
National Endowment for Democracy

Annual Report
1991

National Endowment for Democracy

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October 1, 1990 - September 30, 1991

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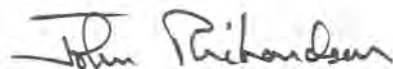
Chairman's Message

Men and women with the courage of their democratic convictions have in a half generation overthrown tyrannies of one stripe or another throughout Latin America, Eastern and Central Europe, the former Soviet Union, parts of Northeast and Southeast Asia and Africa. Now throughout these vast regions civic cultures are evolving, the institutions of constitutional self government are being constructed, the rule of law is taking hold and whole peoples are beginning to believe they too can live in a free society. Unprecedented in scale, intensity and in its relatively peaceful character, this global tide is now threatening the last of the bastions of political oppression, notably in China, much of the Middle East and Cuba.

The National Endowment for Democracy has provided modest but timely and increasingly effective assistance to many of the individuals, small groups and nascent organizations leading this revolution and working to consolidate its gains for eight years now. As in any other successful groundbreaking organization, we have made our share of mistakes and have tried to learn from them. We have also had more than our share of satisfactions as those we helped achieved one breakthrough after another all around the world. It has been an exhilarating experience for all of us in the Endowment, in the four core institutes, and in the hundreds of American voluntary organizations who are our partners in this pioneering enterprise.

To have been a founding board member of the Endowment and its chairman for five years in this climactic period of history has been a unique privilege. I am profoundly grateful to our founding fathers, especially Dante Fascell, to our sponsors in the Congress and the Executive Branch, to our private donors, and to my fellow board members, one and all.

Finally, as I leave the board I want to pay special tribute to our remarkably talented and totally committed president, Carl Gershman, who, together with the superb staff he gathered and leads, has brought us from infancy to our present substantial level of contribution to the worldwide struggle for justice, freedom and peace.



John Richardson

President's Report

The 1991 Annual Report of the National Endowment for Democracy is the eighth such report since the organization was founded in 1983. These eight years have been a period of innovation, growth and consolidation for the Endowment, and — much more significantly — they have also been a time of tumultuous change and revolutionary democratic progress in the world. When the Endowment was founded, no one could have foreseen, the events that lay in store, which culminated last year in the demise of the Soviet Union. These events, and the forces and personalities underlying them, have been amply commented upon and do not need further elaboration here. It is sufficient to point out that the Endowment has been a participant in these events as a valued ally of many of the leading movements and activists of the period, and that now, like everyone else, we must define our role in a transformed historical and political context.

In many respects 1991 was a watershed year — for the world and, organizationally, for the Endowment as well. The Soviet demise put an end to a period of history ushered in by the revolution of 1917 and marked by a struggle that was not merely geopolitical and military but, at its root, ideological and philosophical. It was a struggle between alternative visions of society, one democratic and the other totalitarian. The resolution of that struggle does not mean that history has ended or that democracy can now advance without obstruction or difficulty. It does mean, however, that democratic norms and procedures are now recognized as universally applicable, and that the work of promoting democratic development can now be embraced as a common enterprise of the international community.

This naturally has great implications for the Endowment. During the past year, when so many of the countries where the Endowment has worked were undergoing democratic transitions,

the NED began an organizational transition of its own. Borrowing again from the terminology of democratic development, the Endowment undertook to strengthen and consolidate the grant management procedures according to which it monitors and evaluates its grants and assures financial accountability. Such procedures have been in place since the first grants were made in 1984. But the staff was very small during the Endowment's early years, and since the period happened to coincide with the democratic revolution in the world, the Endowment as a matter of policy sought to direct as much of its scarce resources as possible to the vital support that we were in a position to give to the democratic struggles taking place in Eastern Europe and elsewhere. Our administrative structure, therefore, was stretched thin in trying to manage an increasingly complex and far-reaching grants program. Over the past year we therefore developed a comprehensive plan to improve grant management procedures. I am confident that these measures, and the many others we will be taking in the months ahead, will strengthen the Endowment as an institution as we move forward.

We have also instituted a more systematic process of strategic planning, the immediate purpose of which has been to define the Endowment's goals and priorities in the new era that is unfolding. Accordingly, a "strategy of comparative advantage" has been prepared that responds to the vast changes that have occurred, not the least of which is the increased involvement of private organizations and governments, especially our own, in the promotion of democracy. The strategy tries to build upon the Endowment's particular strengths and unique characteristics in determining how it can maximize its potential contribution to democracy. What has emerged is a threefold commitment: first, to remain at the "cutting-edge" of democratic change by assisting efforts to

advance democracy in countries where autocracy continues to prevail; second, to strengthen coordination among the Endowment's grantees, especially our party, labor and business institutes, to enhance our ability to provide a multisectoral, "full service" response to democratic needs in particular countries; and third, to enlarge the Endowment's role as a unique center where democratic intellectuals and practitioners from around the world can exchange ideas and experiences.

The section on program accomplishments that follows can only suggest the full scope of activity that has been generated and supported by Endowment grants. What is remarkable, I believe, is the truly global character of this activity, and the fact that so much has been accomplished with relatively limited resources. Described herein are programs that have provided material and technical assistance to democratic movements in Russia, Ukraine, the Baltics and other former republics of what was once the Soviet Union. The Endowment continued to be engaged throughout Central Europe, while devoting increased resources to the proliferating movements for multi-party democracy in Africa. It stepped up support to movements working to bring about democratic change in China, Vietnam, Cambodia and Cuba, while sustaining its involvement in Central and South America where fragile democracies are beginning to take root. Not least, it initiated a number of programs in the Middle East, where pressures for democratic change are growing, even as democratic movements remain weak and embattled. These programs have not only been global in scope but have covered a broad range of activity, from trade union development to political party training, from civic education to support for independent media, from programs strengthening human rights and the rule of law to efforts to promote evolution toward free and open economies.

The diversity and immense scope of these programs has placed a special importance on that aspect of the Endowment's work that seeks to give intellectual cohesion to the overall effort and to strengthen individual relationships and organizational contacts among Endowment

grantees. The Endowment's third international conference on democracy, entitled "The Unfinished Revolution," brought together leading democratic activists from all over the world. A sense of common purpose and shared values was evident throughout the conference, especially at the climactic Democracy Award Dinner honoring Violeta Chamorro and Vaclav Havel, and attended by the Dalai Lama. Also described in this report is the progress made by the *Journal of Democracy*, which has now completed its second year of publication and whose reputation and impact continue to grow. Articles from the *Journal* are frequently translated and reprinted in foreign publications, and an Arabic publication based largely on material translated from the *Journal* has now appeared, the first of possibly other foreign language versions.

The process of transition that the Endowment is undergoing is also reflected in the evolution of its Board. While the Endowment receives public funds, it is a private organization governed by an independent Board of Directors. The founding members built into the by-laws of the organization a three-term limit for service on the Board. As a result, four additional founding members must now retire. They include our Chairman, John Richardson, as well as Senator Orrin Hatch, Ambassador Sally Shelton-Colby, and Olin Robison. It is hard for me adequately to express my gratitude to all of them, especially to John Richardson, who has been a constant source of wise counsel and moral support. All of them shall be missed, though we shall try to draw upon their commitment and advice as we develop the educational and outreach activities of the Endowment. At the same time in 1991, we were fortunate to welcome five new members to the Board: Madeleine Albright, Edward Donley, James A. Joseph, John T. Joyce, and Governor Thomas H. Kean. Their service has already proved indispensable as the Endowment charts its course for the future.

The last years have been a period of dramatic, revolutionary change. Yet nothing stands out more clearly during this time of transformation than the remarkable constancy of the democratic idea. From the former Soviet Union to the

emerging South Africa, from Poland to Chile, and from China and Zambia to Burma and beyond, people are aspiring to democracy. They may not in every case have a comprehensive grasp of democracy's institutional complexity — the checks and balances, the separation of powers, the means for balancing majority rule with the protection of minority rights, and so forth. And some may see democracy as a panacea for all kinds of economic and social problems, which of course it is not. To a remarkable extent, however, democracy is seen for what it is: a means by which people can govern themselves, with all the messiness that this may entail, and attempt to negotiate peacefully through a variety of procedures, including elections, the inevitable conflicts over power, resources and values that afflict any complex society.

Historical accuracy requires one to point out that the movement toward democracy, which has gathered such force of late, was launched in our own country a little over two centuries ago. It is also true that with all of our problems and inadequacies, which we are the first to point out, our country still represents a

model that many others around the world wish to emulate. Whether some of us find this circumstance to be a source of pride or embarrassment, and whether or not we feel a sense of obligation to others growing out of our own special relationship to this historic movement, the fact remains that the democratic idea has caught hold and that peoples of vastly different historical and cultural traditions will, for the foreseeable future, attempt to find their own way toward democratic self-government. This will be a long and perilous process, and there will undoubtedly be many reversals. But if we can offer a helping hand, to share what we have learned and to demonstrate our support and solidarity, we may help make the process a little less perilous and enhance the prospects for enduring peace. That, at least, is the challenge before us in the new era.

A handwritten signature in black ink that reads "Carl Gershman". The signature is written in a cursive style with a long, horizontal flourish extending to the right.

Carl Gershman

The Unfinished Revolution

Third International Conference on Democracy

Participants from over 50 countries around the world gathered in Washington, D.C. for the Endowment's third international conference on democracy April 15 and 16, 1991. The conference theme of "The Unfinished Revolution" suggested the work still to be done in countries striving for democracy as well as the complex problems that remain in countries that have experienced dramatic democratic breakthroughs.

Panelists, speakers and guests included prominent intellectuals, dissidents, political scientists, human rights activists and others, all on the front lines of the struggle to achieve democracy. There was a pervasive attitude of realism among the participants, who agreed that the road to achieving stable, lasting democracy includes painful economic transitions along with the development of democratic culture, democratic education and the establishment of permanent democratic institutions.

Conference sessions included regional panel discussions on consolidating democracy in Latin America, democratic transitions in Central and Eastern Europe, multi-party democracy in Africa, and prospects for democratic progress in the Middle East. Three additional panel sessions focused on the (now former) Soviet Union, South Africa after apartheid, and remaining closed societies. Renowned Chinese dissident Fang Lizhi was the featured speaker at the concluding luncheon.

At a dinner ceremony on April 16, the Endowment presented its 1991 Democracy Award to Presidents Violeta Chamorro of Nicaragua and Vaclav Havel of the Czech and Slovak Federal Republic. President Chamorro was present to accept her award; Czechoslovak Foreign Minister Jiri Dienstbier accepted on behalf of Havel. His Holiness The Dalai Lama offered the invocation for the evening's program, which was attended by some 500 guests.

In presenting President Havel's award, Congressman Dante B. Fascell spoke about his pivotal role as an intellectual and political leader of the democratic revolution that swept Central Europe in 1989, recognizing Havel's courage in resisting totalitarianism and leadership in building democracy on the ashes of communism. In accepting the award, Minister Dienstbier, himself a leading democratic activist with Charter 77 and a colleague of Havel's in Civic Forum, expressed appreciation to the Endowment, not only for the award but also for the years of work assisting democratic movements and strengthening democratic institutions around the world.

Senator Nancy Kassebaum presented the award to President Chamorro, recalling that when the two stood together on the platform at the Endowment's international conference in 1989, no one could have predicted the astonishing events which would bring Mrs. Chamorro to power in Nicaragua. In accepting her award, Mrs. Chamorro spoke about the "birth of democracy" in Nicaragua, the challenges faced and patience required in promoting peace, encouraging dialogue, and "ridding the people of the mentality that war and violence present solutions to problems."

Vice President Dan Quayle concluded the evening's program. In his remarks, he commended the Endowment's work and its effectiveness as a private organization promoting democratic ideals. Speaking about the honorees, he stated, "Presidents Havel and Chamorro represent democratic statesmanship at its very finest — brave, principled and committed to the defense of human rights and democratic values."

The 1991 international conference and related events were funded by private contributions. Major donors included: Air Products and Chemicals, Inc., The American Federation of Labor and Congress of Industrial Organizations, American Federation of Teachers, American Trucking Associations, Amway Corporation, Lynde and Harry Bradley Foundation, International Union of Bricklayers and Allied Craftsmen, Samuel Freeman Charitable Trust, Hurford Foundation, Joyce Foundation, Kriebel Associates, John M. Olin Foundation, Ross Dixon & Masback, and Sarah Scaife Foundation.

Conference proceedings have been published in a book which is available by contacting the Endowment's public information office.

Journal of Democracy

Since its first issue appeared in January of 1990, the Endowment's *Journal of Democracy* has established itself as a leading periodical for both scholars and general readers interested in the course of worldwide democratic developments. Now published for the Endowment by the Johns Hopkins University Press, the *Journal* monitors and analyzes international democratic movements and examines the cultural, political and social factors that affect the institutionalization of democracy. Each issue of the *Journal* also features key documents on democracy, reports on elections abroad, and topical book reviews.

Contributors to the *Journal* during the past year included renowned political scientists Samuel P. Huntington, Philippe Schmitter and Arend Lijphart, and leading democratic activists from around the world such as Chinese dissident Fang Lizhi, Russian parliamentarian Oleg Rummyantsev, Kenyan human rights lawyer Gibson Kamau Kuria, and Peruvian novelist Mario Vargas Llosa.

The *Journal* is funded primarily by private contributions and subscription income. Subscriptions are \$24 for one year, or \$45 for institutions. To subscribe, send check or money order in U.S. funds to: Journals Publishing Division, Johns Hopkins University Press, 701 West 40th Street, Suite 275, Baltimore, Maryland, 21211-2190, or call toll free, 1-800-537-5487.

The *Journal* is published quarterly in January, April, July and October. Contents of 1991 issues are listed below. Back issues are available for \$7.50 each, plus \$2.00 for postage and handling, by contacting the Johns Hopkins University Press at the above address.

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Highlights of Program Accomplishments

Since 1984, the Endowment has been active in over 75 countries around the world, providing assistance to indigenous groups working to promote democracy in their countries. With key grants, the Endowment has contributed to the democratic transformations that have taken place in recent years.

One example of the impact of Endowment support was evident in Moscow during the dramatic coup attempt in August 1991. Those three days were a turning point in the democratic struggle in the Soviet Union — a struggle in which several groups supported by the Endowment played critical roles. Under an Endowment grant, the Moscow Memorial Society, a human rights organization founded by the late Nobel Laureate Andrei Sakharov, received funding for communication equipment, including personal computers, printers, and copying machines. This equipment was later used by democratic forces in Moscow to publish leaflets opposing the August coup. The leaflets were distributed by Memorial members to Soviet troops surrounding Moscow's "White House" and to Muscovites protesting against the coup. According to the Deputy Director of Radio Liberty, an eyewitness to the coup, "Among the most active in producing and distributing leaflets in the midst of the junta's ban on independent publishing activities were the young members of the Memorial Society, who took paper from every office they could find and produced thousands of leaflets on their overworked copying machines."

