\$67,400	\$29,573	\$32,100	\$31,400

PEACE CORPS

ADMINISTRATIVE EXPENSES

OBLIGATIONS BY OBJECT CLASSIFICATION
(in thousands of dollars)

	FY 1969 Actual			FY 1970 Estimate			FY 1971 Estimate		
	Hdqtrs.	Overseas	Total	Hdqtrs.	Overseas	Total	Hdqtrs.	Overseas	Total
Personnel Compensation:									
Permanent positions	\$ 6,977	\$ 5,346	\$12,323	\$ 7,453	\$ 5,578	\$13,031	\$ 7,061	\$ 5,431	\$12,492
Positions other than permanent	2,035	92	2,127	2,017	100	2,117	1,900	100	2,000
Other personnel compensation	164	30	194	161	30	191	161	30	191
Special personal service payments	<u>128</u>	<u>182</u>	<u>310</u>	<u>172</u>	<u>220</u>	<u>392</u>	<u>114</u>	<u>200</u>	<u>314</u>
Total personnel compensation	\$ 9,304	\$ 5,650	\$14,954	\$ 9,803	\$ 5,928	\$15,731	\$ 9,236	\$ 5,761	\$14,997
Personnel benefits									
Travel and transportation of persons	608	770	1,378	684	859	1,543	664	867	1,531
Transportation of things	20	622	642	20	798	818	20	740	760
Rent, communications, and utilities	1,315*	1,248	2,563*	1,470	1,327	2,797	1,535	1,383	2,918
Printing and reproduction	602	16	618	600	17	617	600	17	617
Other services	1,282	4,096	5,378	1,525	4,373	5,898	1,438	4,320	5,758
Supplies and materials	180	571	751	180	601	781	180	631	811
Equipment	41	391	432	100	507	607	100	522	622
Insurance claims and indemnities	<u>2</u>	<u>13</u>	<u>15</u>	<u>2</u>	<u>15</u>	<u>17</u>	<u>2</u>	<u>15</u>	<u>17</u>
Total obligations, Peace Corps	\$14,763	\$14,785	\$29,548	\$15,984	\$16,091	\$32,075	\$15,475	\$15,900	\$31,375
Allocation to State, Office of Inspector General, Foreign Assistance									
	<u>25</u>	<u>---</u>	<u>25</u>	<u>25</u>	<u>---</u>	<u>25</u>	<u>25</u>	<u>---</u>	<u>25</u>
Total Obligations	\$14,788	\$14,785	\$29,573	\$16,009	\$16,091	\$32,100	\$15,500	\$15,900	\$31,400

*For comparative purposes, includes \$49,000 transfer of Washington office rentals to GSA.

