

# REVIEW OF MESP AND ATLAS PROGRAMS IN SOUTH AFRICA

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## EXECUTIVE SUMMARY

The Interagency Working Group on U.S. Government-Sponsored International Exchanges and Training (IAWG) has been tasked with reporting on the advisability and feasibility of the U.S. Information Agency (USIA) -- through the South African Fulbright Commission -- taking on the administration of the ATLAS and/or the Mandela Economic Scholars (MESP) programs currently handled by the U.S. Agency for International Development (USAID). The report contains descriptions of both programs and includes some preliminary cost estimates. The IAWG recommends that the administration and funding of these programs remain with USAID because the South African Fulbright Commission is not yet fully operational and because the ATLAS and MESP programs are being phased out. If either of these programs are extended beyond the current intended lifespans, the IAWG could then revisit the issue. A detailed cost comparison study should be undertaken at that time also to determine whether any cost savings would be achieved by such a transfer. In the meantime, USAID and USIA agree with the IAWG's recommendation to examine areas of possible collaboration on programs in South Africa.

## INTRODUCTION

The Foreign Relations Authorization Act for Fiscal Years 1998 and 1999 required that the Interagency Working Group on U.S. Government-Sponsored International Exchanges and Training (IAWG) report, not later than 6 months after the date of enactment of the authorization act, "on the feasibility and advisability of transferring funds and program management for the ATLAS or the Mandela Economic Scholars (MESP) programs, or both, in South Africa from the U.S. Agency for International Development to the U.S. Information Agency." The report would include "an assessment of the capabilities of the South African Fulbright Commission to manage such programs and the cost effects of consolidating such programs under one entity."

Since the enactment of the legislation, members of the IAWG staff have consulted with various offices of USIA and USAID regarding the MESP and ATLAS programs. These consultations culminated in a meeting on March 3, 1999, between officers from USAID and USIA, along with IAWG representatives. Those representing USIA included the desk officer for South Africa (who reflected the opinions of the current Public Affairs Officer (PAO) in Pretoria and the director of the Office of African Affairs at USIA), the director of the Office of Academic Programs (Fulbright), and the chief of the African Programs Branch of the Academic Exchange Programs Division. The USAID officials who participated in the meeting included the desk officer for South Africa, the ATLAS project director, the Deputy Assistant Administrator for training, and a Higher Education Team Leader. Five IAWG members (one

from USIA, two from USAID, and two IAWG support staff) also attended the meeting. Prior to the meeting, the IAWG staff also had consulted with former USIS Cultural Affairs Officers (CAOs) in Pretoria, the USIA congressional liaison office, and the chief of the Academic Exchange Programs Division at USIA.

## **BACKGROUND OF MANDELA AND ATLAS PROGRAMS IN SOUTH AFRICA**

### Mandela Economic Scholars Program (MESP)

The purpose of the MESP program, which began on September 11, 1996, is “to provide long-term training in U.S. universities aimed at strengthening the South African government’s capacity in formulating, evaluating and implementing economic policies.” MESP trains a core group of South African economists primarily from the majority-disadvantaged population for master’s degree programs (which last from 18-24 months) and doctorate programs (which last for 4 years). Individuals who receive training under this activity are expected to commit to a period of service with the South African Government equivalent to at least one year for each year of training received, or fully reimburse the costs of the training involved. Reciprocally, the South African Government commits to employing these individuals for the same period of time in jobs which will utilize the skills and knowledge acquired through the training program.

The basis of operation is a training agreement between USAID/South Africa and the MESP Operations Committee, implemented through the South African Government’s Department of Education, Public Service and Administration, with administrative assistance from Nathan Associates. The MESP Operations is chaired by the South Africa Department of Education’s Deputy Director General for Higher Education. The Committee is also responsible for providing guidance on broad program development issues and making policy decisions.

The selection of MESP participants is slated to end in 2001. From 1996 to 1998, 30 scholars participated in the MESP program (18 for the master’s degree, including 4 who completed the program and have returned to South Africa, and 12 for the doctorate). The 1999 group (15 master’s degree participants and 4 doctorate participants) will depart for the United States in May/June of 1999. Between 2000 and 2002, USAID projects that an estimated 28 additional candidates will participate in the program. The last group of MESP scholars is expected to return to South Africa by 2005.