The impact of the Memorial grant, however dramatic, is not unique. Individual projects funded by the Endowment effectively advanced the cause of human rights in Cuba, Burkina Faso, Cambodia, and China; enhanced freedom of the press in Romania and Liberia; ensured public confidence in the electoral process in Benin, Zambia, and Paraguay; gave workers a voice in the political process through support for independent trade unions in Mali, Niger, and the Baltic states; built support for economic policy reform in Romania, Poland, Botswana, and Kenya; helped advance the negotiation process in Guatemala, and more.

The nurturing and growth of democracy cannot, of course, be realized through any single project. The effort to foster democracy is necessarily a long-term process which requires both an ongoing commitment and a diversified approach — two related concepts that are integral to the Endowment's operating principles and strategic plan for its democratic initiatives.

The Endowment's diversified approach is reflected in its support for programs primarily in three broad areas — pluralism; democratic governance; and education, culture, and communications. Programs in these areas are intended to strengthen civil society, democratic political institutions, and democratic culture, respectively. The Endowment also devotes modest funding to research on questions related to democratic development, and to programs that encourage regional and international cooperation in promoting democracy.

The type of program carried out in a particular region or country is necessarily dependent on the state of democratic development and the general political environment that exist there. For example, programs in countries and regions characterized as "post-breakthrough" — Central and Eastern Europe, the former Soviet Union, and Latin America — seek to defend recent democratic gains, consolidate the democratic process, and avoid reversals. Such programs include, among others, party-building efforts, economic reform initiatives, electoral monitoring and training, human rights monitoring, and the establishment of a free and independent press. Notwithstanding the extraordinary democratic gains that have been made in many of these countries, the need for the Endowment to maintain a continuing commitment to ensure a democratic outcome is clear — a variety of factors, including severe economic constraints, heightened

ethnic tensions, and raised societal expectations, combined with an absence of stable democratic institutional structures, invite a backlash.

The Endowment's programs in countries and regions characterized as "pre-breakthrough", encompassing much of Africa, the Islamic world, and East Asia, are more likely to focus on facilitating the free flow of information, enhancing democratic civic consciousness, promoting human rights, and creating political space in which democratic activists can operate — programs designed to lay the foundation for future efforts of the Endowment when opportunities arise.

The following are highlights of program accomplishments whose impact was evident during 1991.

Africa

The Free Trade Union Institute (FTUI), an Endowment core grantee, has worked closely with the democratic movement in Africa since 1984, cultivating relationships with labor activists and inculcating a democratic ethos into their organizations. Trade unions leading the democratic transformation in 1991 in **Mali, Benin, Niger, Burkina Faso**, and the **Central African Republic** received funding from the Endowment. In addition, FTUI was active in a number of other African countries with Endowment-supported programs that provided democratic leadership training, infrastructure support to fledgling trade unions, civic education, workers' rights information, and other types of assistance.

Key union leaders from a number of African countries undergoing a democratic transformation have participated in FTUI-sponsored democratic trade unionism training programs. One such labor leader, Fred Chiluba, was elected president of **Zambia** in democratically-held elections on October 31, 1991, ending 17 years of one-party rule in that country.

The Endowment supported a range of programs which have enhanced the success of democratic electoral processes throughout the continent. For example:

- Assistance to indigenous election monitoring groups in **Benin** and **Zambia**; and for international monitoring efforts in Zambia of the National Democratic Institute (NDI), a core grantee, contributed to the success of democratic elections in those countries;
- Support for NDI's international electoral law advisory team in **Senegal**, which studied the electoral law and made recommendations for reform, provided a basis for positive change. The team's report, distributed to key decision makers in Senegal, defused long-standing disputes between government and opposition parties and reignited the momentum for basic reforms that would restore public confidence in the electoral process; and
- In anticipation of 1992 elections in several Francophone countries, NDI, with Endowment funding and in cooperation with a Benin-based civic organization, the Study and Research Group on Democracy and Development (GERDDES), organized a series of workshops on election monitoring techniques that provided practical information on such issues as poll-watching, independent vote count systems, and voter education programs. The workshops attracted over 100 representatives of indigenous nongovernmental organizations from 15 countries in the region who are interested in promoting fair elections, but lack basic knowledge of techniques used to enhance confidence and participation in the electoral process. Follow-on programs have already been requested by organizations represented at the seminar.

On the eve of Namibia's first anniversary of independence, NDI and the National Assembly of Namibia, with Endowment funds, co-sponsored a working seminar for members of Namibia's National Assembly to provide practical information on parliamentary organization, rules and procedures. Parliamentarians from Botswana, Germany, Ireland, Mauritius, Sweden, Trinidad, Tobago and Zimbabwe were brought together to share parliamentary experiences and techniques with 72 members of the National Assembly. NDI subsequently produced and distributed a conference report for the Assembly's use as a parliamentary reference guide. According to Namibian Foreign Minister Theo-Ben Gurirab, the interparliamentary seminar provided "an important yardstick by which the Namibian parliament can measure its progress in the first year of independence."

Independent human rights organizations were isolated and few in number in Africa just a few years ago. Endowment-supported human rights groups in Nigeria, Burkina Faso, Benin, and Uganda were among the first to emerge in Africa and paved the way for scores that have followed. These groups have helped place the issue of human rights high on the agenda of their governments, have made thousands of average citizens more aware of their rights, and have increased the political space in which democratic activists are able to act. For example:

- Nigeria's Civil Liberties Organization, with support from the Endowment, has helped to improve prison conditions in Nigeria and obtain the release of jailed student activists.
- In Burkina Faso, the Endowment has provided support to the Burkinabé Movement for the Rights of Man and Peoples (MBDHP), a group active in promoting human rights and raising public consciousness through a program of civic education and publication of the newsletter *Liberté*. MBDHP's president has asserted that widespread knowledge of the Endowment's support for the MBDHP had been crucial in dissuading the Burkina Faso government from taking action to disband the organization.
- In Zaïre, the Zairian League for Human Rights, another group to which the Endowment has provided support, was able to document abuses by the police — abuses which would have gone unreported otherwise — and bring this information to the attention of the public.

The Endowment also has supported the free flow of information in the Sudan, Ethiopia, and Liberia, three countries ravaged by war. A small grant supports continued publication of the *Sudan Democratic Gazette*, a monthly newsletter published in London and distributed inside the Sudan, which aims to maintain the democratic voice of the currently banned newspaper, *Sudan Times*. The *Gazette* provides information on human rights, democracy, national reconciliation, economic reform, and other developments in Sudan. The impact of this publication was underscored when the International League for Human Rights relied on information contained in the *Gazette* for its report to the United Nations Human Rights Committee in Geneva.

Endowment-supported research and conferences have spread democratic ideas and built support networks among democratic activists in Africa:

- A conference in Sierra Leone, hosted by the Lion Mountain Development Organization and the Congressional Human Rights Foundation, was the first such gathering of democratic activists in that country and helped spur the government to accept a multiparty system.
- A conference in Senegal, sponsored by the Center for the Study and Research of Pluralist Democracy in the Third World (CERDET), drew democratic scholars and activists from around the region who have now established a network and, through a series of

publications, are offering guidance to scholars, activists, and government officials as they design new constitutions and political systems.

- The Institute for a Democratic Alternative for South Africa (IDASA), supported by the Endowment since its inaugural conference in 1987, has contributed greatly to the prospects for a democratic transition in that country. IDASA has brought together the Afrikaner elite and leaders of the African National Congress, as well as activists from the extra-parliamentary opposition, beginning the long process of negotiations. IDASA has continued to supplement this process through meetings and publications with imaginative ideas on issues related to local government, land reform, constitutional arrangements, the economy, and democratic transition. IDASA's Natal regional office successfully mediated the conflict there between warring factions and the police. NED also funded a recent IDASA conference on a democratic vision of the future for South Africa, addressed by Nelson Mandela and prominent spokesmen from the government and most other political groups in the country, and at which the need for democratic education was identified as crucial to the successful transition to democracy.

With Endowment funding, the Center for International Private Enterprise (CIPE), a core grantee, has provided support for economic-oriented programs in Africa that have enhanced the role of the private sector in advocating economic reform policies.

- The CIPE-supported **Botswana** Confederation of Chambers of Commerce, Industry and Manpower (BOCCIM) is meeting the need in Botswana for a strong advocacy organization to represent the private sector and actively support market-oriented policies and diversification of the economy. BOCCIM established two regional field offices through which a national network of businesses and a mechanism for private sector participation in the public policy process has been established. For the first time, entrepreneurs in Botswana have had representation in the government.
- Endowment funds enabled CIPE, with the Kenya National Chamber of Commerce & Industry, Private Sector Initiatives for Economic Growth, to carry out a regional program involving representatives of the public and private sectors in **Mauritius, Tanzania, Kenya, Botswana, and Zimbabwe**, with **Namibia** and **Mozambique** included as observers. A workshop held in June 1990 set the agenda for private sector participation in economic reform and structural adjustment, and at a second workshop in November 1991, participants reported significant advancement of private sector involvement and expanded dialogue between the public and private sectors. In **Botswana**, price control regulations were abolished in favor of market forces; licensing requirements were liberalized; and the dialogue between the public and private sectors was greatly enhanced. In **Tanzania**, the state marketing boards and cooperative unions were liberalized in July 1990, opening up the purchase of agricultural commodities; and the Prime Minister of Tanzania requested that a leading private sector representative prepare a paper on "The Role of the Private Sector in the Tanzania Economy."

Asia

The impact of disseminating democratic literature in closed societies is notoriously difficult to evaluate. Yet one NED grantee, the magazine *The Chinese Intellectual*, conducted a successful reader's survey in 1991. Underground distributors in **China** sent out 500 questionnaires to the magazine's

readers. Over 400 were returned, most including the recipient's name and address. The "general comments" section of the questionnaires provided a rare glimpse into the quiet workings of civil society in China. One reader wrote that his copy of the magazine had passed through at least 50 other hands; another asked permission to republish in an official academic journal (under a pseudonym) an article he had read in *The Chinese Intellectual*; a third said he was glad to finally be on the mailing list, as he had borrowed the eight previous issues from friends.

With Endowment funds, FTUI publishes and distributes the *China Labor Notes*, the only publication that is solely dedicated to reporting on labor rights and trends in China. With a monthly circulation of over 5,000 copies, the publication has called particular attention to the fate of China's workers imprisoned as a result of their participation in organizing independent unions during the 1989 democracy movement. The international publicity generated by the *China Labor Notes* contributed to the release of Han Dongfang, one of China's best known labor activists who was imprisoned in June 1989.

Highlights of the other Endowment-funded initiatives throughout Asia include:

- In the months leading up to the historic peace agreement in **Cambodia**, Endowment funding enabled the Cambodia Documentation Commission (CDC) to develop into the premier human rights organization working in that ravaged country. CDC activities were pivotal in establishing a sound legal basis for human rights work in Cambodia. Working closely with the United Nations and with the U.S. delegation to the perm-five commission on Cambodia, the CDC provided language on significant human rights guarantees which was included in the final peace agreement. The CDC also translated and published nearly the entire canon of international human rights law, including all of the UN Covenants and Conventions related to human rights, into Khmer for distribution throughout Cambodia.
- NED assistance for the multi-faceted program of the Institute for Democracy in **Vietnam** included support for publishing articles by dissident Vietnamese journalists in overseas magazines that are then distributed back inside the country. Payments for such articles have provided virtually the only support for the families of several prominent dissidents currently in prison in Vietnam.
- In advance of the **Philippines'** critical 1992 elections, KABATID, a nonpartisan women's civic education organization based in Manila, held a voter education training conference for Kabatid's regional leaders from throughout the country. The conference provided information on the election process, strategies for developing voter education and get-out-the-vote programs, and program management training. The 83 participants committed themselves to organizing election programs in their own regions.
- With Endowment funds, CIPE provided assistance to the Institute for Management Education in **Thailand** (IMET), to design a curriculum for secondary school students that would inculcate entrepreneurship and self-employment values, and demonstrate the relationship between a market economy and a democratic political system. This project was instrumental not only in setting up for the first time a Thai-language business curriculum, but also in subsequently institutionalizing it in the Thai school curriculum, reaching all high school students across the country.
- The September 1991 Legislative Council Elections in **Hong Kong** were the first partial direct elections in Hong Kong history and as such marked a critical step in that territory's democratic development. With Endowment funding, the International Republican Institute (IRI), a core grantee, conducted a detailed pre-election analysis of the legal framework in place for the September elections and also fielded an election observation delegation

whose preliminary statement included a number of detailed recommendations for improving the electoral process, such as the establishment of an independent Electoral Commission. IRI's pre-election legal analysis and the delegation's recommendations provided a basis for the Hong Kong government's own comprehensive post-election review of the electoral system. Following the election, the media in Hong Kong reported that the government intends to adopt some of the delegation's recommendations.

Central and Eastern Europe

Endowment assistance supporting the development of communications networks and survival of independent publications throughout Central and Eastern Europe has been vital. For example:

- In **Romania**, Endowment support, provided through the Institute for Democracy in Eastern Europe (IDEE), strongly contributed to the reinvigoration of the National Confederation of Student Leagues, the country's premier democratic student movement. In June 1990, a regime-inspired rampage of miners in Bucharest destroyed much of the Confederation's equipment, effectively curtailing their publishing and organizing efforts. With Endowment funds, IDEE re-equipped Confederation groups by providing infrastructure support such as facsimile machines, offset printing presses, photocopiers, computers and basic supplies. As a result, by the summer of 1991, Confederation branches existed in every major town and at every major university in Romania, and are once again actively promoting their democratic message to Romania's youth.
- In the **Czech and Slovak Federal Republic**, the survival of independent publishing has been threatened by severe economic conditions and the difficulties associated with the move toward a free market system. Endowment assistance, provided through Freedom House, has helped transform *Lidove Noviny* (*The People's News*) from a samizdat weekly published underground into the most influential daily newspaper in the country. In 1991, Endowment support allowed *Lidove Noviny* to acquire a sophisticated desktop publishing system. Typesetting costs are now approximately five times lower than before, graphics quality is much higher, and the new system is substantially quicker, allowing a later closing time for the gathering of news.
- Communications equipment purchased with Endowment funds played a critical role in facilitating communications between **Latvia** and the West during Latvia's successful struggle for independence and democracy. A direct telex linkage between the Latvian Popular Front, the independence and democracy movement in Riga, and the American Latvian Association in Rockville, Maryland, was used to transmit news on Latvian developments to the West during the attempted coups in the Baltic states in January 1991, and again in Moscow in August. The telex also provided Latvians with information from the West, vital during their struggle for independence.