	<u>AVERAGE COST PER VOLUNTEER</u>									
<u>DIRECT COSTS</u>	<u>1963 FACTOR</u>	<u>1964 FACTOR</u>	<u>1965 FACTOR</u>	<u>1966 FACTOR</u>	<u>1967 FACTOR</u>	<u>1968 FACTOR</u>	<u>1969 FACTOR</u>	<u>1970 FACTOR</u>	<u>1971 FACTOR</u>	
<u>PRE-SELECTION</u>										
Background Investigation	\$ 448	\$ 483	\$ 532	\$ 539	\$ 552	\$ 567	\$ 604	\$ 678	\$ 678	
Medical Exam	23	27	31	24	24	25	25	25	25	
Travel	298	325	333	299	150	182	173	173	173	
Training	2,477	2,983	3,102	3,769	3,646	3,551	4,244	4,223	4,225	
Readjustment Allowance	<u>259</u>	<u>312</u>	<u>312</u>	<u>331</u>	<u>311</u>	<u>311</u>	<u>311</u>	<u>311</u>	<u>311</u>	
TOTAL PRE-SELECTION	\$ 3,505	\$ 4,130	\$ 4,310	\$ 4,962	\$ 4,683	\$ 4,636	\$ 5,357	\$ 5,410	\$ 5,412	
<u>POST-SELECTION</u>										
Travel-International	\$ 1,493	\$ 1,450	\$ 1,518	\$ 1,316	\$ 1,252	\$ 1,264	\$ 1,188	\$ 1,200	\$ 1,200	
Equipment & Supplies	830	625	415	412	372	244	238	175	186	
Vehicles	750	238	217	211	205	131	153	202	202	
Housing	1,240	310	239	194	138	114	130	130	130	
In-service Training	100	65	85	115	103	178	166	170	170	
Readjustment Allowance	1,638	1,638	1,638	1,753	1,839	1,876	1,876	1,876	1,876	
Living Allowance	2,750	2,420	2,386	2,409	2,299	2,218	2,238	2,800	2,800	
Settling-in Allowance	--	--	--	--	--	107	102	125	125	
Leave Allowance	273	336	338	339	338	405	405	405	405	
Clothing Allowance	200	200	200	150	150	150	150	--	--	
In-country Travel	225	126	224	229	222	225	228	160	160	
Medical Care	900	695	676	669	876	986	1,056	1,063	1,144	
Dependent Support	--	--	--	--	--	--	--	--	201	
TOTAL POST-SELECTION	\$10,399	\$ 8,103	\$ 7,936	\$ 7,797	\$ 7,794	\$ 7,898	\$ 7,930	\$ 8,306	\$ 8,599	
TOTAL DIRECT COST FOR TOUR OF SERVICE	<u>\$13,904</u>	<u>\$12,233</u>	<u>\$12,246</u>	<u>\$12,759</u>	<u>\$12,477</u>	<u>\$12,534</u>	<u>\$13,287</u>	<u>\$13,716</u>	<u>\$14,011</u>	
ANNUAL DIRECT COST	\$ 6,952	\$ 6,117	\$ 6,123	\$ 6,004	\$ 5,572	\$ 5,503	\$ 5,834	\$ 6,022	\$ 6,152	
<u>INDIRECT COSTS</u>										
Research	27	55	45	33	22	25	61	48	50	
Title III Activities	4	12	11	12	10	6	8	17	29	
School Partnership Program	--	--	--	--	12	15	10	10	10	
Professional Support	296	268	132	253	135	176	210	204	216	
Administrative Expenses	<u>1,795</u>	<u>1,762</u>	<u>1,498</u>	<u>1,565</u>	<u>1,707</u>	<u>2,169</u>	<u>2,775</u>	<u>3,057</u>	<u>3,140</u>	
ANNUAL INDIRECT COST	\$ 2,122	\$ 2,097	\$ 1,686	\$ 1,863	\$ 1,886	\$ 2,391	\$ 3,064	\$ 3,336	\$ 3,445	
AVERAGE ANNUAL COST	<u>\$ 9,074</u>	<u>\$ 8,214</u>	<u>\$ 7,809</u>	<u>\$ 7,867</u>	<u>\$ 7,458</u>	<u>\$ 7,894</u>	<u>\$ 8,898</u>	<u>\$ 9,358</u>	<u>\$ 9,597</u>	

Note: Statistics based on obligation data for each of the respective fiscal years shown above.

HOST COUNTRY CONTRIBUTIONS BY REGION
 (In thousands of dollars)

	<u>ACTUAL</u>						<u>ESTIMATED</u>	
	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
AFRICA	\$1,832	\$2,718	\$2,906	\$2,380	\$1,885	\$1,624	\$1,452	\$1,261
EAST ASIA & PACIFIC	492	251	453	489	516	507	454	474
LATIN AMERICA	232	172	191	180	219	241	369	463
NANESA	234	315	431	525	345	1,119	605	481
TOTAL	\$2,790	\$3,456	\$3,981	\$3,574	\$2,965	\$3,491	\$2,880	\$2,679