### ATLAS Program

ATLAS is a regional activity focused on the leadership development needs of all sub-Saharan Africa. The program in South Africa specifically addresses critical deficiencies in South Africa’s higher education system. The goal of this program is to help repair the long-term underinvestment in the historically disadvantaged institutions of higher education (HDIs) serving South Africa’s majority. ATLAS is providing academic and leadership development training for 38 HDI faculty at the master’s and doctorate levels in a variety of disciplines, as determined by the participating South African

institutions. (For the ATLAS program USAID/South Africa has identified 15 HDI's: University of Durban-Westville, University of Fort Hare, M.S. Sultan Technikon, University of Venda, Mangosuthu Technikon, Peninsula Technikon, Transkei Technikon, University of Zululand, University of Transkei, Border Technikon, University of Western Cape, MEDUNSA, Technikon Northern Transvall, University of the North and University of the Northwest.)

All ATLAS faculty members have been placed at appropriate U.S. universities, with tuition scholarships provided by those universities as their contribution to and partnership with the ATLAS program. The first intake was for academic year 1996: 33 candidates came to the United States (21 for master's degrees and 12 for doctorates). The following year, 5 additional candidates began their academic programs: 3 at the master's level and 2 for doctorates.

Sixteen ATLAS students have completed their programs and returned to faculty positions in South Africa. Six more will complete their programs by summer 1999. Of the remaining 16 (all doctoral students), 5 will finish in FY 2000 and 11 will finish during FY 2001.

No further ATLAS intake is anticipated for the program in South Africa, since all available funds are fully committed to the completion of current master's and doctorate programs.

## **FEASIBILITY OF TRANSFERRING MESP AND ATLAS PROGRAMS FROM USAID TO USIA (FULBRIGHT COMMISSION/SOUTH AFRICA)**

### Status of Fulbright Commission/South Africa

The Fulbright program in South Africa includes the Junior Staff Development Program for South African graduate students, the U.S. Student Research Program for U.S. students, the U.S. Senior Lecturer Program, the U.S. Senior Researcher Program, the African Scholar-in-Residence Program, the Teacher Exchange Program, the Student Advising Program, and more. It is the largest and most active Fulbright program in Africa. In FY 1998, Fulbright provided 46 grants to South African students in the United States; the total number of grantees (Americans and South Africans) was 65.

The South African Fulbright Commission was established in October 1998. USIS/South Africa estimates that the Commission will not become fully operational before the year 2000. The Commission does not yet have an executive director nor a full-time staff. USIS/South Africa plans a gradual transfer of exchange programs to the Commission to allow sufficient time for the Commission to become adept at handling these activities. USAID, USIS/USIA, and Commission board members believe that after an additional year or so under the tutelage of USIS South Africa, the Commission will be competently managing the South African Fulbright program.

During a visit to Pretoria in early 1999, two USIA officials (the Director of the Office of Academic Programs and the Director of the African Programs Branch of the Academic Programs Division) met with USAID and Fulbright Commission board members. They discussed the MESP and ATLAS

programs and reviewed the operational status of the Commission. All parties involved agreed that the Commission needs time to become proficient in managing the wide array of Fulbright exchanges before taking on any additional programs outside of its core responsibilities.

USIS South Africa and USAID South Africa agree that it would not be advisable nor feasible to transfer the MESP and/or the ATLAS programs to the South African Fulbright Commission at this time. The IAWG concurs with that assessment.

The ATLAS program is being phased out. All of the ATLAS students are expected to have completed their programs and returned home by 2001. The last new students have departed South Africa for the United States, under the management of the African-American Institute. USIA and USAID believe that it serves no useful purpose to transfer authority at this final stage of the program's existence.

USIS South Africa believes that transferring MESP before mid-year 2000 (for May/June 2001 departure of Scholars to the United States) would not be helpful in efforts to establish a well-functioning Fulbright program in South Africa. At that point, USAID would have plans for only two small intake classes, at a maximum total level of 13 MESP Scholars (at the master's level). In addition the MESP program is being phased out, although this will not be final until 2001. The program is being managed by Aurora Associates as a subcontractor to Nathan Associates, which has the USAID contract. Thus, by the time the Fulbright Commission would be ready to take on MESP administration, that program too will be in its final phase.

### Program Costs

Following are preliminary cost estimates for the MESP and ATLAS programs, plus cost estimates for Fulbright grants. (USAID's annual program costs for the MESP and ATLAS programs are all fully funded.)

At its inception, the MESP program was expected to fund 200 person-years of post-graduate training in economics or other courses of study, such as public policy, related to the program purpose and involving a heavy course load of economics. The total cost of the MESP program over the current life of the program is estimated to be \$6,250,000. The average yearly cost for an MESP participant in the master's degree program is \$23,103; the average yearly cost for an MESP participant in the doctoral program is \$19,991.