CIPE initiatives funded by the Endowment to support entrepreneurship and business training during the transition to a market economy have had an equally important impact throughout the region. For example:

- The Krakow Industrial Society (KIS) in **Poland** estimates that 60 private businesses were started as a result of its expanded entrepreneurship courses, which enrolled 570 students. In an effort to promote legislation in favor of private enterprise and market economy, KIS

also published nine policy papers proposing changes in Polish law and regulations in private initiatives. The papers were circulated to members of parliament, government ministers and commissions, regulatory bodies and institutions, and published in KIS's bi-monthly bulletin as well as in seven periodicals and newspapers with a total circulation of 9,000.

- In **Hungary**, the Foundation for Small Enterprise Development (SEED) has developed a pilot course for high school students to help them understand the importance of entrepreneurship and encourage new business formation by equipping them with the knowledge and skills to become successful entrepreneurs. SEED conducted its first teacher training workshop for the course in August 1991 and due to exceptionally high demand, repeated the workshop in November. SEED plans to reach as many as 2,000 students in one semester and eventually to expand this program to other age groups and types of schools.
- Eight instructors from the International Center for Entrepreneurial Studies (ICES), an affiliate of the **Romanian** Marketing Association (AROMAR), participated in a two-week training program on private enterprise, entrepreneurship and market economics. As a result of their participation, ICES was able to develop a pilot entrepreneurship course on market economics which serves as a starting point for training aspiring Romanian entrepreneurs. Additionally, an independent center has been created to promote private enterprise in Romania — no such center existed previously.

Endowment assistance to the Washington and Warsaw offices of the American Committee to Aid Poland (ACAP) supported ACAP's efforts to provide humanitarian and technical assistance to **Poland** during the country's difficult transition period, thus strengthening the social 'safety net' and increasing the chance of success for Poland's "shock therapy" economic reform program. During 1991, ACAP obtained over \$7 million worth of in-kind donations and distributed them to more than 100 groups providing essential social services throughout Poland. More than one million individuals benefitted from donations of clothing, food, medicines, and other materials.

Endowment-funded programs also supported preparations for local and national elections and provided legislative and parliamentary training. For example:

- NDI conducted a year-long legislative assistance program in cooperation with the Hungarian National Assembly. One facet of that program involved assembling experts from Denmark, the European Parliament, the California State Legislature, and the U.S. Senate who traveled to **Hungary** to advise Hungarian legislators on their draft rules of parliamentary procedure. The NDI team produced a comprehensive 36-page assessment of the draft rules, which included a number of recommendations for improvement. The report was translated and given to the Hungarian legislators, who incorporated many of the team's recommendations into a subsequent draft.
- After 45 years of self-imposed isolation and repressive one-party rule, the Communist Party of Labor of **Albania** (PLA) scheduled national multi-party elections in response to mass student protests. In mid-March, NDI sent a small technical team from the Bulgarian Association for Fair Elections and Civil Rights, an independent civic and pollwatching organization, to Tirana to gather information on the campaign environment and assist Albanian efforts to monitor the electoral process. Based on the team's findings, NDI published a pre-election report, which raised serious questions about the election law and

the fairness of the campaign. NDI then sent a three-member staff team to Tirana for the March elections where they distributed the pre-election report and helped coordinate the activities of international observer delegations. The report proved timely since most outside observers had been denied entry into Albania until a few days before the elections, and therefore were unable to thoroughly assess the election environment.

Former Republics of the Soviet Union

The Endowment has funded programs in the former republics of the Soviet Union since 1984, greatly increasing activity there since late 1989, particularly in the areas of free trade unions, municipal government and democratic governance, and communications and information networks.

- Since the Soviet coal miners' strike in the summer of 1989, FTUI, with Endowment funds, has succeeded in establishing contacts with a number of independent worker organizations in the **former Soviet Republics and Baltic states**. Included among these groups are the Independent Miners Union of the Soviet Union, "Workers Committees" in various coal mining regions, independent trade unions representing airline pilots and air traffic controllers, and locally-based strike committees representing textile workers, teachers, medical workers, and municipal committees. Support for these newly emerging democratic trade unions has concentrated on strengthening their organizational infrastructure through educational seminars, the distribution of trade union literature, and the donation of basic communications and publishing equipment.

Opposition to the August coup attempt was bolstered by the grass-roots activity of democratic worker organizations throughout the former Soviet Union aided by FTUI. Independent miner groups were among the first to denounce the coup attempt and call for the support of democratic forces. Over 50 coal mines in the Russian Republic went on strike within hours of Yeltsin's appeal for assistance. Worker groups in Ukraine and Kazakhstan joined in calling for active resistance. Equipment provided by FTUI was used for communications and to print bulletins and strike appeals during the crisis.

- Since August of 1990, NDI has been conducting a program of local government reform in the former Soviet Union. Through a series of technical training seminars, 300 city council members and administrators in **Russia, Ukraine, Belarus, Moldova, and the Baltic states** have received training on a broad range of issues related to local government management. As a result of these seminars, the Russian League of Cities was created, which has since grown to more than 86 member cities and addresses the need for continuing education and useful information on local government reform.
- The massive demonstration held in Moscow on March 28, 1991, which was instrumental in mobilizing support for the democracy movement, was coordinated by the Interregional Group of Deputies with the help of walkie-talkies provided by the Endowment. The Interregional Group, the first organized political opposition in the Soviet parliament, was formed by legislators advocating a radical and far-reaching program of democratic reforms.
- With funding from NED, the Socio-Ecological Union, one of the largest grass roots citizens movements in the Commonwealth, purchased equipment to establish an electronic mail network to link environmental protection groups **throughout the Commonwealth** with each other and with their counterparts in the United States. By the end of 1991 30 centers had been linked to the network and another 30 linkages were projected for 1992.

- Computer equipment provided to the Russian Constitutional Commission by Freedom House with a grant from NED was used to draft a new constitution for the **Russian Federation**. This draft constitution is actively being considered for adoption by the Russian Supreme Soviet.

Latin America and the Caribbean

In Argentina, Paraguay, Peru, Ecuador, Colombia, and Nicaragua, the Endowment has supported a growing network of women's civic groups devoted to promoting the nonpartisan participation of all sectors in the democratic process and educating women, youth, and children of all socio-economic levels on democratic civic values.

- In **Paraguay**, the nonpartisan organization Women for Democracy produced and distributed over 20,000 illustrated brochures explaining the registration procedures for the country's first municipal elections.
- In **Colombia**, Conciencia, a nonpartisan women's civic organization, expanded its pilot program for teaching democratic values to preschool children. The program was incorporated into 101 public and 27 private preschool centers, reaching approximately 16,000 children during the past year. Conciencia Colombia also trained 100 high school teachers to implement the Educating for Democracy program focusing on citizens' rights and responsibilities and political institutions, through which 1,500 high school students in Bogota and rural towns received civic education training.

With Endowment funding, NDI has provided material and technical assistance to **Paraguay's** Center for Democratic Studies (CED) which has resulted in the formation of a strong nonpartisan institution committed to developing the foundations of a civil society in Paraguay. CED designed and implemented a nationwide program to enhance public confidence and participation in Paraguay's first municipal elections held in May of 1991. A total of 197 seminars and 14 panel debates were held throughout the country to increase voter knowledge about the election process and increase understanding of the candidates' platforms. CED also trained over 15,000 election monitors from political parties, civic and other non-governmental organizations.

IRI-sponsored programs in **Nicaragua**, made possible with Endowment funding, resulted in the creation in July 1991 of Grupo FUNDEMOS, a private, non-profit, multi-partisan foundation which serves as the coordinating body and host organization for political and economic training seminars for democratic parties. Grupo FUNDEMOS' first three events brought together nearly 1,500 political party leaders, activists, elected officials, and community leaders in Managua and seven other Nicaraguan cities with their counterparts from the United States and Latin America to discuss and debate such issues as political party organization, privatization, and local governance.

NED support for the **Guatemalan** National Reconciliation Commission (NRC), has contributed to the historic negotiations taking place between the government and the Guatemalan National Revolutionary Union (URNG) guerrillas. In July 1991, both parties signed an accord on a set of principles considered indispensable for the consolidation of a participatory democracy. In these and other meetings, the NRC played a key role in advancing political dialogue among all sectors of the Guatemalan population and in the negotiation process between the government and the guerrillas.

With CIPE support, the Latin American Economic Research Foundation (FIEL), based in **Argentina**, provides economic advice and technical assistance to local governments on deregulation and privatization of public

services. To date, FIEL has assisted five provincial governments to set the terms for the privatization of state-run enterprises and has conducted public information campaigns to explain the advantages of the proposed private provision of services. In addition, FIEL's study of deregulation in a democratic society, *Costs of the Regulatory State*, helped to build public support for the Menem government's reform of the oversized state sector. The broad deregulation and administrative simplification measures adopted by the Menem administration in November 1991 contain many of the recommendations made by FIEL. Specifically, in the areas of ports, transportation, tobacco, oil, and gas, FIEL's proposals for deregulation and/or privatization were adopted almost in their entirety.

With CIPE support, 15 private sector groups throughout Latin America are working on Economic Advisory Programs to make policy-makers more accountable and responsive on economic issues. This program includes projects in which national chambers of commerce or economic research groups conduct cost-benefit analyses of a series of pending economic legislation and use the published results as an advocacy tool. Economic advisory programs also engage the media by alerting them and the public to what elected officials are doing — or failing to do — on behalf of the economy.

Highlights of CIPE-sponsored economic advisory programs include:

- The National Association of Private Enterprise (ANEP) in El Salvador distributed its 19 legislative analysis reports to 525 legislators, government officials, private sector business associations, unions, universities, and the media. As a result, ANEP has been invited to meet with Legislative Assembly members and Salvadoran President Alfredo Cristiani and his economic ministers to discuss proposed legislation. Of the 19 legislative proposals analyzed by ANEP, eight have been approved with the incorporation of approximately 50% of ANEP's recommendations. The remaining bills are pending. In addition, the press has actively sought interviews with ANEP regarding its position on important pieces of economic legislation. The widespread publicity of this program has contributed to the public debate of key economic issues, thus strengthening El Salvador's political democracy.
- In the course of its three-year economic advising program, the Center for Economic Orientation (COE) in the Dominican Republic prepared 61 "Reports to Congress" which were distributed to 400 legislators and government, business, and public opinion leaders. The impact of the reports was reinforced by a vigorous public awareness campaign. Selected issues covered in the COE's reports formed the basis for a weekly supplement in one of the country's leading newspapers. Additionally, many of these issues were debated in the COE's nationally televised program, "Economic Orientation." This widespread media coverage of COE's reports helped to shape public opinion which, in turn, influenced legislative decision making. Broad coverage also increased public debate on key economic issues and contributed to greater transparency in decision making in the Dominican Republic. From the 61 analyses, the COE's recommendations were taken into consideration in final legislation in whole or in part in approximately 60% of the cases under discussion.

Promoting human rights in Latin America and concentrating international attention on this issue has been an important focus of FTUI programs in the region. With Endowment funds, FTUI sent special investigators to document human and trade union rights abuses in Costa Rica, Brazil, the Dominican Republic, and El Salvador during 1991, and published their findings in several major reports which were widely distributed in-country and to the international community. FTUI worked closely with local trade union movements to denounce violations of worker rights and to encourage these governments to institute reforms to protect the fundamental rights of their citizens. As a result of a report on worker rights violations in Costa Rica and subsequent discussions between Costa Rican labor leaders and government officials, the Costa Rican government has taken concrete steps to correct them.

International public awareness of Cuba's dismal human rights record has weakened support for the Cuban revolution. There is now an independent movement inside Cuba, demanding free and democratic institutions. These developments are in no small part due to the efforts of Endowment-supported groups. For example:

- With Endowment support, the International Coalition for Human Rights in Cuba successfully established direct ties with independent groups inside and, in September 1991, introduced into Cuba 150 copies of *Disidentes*, an independent magazine produced by Cuban exiles in Spain. The magazine has been widely circulated throughout Havana.
- An Endowment grant to the Center for Cuban Democracy helped to promote international support for a Cuban plebiscite and the publication and distribution inside of 4,000 copies of a quarterly newsletter of independent political commentary.
- Further breaking the government's monopoly on information, Endowment support for Freedom House funded the publication and distribution inside Cuba of a miniature book on the ideological origins of the Cuban regime. The book includes a copy of the United Nations Declaration on Human Rights and a list of international organizations interested in Cuba. Over 100 copies are currently circulating inside.
- Endowment support enabled representatives of the Cuban Committee for Human Rights (CCHR) in Cuba to travel to the Soviet Union in September 1990 and January 1991 to meet with democratic activists and inform public opinion about the political, social, and economic realities of the Castro regime. This meeting constituted the first time that direct contact was established between members of the human rights movement in Cuba and their counterparts in the Soviet Union.
- Endowment funds also supported the travel of representatives of the International Coalition for Human Rights in Cuba and the Cuban Committee for Human Rights to Geneva to appear before the 47th session of the United Nations Human Rights Commission (UNHRC). A high ranking UNHRC official stated that these efforts were decisive in obtaining the necessary votes to designate a Special Rapporteur to Cuba.
- The AFL-CIO Labor Committee for Free Cuba, with support from FTUI, launched a successful campaign demanding the release of trade union prisoners Mario Chanes and Ernesto Diaz. With FTUI support, materials were developed to bring a significant new worker rights complaint before the International Labor Organization. On October 14, 1991, a group of Cuban workers announced their attempt to form an independent trade union in Havana.

The Middle East

While the Middle East represents a relatively new program area for the Endowment, the impact of Endowment-funded initiatives in the region is already evident. For example, with Endowment funding, IRI's program in Kuwait has helped to maintain the momentum which has been critical in sustaining Kuwait's reemergent democratic movement. In 1991, IRI conducted a series of programs designed to help Kuwaitis recover politically from the trauma of the Iraqi occupation. By bringing together Arab and American political experts and Kuwaiti democratic activists to discuss the "nuts and bolts" of politics in liberated Kuwait, the IRI program provided a timely and practical forum for democratic debate and political dialogue and opened the door for future, broad-based programming throughout the region.

Fiscal Year 1991 Programs

The following section provides a complete listing of all grants awarded by the Endowment in fiscal year 1991. The introduction to each regional section assesses the extent to which the grants awarded were consistent with the Endowment's program priorities as set forth in the 1991 priorities document.

The 1991 priorities document, which offered guidelines for the Board regarding decisions on how resources were to be allocated during the fiscal year, distinguished among the following four categories of countries, corresponding to their relative state of democratic development:

- 1) countries in which repressive political authority is collapsing and alternative democratic structures need to be established;
- 2) countries in which democratic breakthroughs have been achieved, but where permanent democratic structures have yet to be established;
- 3) closed societies which continue to resist the international movement toward democracy by repressing all institutions independent of the state; and
- 4) countries in which democratic development is a long-term prospect, and appropriate "seeding" is needed to help nourish and establish democratic culture and the institutions of civil society.

While each category received programmatic attention, the Endowment determined that the countries in category one, including such critical nations as South Africa and the (now former) Soviet Union offered an opportunity for making a significant impact, and thus were presented as major priorities for the Endowment in 1991. It was also recognized that those countries in category two were in a position to absorb the highest level of resources, given the fact that the process of building democratic institutions was well underway. As a result, in fiscal year 1991, the Endowment devoted approximately 49% of all obligated program funds to projects in the "emerging democracies" of category one and 31% to the "transitional" countries of category two.

Although the Endowment concentrated its efforts in fiscal year 1991 on countries in the two "post-breakthrough" categories described above, it did not neglect those keeping the struggle for freedom alive in countries of categories three and four of the priorities document. Despite the difficulty of working in these countries, the Endowment has sought to position itself at this "cutting edge" of democratic advance, underscoring this policy in 1991 by pledging its continued commitment to laying the groundwork for future democratization in these "pre-breakthrough" countries. In fiscal year 1991, the Endowment devoted approximately 6% of obligated program funds to the "closed societies" of category three and 14% to the "authoritarian" category four.

Finally, it should be noted that in establishing these priorities for the fiscal year, the Endowment retained its capacity to respond to promising initiatives from a wide range of non-priority countries, a policy the Board regards as particularly relevant when dealing with rapidly changing political situations throughout the world.

Africa

A democratic momentum more sudden, profound and extensive than anyone expected has swept through Africa in the last year. In countries across the continent, democratic electoral processes have been set in motion, multiple political parties are emerging in former one-party states, along with human rights groups, a free press and independent trade unions. Even countries whose prospects for democracy might have been considered dim in 1991, such as **Ethiopia, Sierra Leone and Burkina Faso**, have seen major changes. The Endowment responded to this increased democratic opening in 1991 by supporting initiatives to establish democratic structures in countries experiencing the democratic wave as repressive political authority was collapsing.

Among the Endowment-funded programs were efforts to: assist and monitor the democratic electoral process in **Namibia, Benin and Zambia**; support human rights groups promoting democratic ideas in **Nigeria, Benin, Zaire, Kenya and Mozambique**; support a free press in **Ethiopia, Nigeria, Liberia and South Africa**; assist trade unions throughout the continent in reasserting their independence; and encourage the new receptiveness to free market ideas, particularly in Southern and Eastern Africa. Endowment-funded programs also supported the consolidation of democratic systems in **Botswana and Senegal**, countries which serve as models for the rest of the continent. In those nations where democracy is still suppressed, such as **Sudan and Kenya**, the Endowment supported human rights and independent media efforts to help keep the democratic voice alive.

South Africa, where a perilous transition to democracy is proceeding inexorably, was a major focus of Endowment program activity. NED funds supported initiatives to strengthen the free press in **South Africa** as well as programs of democratic civic education. With funding from the Agency for International Development, NED continued to support organizations promoting a democratic culture, encouraging a peaceful climate for negotiations, and providing leadership training.

A list of all Endowment grants approved by the NED Board for programs in Africa follows.

Benin

America's Development Foundation

To support two organizations in Benin working to strengthen the country's nascent democracy: *Groupe d'Etudes et de Recherches sur la Democratie et le Developpement Economique et Social* (GERDDES), to carry out a program of democratic education, and the *Commission Beninoise des Droits de l'Homme* (CBDH), for a voter education project in advance of the March 1991 national elections.

\$60,000

America's Development Foundation

To continue its support of the *Commission Beninoise des Droits de l'Homme* (CBDH) and its program of democratic education and human rights advocacy, monitoring and education.

\$60,000

National Democratic Institute for International Affairs (NDI)

To organize a three-day election observer training seminar in cooperation with the Benin-based *Groupe d'Etudes et de Recherches sur la Democratie et le Developpement Economique et Social* (GERDDES) with participants drawn from a number of francophone countries holding their first competitive elections beginning in 1992.

\$101,070

Botswana

Center for International Private Enterprise (CIPE)

To enable the Botswana Confederation of Commerce, Industry and Manpower (BOCCIM) to complete its transition to a self sufficient national organization promoting advocacy, entrepreneurial development, and institutional advancement.

\$120,900

Joint Center for Political and Economic Studies

To assist the Democracy Research Project of the University of Botswana in providing information to politicians and the public to stimulate debate on possible election law reforms, assembling and circulating position papers, and to publish a final report to be distributed throughout Southern Africa.

\$40,000

Burkina Faso

America's Development Foundation

To support the program of the *Mouvement Burkinabe des Droits de l'Homme et des Peuples* (MBDHP) of human rights education and advocacy, regional expansion, and debating forums.

\$33,000

Ethiopia

America's Development Foundation

To support a human rights education program based at the University of Addis Ababa.

\$51,451

Center for Foreign Journalists

To conduct a three-day seminar for Ethiopian media professionals in Addis Ababa to explore basic issues pertaining to the role of the media in a democratic society. The seminar will be followed by a needs assessment for assisting the development of a free press in Ethiopia, and its findings will serve as a basis for future project-funding of indigenous media initiatives there.

\$48,762

Free Trade Union Institute (FTUI)

To conduct an Ethiopian trade union survey intended to study the state of unions during the communist period, document abuses of trade union rights, and propose a new trade union structure which will enable the unions to defend the interests of their members.

\$9,700

Ghana

Joint Center for Political and Economic Studies

To enable the Institute of Economic Affairs of Ghana to conduct a series of education seminars including a colloquium on "Tribalism, Federalism and Constitutional Development."

\$40,000

Kenya

Church of the Province of Kenya

To establish a human rights documentation and communication center which will produce and disseminate human rights material in several Kenyan languages, and conduct training seminars, workshops, and local visits to recruit volunteers for human rights education and advocacy.

\$25,000

Robert F. Kennedy Memorial Center for Human Rights

To provide legal assistance to groups within Kenya whose aims are to protect the constitutionally established rule of law and to promote democracy.

\$35,000

Liberia

African American Institute

To assist the Press Union of Liberia in the restoration of office equipment ransacked during the civil war; to provide training workshops for journalists; and to sponsor public debate on the role of the free press in a reconstructed Liberia.

\$20,000

African American Institute

To assist in the restoration of the offices of Liberia's most prominent independent newspaper, the *Daily Observer*, set ablaze during the civil war; and to assist in the acquisition of desktop publishing and photographic equipment.

\$24,000

Mozambique

America's Development Foundation

To assist the *Instituto Nacional de Asistencia Juridica* (INAJ) in its three-part program to provide education to the citizens of Mozambique as to their new constitutional rights and to encourage their participation in the political process.

\$60,000

Namibia

Center for International Private Enterprise (CIPE)

To assist the Namibian National Chamber of Commerce and Industry (NNCCI) to improve business participation in public policy formulation, support interest in market economies and increase understanding and appreciation of the entrepreneur's role in economic growth.

\$75,000

Namibian Institute of Economic & Social Research

To promote public understanding of the principles of democracy contained in Namibia's new independent constitution, through the production in seven languages of educational cassettes and radio broadcasts on the Namibian constitution.

\$23,298

National Democratic Institute for International Affairs (NDI)

To conduct a workshop in cooperation with the Assembly of Representatives of Namibia designed to give practical advice about conducting legislative affairs to recently elected members of the Namibian assembly.

\$39,684

National Democratic Institute for International Affairs (NDI)

To assist the Namibian Parliament in rewriting its rules and standing orders and designing a training program for parliamentary staff.

\$14,186

Nigeria

African American Institute

To support the Civil Liberties Organization (CLO), of Lagos, Nigeria, in its human rights programs and efforts to establish new branches or revitalize existing branches throughout Nigeria.

\$40,000

African American Institute

To support the Constitutional Rights Project (CRP) which promotes greater press freedom in Nigeria through a program of research, civic education and advocacy.

\$35,533

Center for International Private Enterprise (CIPE)

To assist the Nigerian Association of Chambers of Commerce, Industry, Mines & Agriculture (NACCIMA) during this period of transition, to continue its efforts to develop the skills of the media in analyzing and reporting economic trends and data as a way to build support for private enterprise and economic reform.

\$37,340

Free Trade Union Institute (FTUI)

To allow the African-American Labor Center (AALC) to provide direct assistance to the trade union movement in Nigeria to promote democratic principles and prepare Nigeria's workers to participate both in economic development and in the country's transition to democracy.

\$88,000

Senegal

Free Trade Union Institute (FTUI)

To allow the African American Labor Center (AALC) to conduct a ten-day seminar to teach trade unionists the value of print media as a mechanism for reaching members and promote policy; and assess the present publication output of African trade union federations to improve quality, technique, distribution, and circulation.

\$24,000

Sierra Leone

Congressional Human Rights Foundation

To conduct, in conjunction with the Lion Mountain Development Foundation of Sierra Leone, a conference in Freetown, Sierra Leone on the institutions of democracy.

\$56,000

South Africa

Center for Foreign Journalists

On behalf of the University of Witwatersrand, to support the establishment of an Institute for Advanced Journalism at the University of Witwatersrand, which will train young black writers.

\$40,500

Center for International Private Enterprise (CIPE)

To assist South Africa's Matchmaker Services in matching up established businesses with aspiring black entrepreneurs to provide the latter with practical experience in business operations.

\$34,000

Center for International Private Enterprise (CIPE)

To allow the Institute for a Democratic Alternative for South Africa (IDASA) to

initiate a forum for discussion and debate on the role of foreign investment in post-apartheid South Africa.	\$60,000
International Institute for Labor Development and Cooperative To support a training course in Israel for black South African community leaders on "The Role of People's Organizations in Community and Nation-Building."	*\$110,000
Joint Center for Political and Economic Studies To enable the Institute for a Democratic Alternative for South Africa (IDASA) to support a regional office in Natal Province, a series of conferences on the future of South Africa, and a study tour for community leaders to examine the transition to democracy in four Central European countries.	*\$330,000
Joint Center for Political and Economic Studies To assist the Institute for Multi-Party Democracy in its program to promote the development and maintenance of multi-party democracy, political tolerance and national reconciliation in South Africa.	\$33,208
Martin Luther King Center To support the King-Luthuli Centre for Transformation of Johannesburg's programs and to promote nonviolent political action and encourage social change and democratic transformation in South Africa.	*\$104,590
National Democratic Institute for International Affairs (NDI) To conduct seminars in South Africa on election processes and laws and to enable representatives of South African political organizations to participate in relevant NDI programs in other countries.	\$125,630
United States - South Africa Leader Exchange Program To support a leadership training course for representatives of South African community organizations, conducted in cooperation with the Centre for Continuing Education of the University of the Witwatersrand.	*\$50,000

Sudan

Joint Center for Political and Economic Studies To maintain the democratic voice of the currently banned <i>Sudan Times</i> through the publication of the monthly <i>Sudan Democratic Gazette</i> by the <i>Times'</i> exiled editor.	\$44,000
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* Funded through the Agency for International Development.

Uganda

Joint Center for Political and Economic Studies

To support the Uganda Human Rights Activists' (UHRA) program to promote understanding of the basic principles of human rights, research and document human rights abuses, and provide human rights training and legal advice.

\$44,000

University of Florida Law School

To assist the Center for Human Rights and Peace of the Faculty of Law of Makerere University in Uganda in revitalizing the University's reputation as a center for legal studies by establishing a law library and a journal focusing on human rights cases, matters of governance and the construction of democratic societies.

\$60,000

Zaire

America's Development Foundation

To enable the Zairian League for Human Rights to defend and promote human rights through monitoring activities, publications, efforts to support a free press, and creation of a national committee for the organization of democratic elections.

\$60,000

America's Development Foundation

To support the Voice of the Voiceless' efforts to increase the understanding of and commitment to human rights and democracy in Zaire through a civic education program that includes a monthly bulletin, audiovisual materials, and public meetings.

\$31,289

Zambia

The Washington Office for Democracy in Zambia

On behalf of the Law Association of Zambia, to assist in Zambia's transition to multi-party democracy through a program of human rights education, election monitoring, and civic education.

\$44,000

Regional

Center for International Private Enterprise (CIPE)

To assist the Southern African Development Coordination Conference (SADCC) regional Business Council in planning a week-long workshop in Botswana to improve the capability of business organizations to become effective advocates for market-oriented economic policies, enhance the effectiveness of the ten member

Chambers of Commerce and to create a basis for regional cooperation and eventual integration of business communities in South Africa.	\$50,000
Free Trade Union Institute (FTUI) To assist the regional office of the African-American Labor Center (AALC) in the Ivory Coast in supervising programs to and through the Organization of Trade Unions of West Africa (OTUWA) and the Organization of African Trade Union Unity (OATUU), to collect data, and provide direct assistance on trade union movements in the region, with special emphasis on Nigeria, Benin, and the Congo.	\$195,000
Free Trade Union Institute (FTUI) To enable the AALC to assist five regional organizations in Africa in developing viable solutions to the serious political and economic problems facing workers on the continent.	\$175,000
Free Trade Union Institute (FTUI) To allow the AALC to hold three senior trade union leadership seminars in the United States for trade union leaders from various African countries, and to develop model course materials to be used in worker education programs.	\$230,000
Free Trade Union Institute (FTUI) To provide, through the AALC, direct assistance to the trade union movements in the Ivory Coast, Benin, the Congo, Mozambique, Angola and Zambia to continue their active participation in the movements for multi-party democracy.	\$88,000
International Republican Institute (IRI)** To conduct a one-year research and investigation program into conditions of and prospects for democratic political developments in several sub-Saharan countries.	\$75,000
Joint Center for Political and Economic Studies To support the Center for Study and Research of Pluralistic Democracy in the Third World (CERDET) of Dakar, Senegal, to identify factors which influence the introduction of pluralist, liberal democracy in the Third World, and to enable CERDET to support several research projects and seminars and initiate a continent-wide coordinating committee.	\$44,000
Joint Center for Political and Economic Studies To support the Institute for Democracy and Development in Africa (IDDA), which promotes democratic thinking in Africa through conferences, workshops and by establishing contact with and developing cooperation among Southern and Western African civic groups.	\$44,000

*** Formerly the National Republican Institute for International Affairs.*

Joint Center for Political and Economic Studies

To assist the Institute for a Democratic Alternative for South Africa (IDASA) in establishing an institute based on Goree Island for the study and promotion of democracy which will stimulate the free flow of ideas throughout the African continent.