As stated earlier, the ATLAS program is nearing the end of its term. All available funds are fully committed to the completion of current master's and doctorate programs. For participants in the ATLAS master's program, the average yearly cost per participant is \$28,156; the average yearly cost for a doctoral candidate is \$25,679.

The average yearly cost of a Fulbright grant for fully funded students is \$27,802. When including costs for partially funded Fulbright grants, the average yearly costs are \$16,650 for new students and \$14,250

for renewals.

Once the Fulbright Commission is operational in South Africa, USAID and USIA should examine areas of possible collaboration of some programs. If either the MESP or ATLAS program were to be extended beyond the current obligation schedule, the IAWG could revisit at that time the issue of transferring the program(s) to Department of State's Bureau of Educational and Cultural Affairs and the South African Fulbright Commission. Also, at that time the IAWG could conduct a more thorough study of program costs. This report does not examine at this time the comparative program objectives, range of support services offered to trainees/scholars, and levels of cost-sharing established with host country institutions in support of the programs mentioned above.

## **RECOMMENDATIONS**

**The IAWG recommends that the administration and funding of the MESP and ATLAS programs currently remain with USAID. Following is a summation of the findings that support our recommendation:**

- \* The South African Fulbright Commission is not yet fully operational or staffed.
- \* The Commission needs at least one full year to assume its Fulbright duties; it cannot yet take on additional programmatic responsibilities that would be required for MESP and ATLAS.
- \* The ATLAS program is being phased out. The last intake has already taken place.
- \* The last intake for the MESP program is scheduled for 2001.

**The IAWG also recommends that USAID and USIA examine areas of possible collaboration on programs in South Africa.**

## **CHRONOLOGY**

December 1994: President Clinton submitted a report to Congress on duplication among government funded exchange and training programs.

September 12, 1995: Congressman Benjamin A. Gilman wrote a letter to Vice President Al Gore regarding concerns about the vast expanse of international exchange and training programs sponsored by the Federal Government and the apparent degree of overlap among these programs.

September 26, 1995: Vice President Gore sent a letter in response to Congressman Gilman. The Vice President noted that NPR's review of international exchanges would focus on several areas, including the "elimination of duplication and overlap by reducing or consolidating programs that share the same objectives and target similar participant populations."

February 1997: Vice President Gore and South African Deputy President Thabo Mbeki signed an agreement authorizing the establishment of a Binational Fulbright Commission.

March 7, 1997: USIA Director Joseph Duffey sent a letter to Vice President Gore proposing legislation to authorize appropriations for the United States Information Agency for Fiscal Years 1998 and 1999 to enable the Agency to carry out international information and educational and cultural exchange programs. Section 107, subsection G (which amends Section 112 of the Mutual Educational and Cultural Exchange Act of 1961) states: “In order to carry out the purposes of subsection (f) of this section and to improve the coordination, efficiency and effectiveness of United States Government-sponsored international exchanges and training, there is hereby established with the United States Information Agency a senior-level Interagency Working Group on United States Government-Sponsored International Exchanges and Training.”

April 25, 1997: USIA Director Joseph Duffey and USAID Administrator Brian Atwood sent a letter to Congressman Lee Hamilton to clarify their position on Section 408 of HR 1253, the Foreign Relations Act, FY 1998 and FY 1999, which recommends the transfer of MESP and ATLAS programs in South Africa to USIA. The letter reads, in part: “The Administration did not request and does not support the transfer of these programs.” They noted that “the Fulbright Commission in South Africa is not yet operational and does not have the capacity to carry out these activities.... We do not believe that a transfer of either ATLAS or MESP is beneficial at this time.”

July 17, 1997: Executive Order 13055 mandates the establishment of an Interagency Working Group (IAWG) on United States-Sponsored International Exchanges and Training. The IAWG would “recommend to the President measures for improving the coordination, efficiency, and effectiveness of United States Government-sponsored international exchanges and training.”

October 23, 1998: Legislative Mandate (Omnibus Authorization Bill, Section 2414 - Working Group on United States Government-Sponsored International Exchanges and Training): “Not later than 6 months after the date of the Foreign Relations Authorization Act, Fiscal Years 1998 and 1999, to report on the feasibility of transferring funds and program management for the ATLAS or the Mandela Fellows programs, or both, in South Africa from the Agency for International Development to the United States Information Agency. The report shall include an assessment of the capabilities of the South African Fulbright Commission to manage such programs and the cost effects of consolidating such programs under one entity.”