\$38,000

National Democratic Institute for International Affairs (NDI)

To conduct a seminar entitled "Free and Fair Elections: The Role of Political Parties, the Press and Administration," for participants from southern African countries planning to hold their first multi-party elections, including Angola, Mozambique, Namibia, South Africa and Zambia.

\$106,541

Asia

The Asia region spans 24 countries and encompasses approximately half the world's population. Broadly speaking, Endowment-funded programs in the region have given priority to countries which have not yet experienced democratic breakthroughs, and to East Asia rather than South Asia.

As the largest and most important remaining communist country, **China** has been the priority country in Asia for the Endowment. Endowment-funded initiatives in China and within the Chinese democracy movement overseas supported: dissemination of information about democracy and the worldwide democratic revolution, efforts to promote human rights, the development of civil society and of a democratic leadership for China.

Programs for **Vietnam**, **Cambodia** and **Laos** also constitute an important part of the Endowment's efforts in Asia. Programs in **Vietnam** have focused on providing support for dissident voices and informing the Vietnamese people about democracy and international human rights norms. Prior to the recent signing of the U.N. peace plan, Endowment-funded initiatives for **Cambodia** included major human rights education and training programs. In **Laos**, the Endowment supported a broad-based civic education program.

In some countries, such as **Burma** and **Afghanistan**, where it has been impossible for the Endowment to work directly, funding has been provided to democratic exile groups to support publications that disseminate information about democracy.

In the more open societies of the **Philippines** and **South Korea**, Endowment-funded programs concentrated on development of trade unions and other civic education initiatives.

A list of all Endowment grants approved by the NED Board for programs in Asia follows.

Afghanistan

American Friends of Afghanistan

To enable the Cultural Council of the Afghan Resistance to continue publishing the magazine *Afghan Jead* and to support its Afghan Institute for Policy Studies program.

\$57,068

Burma

International Republican Institute (IRI)

To strengthen Burma's National League of Democracy's organizational capability and to support its efforts to enhance the ability of leaders to formulate short and long range strategies.

\$15,000

Cambodia

Cambodian Documentation Commission

To support a human rights education project in Cambodia which includes: distribution of translated documents and training materials; preparation and distribution of a human rights comic book; production of a teaching syllabus on human rights, and three pilot training programs in human rights at refugee camps on the Thai-Cambodian border.

\$72,425

International Republican Institute (IRI)

To conduct a series of management and technical training seminars in democratic principles, processes and governance for members of the non-communist resistance.

\$75,000

China

Center for Modern China

To support a monthly series of academic papers for distribution within China produced by the center, which focuses on democratic free market solutions to specific problems facing China.

\$47,240

China Perspective, Inc.

For continued support of *The Chinese Intellectual*, a leading scholarly forum on subjects related to democracy.

\$130,000

Columbia University

To support a conference on the relationship between nationalism and democracy in Asia, focusing on China and Tibet.

\$16,683

Foundation for Human Rights and Democracy in China

To support eight programs of this coalition of leading Chinese pro-democracy organizations with a number of objectives: to establish an understanding of human rights; to provide Chinese students living temporarily in the U.S. an education in democracy; to promote democratic education in China; to inform and mobilize the Chinese overseas democracy movement; to support research on China's problems and on the solutions offered by democratization and free markets; and to increase distribution of Chinese democratic publications inside China.

\$218,439

Hong Kong

Free Trade Union Institute (FTUI)

To enable the Asian-American Free Labor Institute (AAFLI) to provide assistance to Hong Kong's democratic trade union movement through seminars and workshops aimed at improving recruitment.

\$35,000

International Republican Institute (IRI) and the

National Democratic Institute for International Affairs (NDI)

In conjunction with the Hong Kong International Council of Young Leaders, to jointly conduct political party training in Hong Kong, and mount an observation team for Hong Kong's pivotal September 1991 elections.

\$70,000

India

Byrnes International Center of the University of South Carolina

To support the Leslie Sawhny Programme of Bombay, in its program of training in the process of participatory democracy intended to prepare Indian citizens for positions of leadership in educational and public sector activities.

\$42,000

Indonesia

Private Agencies Collaborating Together

On behalf of the Institute for Economic and Social Research, Education and Information in Jakarta, for a program to collect, translate, and hold seminars on books about democracy, and to support increased distribution of three democratically-oriented Indonesian publications.

\$58,050

Korea

Free Trade Union Institute (FTUI)

To enable Asian-American Free Labor Institute (AAFLI) to support the Federation of Korean Trade Unions' (FKTU) efforts to support and encourage internal democratic reforms.

\$100,000

Free Trade Union Institute (FTUI)

To enable the Asian-American Free Labor Institute (AAFLI) to assist the Federation of Korean Trade Unions in developing civic education programs for its membership.

\$87,600

Laos

Indochina Resource Action Center

To support Laotian Democratic Initiatives (LDI), a broad-based organization of Laotians living overseas, in its project to promote democratization by translating and adapting civic education materials, for distribution in Laos.

\$35,000

Malaysia

Center for International Private Enterprise (CIPE)

To enable The Press Foundation of Asia (PFA) to sponsor training seminars and workshops for economic journalists in Malaysia, to improve their ability to understand the elements, processes, institutions and policies of private sector economic development.

\$94,493

Mongolia

Congressional Human Rights Foundation

To assist in the establishment of a Social Research, Human Rights & Civic Education Center to sponsor seminars on legal and constitutional reform, produce and distribute civic education materials, provide procedural assistance for victims of political persecution, and establish a database on human rights violations.

\$35,453

Free Trade Union Institute (FTUI)

To enable the Asian-American Free Labor Institute (AAFLI) to assist Mongolia's fledgling free trade unions begin the process of learning to operate as effective advocates of their members' interests.

\$30,000

Pakistan

National Democratic Institute for International Affairs (NDI)

To conduct a series of consultations on elections with leaders of the political parties, the press, and the election commission in Islamabad, based on the recommendations of NDI's 1990 election observation in Pakistan.

\$27,220

Philippines

Free Trade Union Institute (FTUI)

To allow the Asian-American Free Labor Institute (AAFLI) to support the continued strengthening of free trade union institutions in the Philippines through the Trade Union Congress of the Philippines' efforts on behalf of workers' rights and economic equity.

\$363,080

Friends of Kabatid

To enable KABATID, a non-partisan Philippine women's organization, to continue its program of leadership training and government accountability, and to hold a nationwide conference to initiate a large-scale voter education program in advance of the 1992 elections.

\$77,202

Sri Lanka

Center for International Private Enterprise (CIPE)

To enable the Center for Policy Research of Sri Lanka to establish a legislative advisory service to produce economic reports analyzing and recommending action on specific legislation.

\$105,000

Thailand

Center for International Private Enterprise (CIPE)

To enable The Press Foundation of Asia to sponsor training seminars and workshops for economic journalists in Thailand, to improve their ability to understand the elements, processes, institutions and policies of private sector economic development.

\$75,007

Tibet

International Fund for the Development of Tibet

To support its program of promoting democratic development in Tibetan regions of China and the Tibet Autonomous Region.

\$24,000

Tibet Fund

To produce written materials and audio cassettes to bring world and Tibetan news into rural communities in Tibet.

\$23,175

Vietnam

Institute for Democracy in Vietnam

To support publication of the magazine *Vietnam Moi? (A New Vietnam?)* and other publications promoting freedom and democracy in Vietnam, to continue its dialogue with the Hanoi government concerning human rights violations, and for a project supporting democratic Vietnamese organizations in Eastern Europe and the republics of the former Soviet Union.

\$107,000

Que Me

For continued publication and distribution within Vietnam of its monthly magazine (*Que Me*) and to undertake a program of training for pro-democracy groups among the Vietnamese workers in Eastern Europe and the republics of the former Soviet Union.

\$90,000

Regional

Free Trade Union Institute (FTUI)

To enable the Asian-American Free Labor Institute (AAFLI) to assist the leadership of the South Pacific trade unions in expanding their membership, increasing financial stability and improving the representational services of their organizations.

\$130,569

Free Trade Union Institute (FTUI)

To support AAFLI in conducting, sponsoring and promoting research on pressing worker rights issues, in cooperation with indigenous trade unions, universities, worker support groups, and other non-governmental organizations in the U.S. and Asia, and in publishing *China Labor Notes*, a two-page newsletter that informs trade union organizations around the world about the status of workers rights in the People's Republic of China.

\$102,041

Free Trade Union Institute (FTUI)

To enable AAFLI to support trade unions in Taiwan, Pakistan, India, Malaysia, Hong Kong and Nepal as well as sub-Asian regional union organizations.

\$318,337

Free Trade Union Institute (FTUI)

To support AAFLI in promoting the involvement by AFL-CIO affiliates in the efforts to strengthen counterpart organizations in Asia and the Pacific.

\$81,545

Central and Eastern Europe

In the northern tier countries of Central and Eastern Europe — **Poland, Hungary and the Czech and Slovak Federal Republic (CSFR)** — the Endowment sought to encourage the strengthening of democratic institutions by providing support for the formation of trade unions and business associations, for the creation of effective parliamentary structures and policy institutes, and for the establishment of a truly independent press. Civic education programs promoted mutual tolerance and respect among ethnic and other minorities.

In **Poland**, which in 1991 held its first completely free parliamentary elections in over a half-century, the emergence of viable political parties from the fragmented Solidarity opposition movement was a central issue which Endowment-funded programs in political party training, democratic leadership training, and civic education sought to address. The effects of Poland's "shock therapy" economic reforms on the democratic consolidation process was also a major concern addressed by Endowment-funded programs designed to train trade union health care professionals, develop a network of indigenous philanthropic organizations and enhance local economic initiatives.

In the **CSFR**, where nationalist and economic instability hindered further democratic gains, Endowment-funded programs addressed nationalist tendencies through civic education and independent publishing programs promoting the acceptance of ethnic diversity. To encourage the formation of free market structures, the Endowment provided support for private business and entrepreneurial training to both Czechs and Slovaks.

In **Hungary**, where roadblocks to the consolidation of democratic gains were mostly economic, the Endowment assisted the business sector and the independent trade union movement, both of which organized programs bolstering the country's political and economic reforms such as aiding independent business associations, entrepreneurship training and union organizing.

In 1991, the southern tier countries of **Romania, Bulgaria, Yugoslavia and Albania** experienced both gains and setbacks in their struggle to establish democratic structures.

In **Romania**, the Endowment worked to further civil society by supporting the activities of the independent trade union movement, as well as programs for independent publishing, and those encouraging human rights, the rule of law, and respect for minorities.

In **Bulgaria**, where democratic forces ousted the government of former communists in the October 1991 democratic elections, Endowment-funded programs supported voter education, leadership training and trade union development and party-building and election monitoring organized by a network of non-partisan voter's organizations.

The civil war that began in mid-1991 limited the Endowment's activities in **Yugoslavia**. Even so, the Endowment was able to assist emerging independent trade union groups and lay the groundwork for future programs with contact missions, and to provide assistance to nascent independent media, including radio and publishing.

While not identified in the original draft of the priorities document, the events of 1991 permitted the Endowment to work in **Albania** for the first time, supporting programs that promote the defense of human

rights, the strengthening of the independent trade union movement, political party development and civic education.

In 1991 the independence of **Estonia, Latvia, and Lithuania** was recognized by the world community. The Endowment continued its funding for programs in these Baltic states, particularly in the areas of independent communications, information and publications.

Largely at the request of Endowment grantees throughout Central and Eastern Europe, the Endowment has also made an effort to enhance the consolidation of democratic gains on a regional level. Region-wide programs promoting independent publishing, teacher training, trade union rights and issues, and political party development were supported by the Endowment, as well as projects supporting youth exchanges, independent student movements, and political participation by women and youth.

A list of all Endowment grants approved by the NED Board for programs in Central and Eastern Europe follows.

Albania

Congressional Human Rights Foundation

To enable the Albanian Human Rights Center to promote the defense of human rights in Albania by conducting an advocacy program to encourage the release of political prisoners and to disseminate human rights literature, including the U.N. Covenant on Human Rights.

\$24,985

Free Trade Union Institute (FTUI)

To respond to requests for assistance from the new, democratic Albanian labor movement by providing infrastructure assistance which includes typewriters, mimeograph machines, and related supplies; and to assess the organization's needs and review the environment for assistance.

\$80,000

National Democratic Institute for International Affairs (NDI)

To support party training and civic education programs in Albania in advance of the March 31, 1991 election.

\$23,146

Bulgaria

Center for International Private Enterprise (CIPE)

To support Bulgaria's Center for the Study of Democracy in carrying out a research and advocacy program to support policy recommendations on privatization and small business development.

\$86,180

Free Trade Union Institute (FTUI)

To assist in a three-part developmental program providing basic leadership training and trade union education to the Confederation of Labor-Podkrepa to expand its role in promoting the democratic process in Bulgaria.

\$120,000

Free Trade Union Institute (FTUI)

To assist Bulgaria's Confederation of Labor-Podkrepa in continuing to play a significant role in promoting the democratic process in Bulgaria by sponsoring voter education programs in advance of the October 13, 1991 national elections.

*\$320,000

National Democratic Institute for International Affairs (NDI)

To sponsor training workshops in cooperation with the Bulgarian Association of Fair Elections and Civil Rights (BAFECR) on electoral and party-building issues prior to the October 13, 1991 local and national elections.

\$12,606

Czech and Slovak Federal Republic (CSFR)

Center for International Private Enterprise (CIPE)

To support the Association of Czechoslovak Entrepreneurs (ACE) in advocating specific legislative actions that encourage the growth of a market economy.

\$89,130

Center for International Private Enterprise (CIPE)

To enable the Association of Czechoslovak Entrepreneurs (ACE) to develop resources capable of providing training and support to aspiring entrepreneurs on how to start and operate a business.

\$120,380

Center for International Private Enterprise (CIPE)

To enable the Institute for Economic Sciences in the Czech and Slovak Federal Republic to refine and improve the country's privatization process, educate managers of state-owned enterprises on techniques of privatization and lessons learned in other countries, and help build support for the process through public outreach.

\$80,870

Center for International Private Enterprise (CIPE)

To assist the Slovak Society for Foreign Enterprise in building support for the smooth transition to a market economy by communicating information about private enterprise, entrepreneurship and economic reforms to the public and providing timely information necessary for businesses to flourish.

\$51,500

Czechoslovak Society of Arts and Sciences

To assist the Jan Hus Educational Foundation in establishing an office in Brno, which will allow it to expand upon current programs and institute new ones designed to assist in the revival of independent educational institutions in the CSFR.

\$33,000

* Funded through the Agency for International Development.

Czechoslovak Society of Arts and Sciences

To enable the Czechoslovak Documentation Center, located in Scheinfeld, Germany, to assist major libraries and other academic and cultural institutions in the CSFR in publishing and distributing a wide variety of independent materials which can serve as the point of departure for the renewal of the country's democratic culture.

\$44,000

Institute for Democracy in Eastern Europe

To enable Archa Publishing House in Bratislava to publish a series of four books examining the recent history of Slovakia with the objective of strengthening a democratic culture that emphasizes the values of tolerance and peaceful resolution of conflicts.

\$26,000

Hungary

Center for International Private Enterprise (CIPE)

To enable the Foundation for Small Enterprise Economic Development to increase the understanding and support of private enterprise and encourage the formation of new businesses among Hungarian youth.

\$28,000

Center for International Private Enterprise (CIPE)

To continue assisting the National Association of Entrepreneurs (VOSZ) to promote entrepreneurship and a free market economy.

\$89,130

Committee for Danubian Research

To assist the Arany Janos Foundation of the Hungarian Writers' Association, a Budapest-based organization promoting independent culture, to continue publishing its weekly journal and to establish an independent publishing house.

*\$85,000

Committee for Danubian Research

To support the work of the Institute of the History of the 1956 Hungarian Revolution, a Budapest-based organization conducting an interdisciplinary program of research on the origins and consequences of the 1956 Hungarian uprising, as well as collecting, publishing and disseminating documents relating to the events surrounding the revolution.

*\$85,000

Free Trade Union Institute (FTUI)

To support the Democratic League of Independent Trade Unions for the 1992 union elections, which are critical not only to the League's future as a union federation, but also to the future of Hungary's political and economic reform.

\$149,455

* *Funded through the Agency for International Development.*

Free Trade Union Institute (FTUI)

To provide assistance to the Budapest-based Foundation for Free Trade Unions, to help the Democratic League of Independent Trade Unions of Hungary in its organizing efforts, and to unite the Hungarian workers into a democratic central trade union movement.

\$210,000

Institute for Democracy in Eastern Europe

To assist the Committee for the Pal Teleki Memorial Celebration in organizing a series of commemorative events to mark the fiftieth anniversary of the death of one of Hungary's greatest democrats and statesmen.

\$25,000

Latvia

American Latvian Association

To assist the *Baltic Times*, a popular independent newspaper, in purchasing printing and computer equipment enabling it to establish a small publishing enterprise to serve the democratic movements in Latvia and the republics of the former Soviet Union.

\$45,000

Lithuania

Lithuanian Catholic Religious Aid

To supply newsprint, a scarce commodity in the former Soviet Union, to a number of Lithuanian publications committed to democratic ideals.

\$35,000

Lithuanian World Community Foundation

To support the Vyantas Magnus University of Kaunas, Lithuania for translation and publication of Western university textbooks selected by the Textbooks for Democracy Committee of the University Senate.

\$15,000

Poland

American Committee for Aid to Poland

To support the expansion of the Committee's program of providing humanitarian and technical assistance to Poland during the transition to democracy and a free market economy, and helping Poles to develop a network of indigenous philanthropic organizations.

*\$100,000

** Funded through the Agency for International Development.*

American Committee for Aid to Poland

To further assist the Committee's program of providing humanitarian and technical assistance to Poland during the transition to democracy and a free market economy, and helping Poles to develop a network of indigenous philanthropic organizations.

\$50,000

Free Trade Union Institute (FTUI)

To assist the Coordinating Office of NSZZ Solidarity Abroad in maintaining contacts with trade unions in the West and to conduct the business of NSZZ Solidarity with multilateral organizations such as the International Labor Organization and the International Confederation of Free Trade Unions.

\$250,000

Free Trade Union Institute (FTUI)

To assist the Service Employees International Union in creating and conducting a training program for health care professionals in Poland.

\$100,000

International Republican Institute (IRI)

To provide political party training in Poland through consultations on the election law, organization and management, message development, issue communication, voter turnout and education, and media training.

\$35,000

Mershon Center of Ohio State University

In cooperation with the Polish Ministry of National Education, to promote the democratic transition in Poland by creating and instituting a new, non-partisan educational program, composed of curricula for democratic citizenship, civic education, and teacher training in Poland's primary and secondary schools.

\$127,950

National Democratic Institute for International Affairs (NDI)

To conduct the second phase of a training program in Poland to provide practical information on successful planning and organization to leaders and activists of the new Polish political parties.

\$72,075

Polish American Congress

To enable the Polish-language journal *Zeszyty Literackie* to continue its regular publishing cycle, and to assist in deferring the costs of relocating its publishing and distribution operations to Poland.

\$15,000

Polish American Congress

To support the work of the Foundation for Social and Economic Initiatives in Poland, which encourages independent social, economic, and cultural initiatives by individuals and groups on a local level.

*\$120,000

* *Funded through the Agency for International Development.*

Romania

Center for International Private Enterprise (CIPE)

To support the Romanian Institute for Free Enterprise in its efforts to influence the successful transition to a free market system and the establishment of democratic values in Romania, including publishing a monthly economic journal and establishing a business institute.

\$125,000

Foreign Policy Research Institute

For continued publication of the Romanian language cultural quarterly, *Agora*, which includes samizdat works by writers who remain in Romania, works by prominent dissidents and emigres outside Romania, and commentary on Western intellectual trends and their impact on Romanian intellectual life.

\$58,140

Free Trade Union Institute (FTUI)

To assist Fratia, Romania's independent trade union confederation, in obtaining the needed office equipment and supplies to create ten regional offices throughout Romania.

\$125,409

Free Trade Union Institute (FTUI)

To assist Fratia, Romania's independent trade union confederation, to develop and strengthen its institutional capabilities as it meets the challenge of building a democratic labor movement.

*\$98,976

Hungarian Human Rights Foundation

To assist Fundatia Kriterion, an independent non-profit Bucharest-based foundation that encourages the appreciation and acceptance of minority cultures in Romania, in upgrading its publishing facilities and initiating work on three human rights publications.

\$40,000

Institute for Democracy in Eastern Europe

To support a Rule of Law project in cooperation with human rights groups in Romania, providing technical assistance and material support to conduct an education program, coordinate and advise indigenous human rights efforts; and provide assistance to the League for the Defense of Human Rights (LADO) and the Romanian Independent Society for Human Rights (SIRDO).

*\$72,170

Yugoslavia

Freedom House

To assist Radio B 92, an independent radio station in Belgrade, Yugoslavia, in purchasing a transmitter and other equipment which will enhance considerably its ability to reach listeners with its objective newscasts.

\$52,500

* Funded through the Agency for International Development.

Free Trade Union Institute (FTUI)

To assist emerging groups in the various republics of Yugoslavia and to begin to lay the groundwork for future programs through contact missions and, where appropriate, equipment support and publications.

\$29,960

Regional

Free Trade Union Institute (FTUI)

To support the American Federation of Teachers in assisting the development of independent teacher organizations in Central and Eastern Europe, providing basic democratic skills training for local and national leaders of free teachers unions in these countries, and preparing basic materials on the history, principles, and practices of democracy for use by teachers in the schools.

\$139,000

Free Trade Union Institute (FTUI)

To allow the AFL-CIO to monitor trade union rights in Central and Eastern Europe and the former Soviet republics by expanding the role of the Worker Rights Resource Center.

\$40,000

Free Trade Union Institute (FTUI)

To conduct an exchange program for Central and Eastern European trade union leaders, to enhance their ability to lead and administer labor movements in an effective and democratic fashion, and to represent the interests of their organizations within the broader community of democratic unions affiliated with the International Confederation of Free Trade Unions.

\$106,532

Free Trade Union Institute (FTUI)

To assist Central and Eastern Europe's independent trade union movements, in specific industries and trades, to promote and defend democratic gains and economic reform.

\$247,830

Free Trade Union Institute (FTUI)

To provide support for the English-language and publications program of the Institute for Democracy in Eastern Europe.

\$25,000

Institute for Democracy in Eastern Europe

To provide infrastructure assistance and support grants to a wide range of small independent publications in Central and Eastern Europe, including computers, photocopiers, telefaxes, typewriters, and tape recorders.

*\$66,000

** Funded through the Agency for International Development.*

Institute for Democracy in Eastern Europe	
To support and expand the activities of the Institute's Central and East European Publishing Fund, which provides support grants for infrastructure, operations and training for independent newspapers and periodicals.	\$50,000
Institute for Democracy in Eastern Europe	
To assist the Polish Independent Student Association's efforts to strengthen the independent youth movement in Poland and to enhance contacts among democratic youth groups throughout Central and Eastern Europe.	\$22,000
International Republican Institute (IRI)	
To sponsor a series of four training seminars in Hungary and the Czech and Slovak Federal Republic that will encourage the informed participation of women and youth in the political process.	\$57,000
National Democratic Institute for International Affairs (NDI)	
To provide assistance to the Budapest-based Democracy After Communism (DAC) Foundation in its programs in practical political training for young democratic party activists and emerging political leaders in Central and Eastern Europe.	\$29,557
National Democratic Institute for International Affairs (NDI)	
To organize a series of five regional political party development seminars to enhance the ability of political parties to promote the consolidation of democracy and regional integration in Central and Eastern Europe.	\$127,791
National Forum Foundation	
To support its Central and East European internship project, which offers highly qualified young leaders from the region the opportunity to work in the fields of government, business, and media in the United States.	*\$100,000
Polish American Congress	
To provide support for the civic education activities of the Polish Czechoslovak Solidarity Foundation, a Warsaw-based organization fostering transborder cooperation and integration in Central Europe on cultural, educational and local government issues.	*\$100,000
U.S. Baltic Foundation	
In conjunction with the City Council of Vilnius, Lithuania, to conduct a three-day seminar and follow-up activities introducing Western municipal management techniques and the principles of private enterprise to the new and democratically elected municipal governments of Estonia, Latvia and Lithuania.	\$50,000

** Funded through the Agency for International Development.*

Former Republics of the Soviet Union

The Endowment's major country of priority for 1991 was the (now former) **Soviet Union**. Long before the August 1991 failed coup attempt, the Endowment recognized that no task was more central to the future of international cooperation and understanding than a peaceful democratic transition there. The collapse of communism and the devolution of power from Moscow to the individual republics created urgent needs for assistance and presented the Endowment with a unique opportunity to support new democratic institutions and strengthen emerging civil society. Consistent with its program priorities for 1991, the Endowment also increased its efforts to support democratic movements in the republics.

Building on programs already underway, the Endowment continued to support independent publications, human rights organizations, and civic education efforts. The new political landscape, however, offered opportunities to begin work with nascent trade unions, promote political party development and market-oriented economic reform, and provide support to emerging independent citizens organizations.

Endowment funding in the republics of the former Soviet Union supported: educational seminars, distribution of trade union literature, and the donation of much-needed communication and publishing equipment for emerging independent trade unions; training seminars for city council members and administrators on local government reform, and creation of a Russian League of Cities to disseminate information on modern city government to its more than 80 members; and communications, information and material assistance to a range of independent citizen organizations and publishers working to bring about transition to civil society.

A list of all Endowment grants approved by the NED Board for programs in the former republics of the Soviet Union follows.

Georgia

Project for Peace

To provide start-up assistance to an educational-cultural foundation in Georgia for the establishment of a library in Tbilisi which will serve as a center for promoting democratic thought and practices.

\$25,000

Russia

American Friends of Free Speech Abroad

To support the Paris-based publisher Atheneum in publishing and distributing archival and documentary material which presents a clearer and uncensored account of Soviet history.

\$75,000

American Friends of Free Speech Abroad

To cover travel costs for members of the Moscow Helsinki Group in exile in the West, to travel to Moscow to participate in a series of human rights advocacy seminars and workshops.

\$10,000

American Friends of Free Speech Abroad	
To provide support for the Russian-language journal, <i>Syntaxis</i> , published in Paris and distributed in Russia, which promotes democratic values and thought.	\$30,000
American Friends of Free Speech Abroad	
To support the Oral History Project of Russian historian Yuri Afanasyev in Moscow which is collecting evidence of Soviet repression during the period 1920-60 in order to present a clearer picture of the Stalinist past to the Soviet public and the outside world.	\$15,250
Democratic Russia/U.S.A. Foundation	
To provide computer, printing, and communication equipment to the Research Information Center for Political Reform, in Novokuznetsk, Siberia, which will enable it to serve as an independent source of research and information for democratic and economic reform in the rural regions of the Russian Federation.	\$80,760
Freedom House	
To support equipment purchase and operating expenses of the Moscow-based <i>Express Chronicle</i> , an independent Russian-language newspaper.	\$55,000
Institute for Democracy in Eastern Europe	
To support publication costs of the Russian-language journal, <i>Kontinent</i> .	\$20,000
Institute for Soviet American Relations	
To assist the grassroots environmental movement by providing equipment that will facilitate improved communications among environmental groups throughout Russia and with their counterparts in the United States via electronic mail, thereby encouraging and coordinating increased citizen participation in the democratic process.	\$65,000
International Republican Institute (IRI)	
To conduct an institution-building and political training conference in Moscow, hold training seminars on political education and party-building, and conduct assessment missions to establish a network of contacts in areas outside Moscow.	\$250,000
National Democratic Institute for International Affairs (NDI), in conjunction with the International Republican Institute (IRI)	
To provide material assistance to the Moscow-based Democratic Russia Foundation for the establishment of an independent printing facility for democratic literature.	\$152,516

National Democratic Institute for International Affairs (NDI)	
To conduct a seminar in Moscow focusing on city finance and budgeting, the second in a series of technical assistance programs to bolster the reform efforts being carried out by local governments in the republics of the former Soviet Union.	\$162,166
Problems of Eastern Europe, Inc.	
To support publication of the Russian-language journal, <i>Problems of Eastern Europe</i> , which focuses on ideas and experiences of the democratic movements in Eastern Europe and Russia.	\$30,000
Problems of Eastern Europe, Inc.	
To publish and distribute in Russia and the other republics a Russian-language edition of Walter Laqueur's <i>Russia and Germany: A Century of Conflict</i> , in order to increase understanding of the historical relationship between the two countries and its implications for democratic development in Russia.	\$18,000
Time and We Publishing House	
To support the publication and distribution in Russia of the Russian-language journal <i>Time and We</i> whose articles on political, historical, and social issues serve as a forum for discussion of democratic pluralism in Russia.	\$20,000
Washington Research Institute	
To assist the Interlegal Research Institute of Moscow to promote the growth of independent, non-commercial, "informal" citizen organizations in the republics through research, publications, and consultation.	\$40,000
 <u>Ukraine</u>	
Americans for Human Rights in Ukraine	
To continue support for democratic groups in Ukraine and to establish a sister-city relationship between Czervonoharad, Ukraine and Scranton, Pennsylvania.	\$32,000
European - Ukrainian Cultural and Educational Foundation	
To strengthen democracy in Ukraine by providing material support to the independent Union of Ukrainian Students, the Ukrainian Press Agency, and several independent newspapers in Ukraine.	\$62,240
Ukraine 2000	
To enable the Popular Movement in Ukraine (Rukh) to purchase equipment to establish an independent publishing facility in Kiev, Ukraine, thus facilitating a free flow of information and democratic thought.	\$125,000

Ukraine 2000

To provide start-up funds to establish a library and resource center in Kiev for members of the Ukrainian legislature, modeled on the U.S. Library of Congress and its Congressional Research Service.

\$25,500

Ukrainian National Association, Inc.

To upgrade the printing technology of an independent publishing facility in Lviv, Ukraine which will facilitate the production of books and other publications supporting democratic reform.

\$65,000

Inter-Republic

Alliance for Self-Determination of Armenia

To provide administrative and infrastructure support for a communications center in Moscow which will support and coordinate activities of pro-democracy movements in the republics of the former Soviet Union.

\$45,000

American Turkish Foundation

On behalf of the FORUM Corporation of Ankara, to support a conference in Turkey focusing on the applicability of the Turkic experience for the Turkish republics of the former Soviet Union.

\$53,000

Free Trade Union Institute (FTUI)

To provide essential support for the newly emerging independent trade unions in the republics of the former Soviet Union.

\$1,000,000

Freedom House

To assist the revival of the language, culture, and history of the Crimean Tatars through publications and the dissemination of information, and to hold a conference in the former Soviet Union on nationality issues.

\$26,500

National Democratic Institute for International Affairs (NDI)

To conduct the third phase of its democratization program in the former Soviet Union, including the provision of technical training for city council members on strategies of democratic political and economic reform.

\$150,000

Problems of Eastern Europe

To support the publication and distribution of a Russian-language edition of *Robert's Rules of Order*, in order to provide access to and understanding of these widely accepted rules for conducting meetings and parliamentary debate.

\$17,700

World Without War Council

To publish and distribute a Russian-language guide to U.S. nongovernmental organizations, with the objective of expanding cooperation and exchanges between citizen organizations in the republics of the former Soviet Union and their counterparts in the United States.

\$35,000

World Without War Council

To arrange direct linkages between citizen organizations in the republics of the former Soviet Union with counterparts in the United States drawing on the contents of its guide to U.S. nongovernmental organizations described above.

\$18,000

Latin America and the Caribbean

In the democratic countries of Latin America, where democracy is marked by fragile political institutions, a weak democratic culture, and economic instability, the Endowment's goal during 1991 was to assist in the consolidation of democratic gains. Its focus in the region was on programs that advance market-oriented thinking; promote and defend workers' rights; strengthen freedom of the press; establish and sustain strong democratic institutions; and foster the nonpartisan participation of women, youth and other sectors previously disenfranchised from the democratic process.

As set forth in the priorities document for 1991, Endowment assistance in **Central America** supported a cross-section of democratic organizations, including labor and human rights groups, women's civic action and youth groups, business associations, and print and electronic media. For example, in **El Salvador**, the Endowment supported a fledgling newspaper, provided support for an economic advisory service for Salvadoran legislators, and assisted nonpartisan efforts to build consensus and promote an understanding among political, economic and social sectors that peace and democratic development depend in large measure on the existence of a political culture marked by tolerance for diverse viewpoints. In **Guatemala**, where ongoing negotiations between the government and guerrilla forces promise an end to 30 years of armed conflict, the Endowment continued to support indigenous efforts to reinforce the peace process by developing mechanisms for the consensual, democratic resolution of national problems. In **Nicaragua**, the Endowment assisted the transition process by supporting programs that reinforce the role of business, labor, independent media, and nonpartisan civic and political groups in ensuring the growth of a stable and enduring democracy.

In **Mexico**, Endowment funding helped train leaders and provided support for projects aimed at promoting citizen participation in the democratic process.

In **South America**, the Endowment sought to reinforce local efforts to bolster democratic leadership capabilities, foster citizen participation in the democratic process, and strengthen democratic governance through the promotion of political and economic reform. In **Brazil**, the Endowment supported a national trade union organizing campaign designed to build a solid foundation for the role of labor in the economic and social development of Brazil and a polling and seminar project to examine which institutional forms of government are best suited to maintain stable democracy. In **Peru, Colombia, Argentina, Paraguay** and **Ecuador**, the Endowment provided substantial support to independent women's civic organizations that serve as nonpartisan training grounds for future political leaders.

In **Cuba**, Latin America's only remaining closed society, the Endowment sought to advance the prospects for a peaceful democratic transition by supporting groups which mobilize international support for independent democratic activists, political groups, and workers, and by promoting a freer flow of information to and from the island through assistance to independent publications containing works produced within.

A list of all Endowment grants approved by the NED Board for programs in Latin America and the Caribbean follows.

Argentina

Center for International Private Enterprise (CIPE)

To enable the *Fundacion para la Investigacion Economica Latinoamericano* (FIEL), an Argentine nonpartisan research organization, to examine existing public services and design privatization and deregulation programs for local governments.

\$111,930

Delphi Research Associates

To support *Conciencia*, an Argentina-based nonpartisan women's organization, in its programs to help prepare Argentine citizens for the national and provincial elections, including ongoing civic education courses, and expansion of programs to regions in southern Argentina.

\$150,000

International Republican Institute (IRI)

To support the *Fundacion para la Libertad y la Democracia* (FLD), a new Argentine political foundation devoted to the promotion of Argentine democratic development, in its program of publications and leadership training seminars throughout the country; and to create a political research and polling institute.

\$96,500

Bolivia

Center for International Private Enterprise (CIPE)

To enable the *Confederacion de Empresarios de Bolivia* to set up a legislative analysis program which will include preparation of a monthly cost-benefit analysis of economic legislation under consideration in the Bolivian Congress for distribution among legislators, state enterprises, research centers, and business leaders.

\$33,005

Georgetown University

To enable *Fundacion Milenio* to conduct a three-part project which seeks to promote constitutional reform in Bolivia through the generation of public debate among political, judicial, economic and labor sectors of the population.

\$45,000

Brazil

Free Trade Union Institute (FTUI)

To support the *Conferderacao Geral de Trabalhadores* (CGT) in its nationwide affiliation campaign designed to build an effective national labor confederation; to enable the *Instituto Cultural do Trabalho* (ICT) to aid union organizations with infrastructure development; and to offer leadership training courses.

\$167,000

Free Trade Union Institute (FTUI)

To support Brazil's *Confederacao Geral de Trabalhadores* (CGT) in gathering information about worker rights violations and racial discrimination and distributing it to the media, political institutions and human rights organizations.

\$51,600

Georgetown University

To cosponsor with the *Instituto de Estudios Socio-Políticos* (IDESP), a private, non-partisan research center based in Sao Paulo, a project which aims to examine which institutional forms of government are best suited to maintain stable democracy in Brazil.

\$55,000

Chile

Center for International Private Enterprise (CIPE)

To enable the *Instituto para la Libertad y el Desarrollo* (ILD) to promote the private sector's role in providing services in areas such as health, education, electricity, etc., and to use Chile's experiences as case studies to support pro-market reforms in other developing countries in transition to democracy.

\$82,350

Center for International Private Enterprise (CIPE)

To enable the *Instituto Latino Americano de Doctrina y Estudios Sociales* (ILADES) to provide an economic advisory service for Chilean legislators and distribute legislative analyses of economic issues to journalists, business associations, and advocacy groups in an effort to strengthen the Congress' policy-making role in a democratic Chile.

\$109,200

Free Trade Union Institute (FTUI)

To provide support to the *Central Unitaria de Trabajadores* (CUT) and the *Central Democrático de Trabajadores* (CDT), for their activities aimed at creating a more unified democratic labor movement.

\$90,000

National Institute of Citizen Education and the Law (NICEL) of Georgetown University

To cosponsor with the *Departamento de Estudios Profesionales y Asistencia Legal* (DEPAL), of the School of Law of the Catholic University of Chile, a pilot legal education program aimed at high school students and teachers, law students and disaffected teenagers, providing practical law education for everyday life.

\$66,000

**National Democratic Institute for International Affairs (NDI)
and the International Republican Institute (IRI)**

To sponsor the visit of experts on local government from the United States, Europe and Latin America to consult with Chilean legislators dealing with local government reform; and to support *Educacion para la Participacion Civica* (PARTICIPA) in the organization of a seminar on women's political leadership.

\$35,600

International Republican Institute (IRI)

To conduct a party-building program for political leaders of the democratic center and center-right in Chile, including training in communications, organizational development, constituent and grassroots outreach. IRI will work with *Instituto Libertad* and *Instituto de Democracia Moderna*.

\$80,000

International Republican Institute (IRI)

To conduct an international conference in Santiago, Chile for free-market political party representatives, particularly from the *Sindicato Internacional Democrata*, and internationally recognized scholars to discuss issues concerning the failure of communism and the future of democracy in Latin America.

\$82,050

Colombia

International Republican Institute (IRI)

To enable the Fundacion Simon Bolivar (FSB) to conduct research on issues pertaining to Latin American democratic development, and to organize the fourth meeting of the FSB's Inter-American Forum.

\$45,000

Resources for Action

To support Conciencia, a nonpartisan Colombian civic action organization, for its democratic civic education training programs for children, youth and adults, and to support regional expansion and upgrading of its documentation center.

\$70,000

State University of New York at Buffalo

To enable the University of Los Andes in Bogota to conduct a year-long project entitled "Program on Latin American Democracy: The Case of Colombia," with activities focusing primarily on the issue of governability in Colombia and in the Andean countries, including a series of four regional forums and one national forum bringing together a diverse range of political and civic leaders to discuss the major problems confronting Colombia's democratic institutions.

\$55,000

Cuba

Center for Cuban Democracy

A nonprofit, volunteer organization composed of former Cuban political prisoners and dissidents, for the publication and distribution inside Cuba of a quarterly newsletter of political commentary on issues, trends and developments affecting Cubans, and for activities related to the continued promotion of an international campaign for a Cuban plebiscite.

\$45,000

Cuban American National Foundation

To support the *Coalicion Internacional de Derechos Humanos* in Cuba in its program to publicize the plight of human rights activists and other critics of the

regime in Cuba, including assistance for preparation of important documentation for distribution at the March 1991 meeting of the U.N. Commission on Human Rights; support for the coalition's growing network of European and Latin American citizen committees; production of publications on the human rights situation based on information received from inside the island; and maintaining the coalition's central coordinating office in Madrid.

\$100,000

Free Trade Union Institute (FTUI)

To build relationships with workers inside Cuba who wish to organize independent trade unions and to encourage free trade unionists in the United States and around the world to actively support the expansion of democracy and worker's rights in Cuba.

\$127,295

National Democratic Institute for International Affairs (NDI)

To organize a two-day conference in Venezuela on democratic transitions to democracy where Cuban democratic groups can obtain practical advice from their Eastern European and Latin American counterparts on building democratic institutions.

\$99,837

International Republican Institute (IRI)

To sponsor a conference on the future of Cuba focusing on how the experiences of the democratic revolutions of Central and Eastern Europe can be applied to the democratization process within Cuba.

\$40,000

Of Human Rights

A Washington, DC-based independent non-profit organization dedicated to gathering and disseminating information on the human rights situation in Cuba, to publish and distribute abroad 1,000 copies of its detailed report, *The Politics of Psychiatry in Revolutionary Cuba*.

\$6,000

Puebla Institute

To support the Cuban Committee for Human Rights, the Miami counterpart to the Cuba-based independent human rights group headed by Gustavo Arcos, in its activities to advance the cause of human rights and democracy in Cuba through the dissemination of independent human rights literature and information on the activities of independent democratic activists on the island.

\$44,000

Dominican Republic

Free Trade Union Institute (FTUI)

To support the *Confederacion Nacional de Trabajadores Dominicanos* (CNTD) in its program of seminars and publications designed to increase the political awareness and participation of workers.

\$40,000

Ecuador

Resources for Action

To support *Conciencia*, a nonpartisan women's civic group based in Guayaquil, in its efforts to prepare Ecuadoran citizens for the national and provincial elections in 1991 through broad-based, nonpartisan civic education programs.

\$25,000

El Salvador

Center for International Private Enterprise (CIPE)

To enable the *Asociacion Nacional de Empresa Privada* (ANEP) of El Salvador, to provide an economic advisory service for Salvadoran legislators and distribute legislative analyses of economic issues to journalists, business associations and advocacy groups in an effort to strengthen Congress' policy making role.

\$75,000

Center for Latin American Studies, University of Pittsburgh

In conjunction with the *Instituto de Estudios Latinoamericano* of El Salvador (IDELA), to conduct a project to promote dialogue on national issues among competing political, economic, and social sectors of Salvadoran society.

\$60,000

Delphi Research Associates

To cover the hard currency costs of the imported supplies and equipment of *Diario Latino*, a small daily newspaper in El Salvador.

\$22,000

Grenada

International Republican Institute (IRI)

To support the work of the Grenada Civic Awareness Organization in its program of civic education and community development.

\$28,000

Guatemala

Free Trade Union Institute (FTUI)

To enable the *Confederacion Unitaria de Sindicatos de Guatemala* (CUSG) to conduct seminars on democratic values, worker participation in Guatemala's democratic process, and human and worker's rights.

\$60,000

National Reconciliation Commission

For continued support of its efforts to promote dialogue among the key sectors of Guatemalan society, and to facilitate talks between the Guatemalan government and the *Unidad Resistancia Nacional de Guatemala* (URNNG) guerrillas.

\$60,000

Resources for Action

To support the *Centro de Estudios Politicos* (CEDEP), a Guatemala-based nonpartisan public policy institute, in conducting a civic education program and other related activities designed to promote dialogue among competing sectors of Guatemalan society and strengthen the commitment of Guatemalan citizens to the democratic process.

\$66,000

Haiti

Free Trade Union Institute (FTUI)

To enable several Haitian trade union groups to publish newsletters, conduct monthly education courses and organize agrarian unions and cooperatives among rural workers.

\$40,000

Mexico

International Republican Institute (IRI)

To assist DEMOS PAZ, a non-profit nonpartisan civic association, to conduct leadership training and civic education programs, seminars, conferences and research projects to promote citizen participation in the democratic process; and to support research, seminars and publications focusing on the U.S.-Mexico Free Trade Agreement and Mexico's mid-term elections.

\$95,000

Nicaragua

American Federation of Teachers Educational Foundation

In a joint project with the Educational Excellence Network and the International Foundation for Electoral Systems, to assist Nicaraguan educators and civic activists in their efforts to reform and expand civic education in Nicaraguan schools.

\$40,000

Center for International Private Enterprise (CIPE)

To assist the Superior Council of Private Enterprise (COSEP) in providing legislators in Nicaragua with cost-benefit analyses of pending legislation and to launch a public awareness campaign focusing the general public's attention on issues concerning market economy and privatization.

\$89,500

Delphi Research Associates

To support the efforts of the *Centro de Formacion Juvenil* (CEFOJ), a nonpartisan youth movement, in promoting political participation and providing democratic civic education to a broad spectrum of Nicaraguan youth.

*\$69,000

* Funded through the Agency for International Development.

Delphi Research Associates

To enable *La Prensa* newspaper of Nicaragua to cover the hard currency costs of imported supplies, replacement parts, equipment, operating costs and staff training needed for the paper's continued publication.

\$110,000

Delphi Research Associates

To enable the *Movimiento de Mujeres Nicaraguenses* (MMN), a Managua-based nonpartisan civic organization, to promote political participation and provide democratic civic education to women and the public-at-large.

\$44,000

Delphi Research Associates

To enable Radio Dario and Radio San Cristobal, independent radio stations in Leon and Chinandega that serve as forums for free discussion and the advancement of democratic ideas in Nicaragua, to cover the hard currency costs of purchasing and shipping urgently needed replacement parts, supplies and equipment.

*\$110,000

Free Trade Union Institute (FTUI)

To allow Nicaragua's *Congreso Permanente de Trabajadores* (CPT) to fund a special national forum of CPT unions to encourage the trend toward corporate unity in the labor movement.

\$25,000

Free Trade Union Institute (FTUI)

To support the independent trade union *Confederacion de Unidad Sindical* (CUS) in its aim to protect and promote freedom of association through its membership drives, training seminars, coordination strategy with other democratic unions, and human rights monitoring.

*\$43,630

International Republican Institute (IRI)

To sponsor political training programs for Nicaragua's party leaders.

*\$190,000

Puebla Institute

For institutional support to Nicaragua's *Comision Permanente de Derechos Humanos* (CPDH) for its regional offices in Leon, Carazo, Matagalpa and Juigalpa. In addition to monitoring the human rights situation, the CPDH seeks to educate the Nicaraguan people on the requirements of democracy by emphasizing the central importance of a fair and equitable rule of law.

\$29,000

* Funded through the Agency for International Development.

Panama

America's Development Foundation

To support the *Centro para la Democracia de la Fundacion Crusada Civica Nacional de Panama* in its efforts to facilitate Panama's transition to a fully democratic society, including civic workshops to promote the participation of Panamanian citizens in a democratic society; study seminars for interdisciplinary groups to assess the major social, economic and political aspects of Panamanian democracy; youth leadership training and civic education programs to increase public understanding and support for democratic values and processes; and production and distribution of civic educational materials.

\$77,000

International Division of the YMCA

To support the youth civic development program of the YMCA in Panama in its program of seminars and workshops on the Panamanian legislative, judicial and executive branches of government; the national constitution; and parliamentary procedure.

\$44,000

Paraguay

Center for International Private Enterprise (CIPE)

To enable the *Fundacion Paraguaya para la Cooperacion y el Desarrollo* (FPCD) to continue its legislative advisory service advocating measures that encourage economic reform and stimulate the growth of a market economy.

\$121,260

Delphi Research Associates

To support *Mujeres por la Democracia* (MPLD), a non-partisan group based in Asuncion, Paraguay, in its program of country-wide pro-democracy radio broadcasts, civic education workshops, and its Civic Education Committees project.

\$44,000

Free Trade Union Institute (FTUI)

To support Paraguay's *Confederacion Unitaria de los Trabajadores* in its nationwide union organizing campaign.

\$23,000

Miami University of Ohio

To enable the Paraguay's *Instituto para el Desarrollo e Integracion de America Latina* (IDIAL) to organize a conference to discuss the political and juridical aspects of the Paraguayan constitutional reform process scheduled to begin in January 1992.

\$45,000

National Democratic Institute for International Affairs (NDI)

To enable the Asuncion-based *Centro de Estudios Democraticos* (CED) to conduct pollwatcher training seminars and a public opinion survey in preparation for the May 1991 municipal elections.

\$63,255

Peru

Capacitas International

To enable the *Centro Peruano de Estudios Internacionales* (CEPEI), a private, nonpartisan research center in Lima, to conduct a two-day national seminar and a series of workshops on the role of the military in a democratic Peru.

\$45,000

Capacitas International

To support the Peru-based women's organization *Conciencia* in conducting civic education programs, strengthening its internal structure and conducting a series of case studies on constitutional laws and regulations currently in force.

\$44,000

Center for International Private Enterprise (CIPE)

To support the Apoyo Institute of Peru's legislative advisory program which produces and distributes monthly bulletins among legislators and public opinion leaders assessing the economic impact of legislation on private sector development in Peru.

\$60,000

Regional

Caribbean Publishing and Broadcasting Association

To continue its training and counseling services to the small newspapers and media organizations of the Eastern Caribbean region.

\$45,000

Center for International Private Enterprise (CIPE)

To allow the *Federacion de Entidades Privadas de Centro America y Panama* (FEDEPRICAP) to create a mechanism for coordination and consultation for regional political and economic decision-making.

\$124,855

Ethics and Public Policy Center

To enable *Libro Libre* to continue its book publication program aimed at strengthening democratic political culture in Central America.

\$215,000

Free Trade Union Institute (FTUI)

To enable the American Institute for Free Labor Development (AIFLD) to monitor human and trade union rights in Latin America through assistance to a number of in-country trade union human rights offices, training, monitoring, and compilation and distribution of reports.

\$294,650

Free Trade Union Institute (FTUI)

To support the Interamerican Labor Solidarity's programs which foster greater understanding and cooperation among U.S. and Latin American trade unionists through vocational training, reciprocal visits, and conferences.

\$143,735

International Republican Institute (IRI)

To support the Caribbean Democrat Union in a comprehensive program of seminars and publications oriented to the grassroots electorate on the benefits of a market economy, free trade, industrial development and free labor movements.

\$85,000

International Republican Institute (IRI)

To institute a year-long series of workshops that will be held in six Central American countries to address the issues pertaining to economic and political cooperation among participating moderate and center-right parties in the region.

\$60,000

Middle East

In 1991, the Endowment identified the Middle East — specifically the **Arab Middle East, North Africa, Iran and Turkey** — as a priority region in which it would seek new initiatives and ways of encouraging and supporting the emerging segments of society seeking democratic reform.

As the trend toward genuine democratization has accelerated, Endowment-funded activities in the region have supported: regional publishing programs to expand availability of democratic literature; civic education and other efforts to broaden democratic culture; and regional conferences to assess current trends and bring together key leaders of democratic movements. Additionally a conference held in **Turkey** brought together democratically-oriented activists of the **Muslim republics** of the former Soviet Union with their counterparts from other Islamic countries; and a series of training programs was conducted for democratic leaders and parliamentarians in **Kuwait**.

A list of all Endowment grants approved by the NED Board for programs in the Middle East follows:

Iran

Iran Teachers Association

For a program of democratic education, including publication of a newsletter and other civic education materials for distribution in Iran.

\$50,000

Iraq

The Free Iraq Foundation

To support this non-partisan, non-ethnic foundation based in the United States, in its efforts to promote the concept of liberal democracy in Iraq among Iraqis living abroad as well as inside the country, through the publication of a newsletter and a series of seminars to discuss and disseminate an Iraqi freedom charter.

\$50,000

Kuwait

Free Trade Union Institute (FTUI)

To allow the Asian-American Free Labor Institute to support a visit to Kuwait by an Institute representative and an official of the AFL-CIO to explore the possibility of assisting the Kuwait trade union movement in developing more representative organizations.

\$12,000

International Republican Institute (IRI)

To support a planning mission to Kuwait to lay the groundwork for a conference which will bring together American academic and professional experts and

Kuwaiti democrats to assess the prospects for democracy there in the wake of the Persian Gulf conflict.	\$23,000
International Republican Institute (IRI) To examine the political environment of the country immediately following the Persian Gulf conflict through discussions with over 60 Kuwaiti representatives of the government, the resistance, academia and the local media.	\$28,000
International Republican Institute (IRI) To conduct a series of political training missions in Kuwait focusing on building political institutions and training democratic leaders and parliamentarians.	\$75,000
<u>Turkey</u>	
American Turkish Foundation On behalf of the FORUM Corporation of Ankara, to support its efforts to strengthen the understanding and practice of democracy in Turkey and to expose other parts of the Islamic world to the Turkish democratic experience through publication and distribution of the journal <i>Yeni Forum</i> ; a series of seminars and lectures for the journal's readers, especially students; and a paperback book publishing program.	\$50,000
Center for International Private Enterprise (CIPE) To support the Turkish Democracy Foundation's 18-month program on privatization in Turkey.	\$80,000
Turkish Democracy Foundation To support the publication of two books and four issues of its quarterly <i>Bulletin</i> .	\$26,100
<u>Regional</u>	
Foundation on Democratization and Political Change in the Middle East To support the London-based Dar Al Saqi Publishing House in translating, publishing, and distributing ten books of Western and liberal Islamic thought within the Arabic speaking world.	\$69,201
Foundation on Democratization and Political Change in the Middle East To support publication and distribution throughout the Arab world of an Arabic-language quarterly dealing with issues relating to democracy.	\$53,152

Multiregional

Center For International Private Enterprise (CIPE) To publish a new <i>Journal of Economic Reform</i> , focusing on the specific steps countries need to take to achieve economic reform and on the individuals who have successfully spearheaded change.	\$272,955
Center for International Private Enterprise (CIPE) To cover the costs of developing, monitoring and evaluating programs.	\$115,210
Free Trade Union Institute (FTUI) To assist INTERCO Press in circulating editorial features to newspapers in Eastern Europe, Asia, Africa, Latin America, and the Caribbean.	\$132,000
International Republican Institute (IRI) For research and program development.	\$141,767
National Democratic Institute for International Affairs (NDI) For research and program development.	\$120,000
Sabre Foundation To support a book and journal donation program for libraries and other independent scholarly institutions in Estonia, Latvia, Lithuania and Ukraine.	\$25,000
Vanderbilt University in conjunction with the Educational Excellence Network For a one-day workshop for international participants representing organizations engaged in educational reform to review civic education methodologies and materials that promote an understanding of democracy in the formal and informal educational system.	\$21,270

The total of the program grant amounts listed on pages 26-68 of this report may differ from the program grant amounts shown in the fiscal 1991 financial statements on pages 69-80. This is a result of the fact that the amounts listed on pages 26-68 exclude certain grantee administrative expenses and that all programs approved by the NED Board in fiscal 1991 have been included even though some of the related grant agreements were not executed until fiscal 1992.

**Deloitte &
Touche**



NATIONAL ENDOWMENT FOR DEMOCRACY

Financial Statements for the Years Ended
September 30, 1991 and 1990, Additional
Information, and Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
National Endowment for Democracy
Washington, D.C.

We have audited the accompanying balance sheets of National Endowment for Democracy (the Endowment) as of September 30, 1991 and 1990 and the related statements of revenues and expenses and changes in fund balance and of cash flows for the years then ended. These financial statements are the responsibility of the Endowment's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Endowment as of September 30, 1991 and 1990 and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenses by program for the year ended September 30, 1991, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This additional information is the responsibility of the Endowment's management. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

Deloitte & Touche

December 6, 1991

NATIONAL ENDOWMENT FOR DEMOCRACY

**BALANCE SHEETS
SEPTEMBER 30, 1991 AND 1990**

ASSETS	<u>1991</u>	<u>1990</u>
CURRENT ASSETS:		
Cash (Note 10)	\$ 1,742,507	\$ 688,608
Grants receivable (including restricted grants: 1991, \$3,308,946; 1990, \$7,905,733) (Notes 1 and 3)	18,990,474	17,149,094
Pledges receivable (Notes 1 and 5)	-	100,000
Prepaid and other assets	<u>49,442</u>	<u>15,298</u>
Total current assets	20,782,423	17,953,000
PROPERTY, NET (Notes 1 and 2)	<u>175,760</u>	<u>177,322</u>
TOTAL ASSETS	<u>\$20,958,183</u>	<u>\$18,130,322</u>
 LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities (Note 11)	\$ 280,340	\$ 173,388
Grants payable (Notes 1 and 4)	19,017,450	15,158,458
Deferred grant revenue - government agencies (Note 5)	1,184,160	2,372,211
Other deferred revenue (Note 5)	239,108	212,645
Current obligations under capital lease and notes payable (Note 7)	<u>26,080</u>	<u>17,754</u>
Total current liabilities	20,747,138	17,934,456
CAPITAL LEASE OBLIGATIONS AND NOTES PAYABLE - LONG-TERM PORTION (Note 7)	<u>32,077</u>	<u>40,133</u>
TOTAL LIABILITIES	20,779,215	17,974,589
FUND BALANCE	<u>178,968</u>	<u>155,733</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$20,958,183</u>	<u>\$18,130,322</u>

See notes to financial statements.

NATIONAL ENDOWMENT FOR DEMOCRACY

**STATEMENTS OF REVENUES AND EXPENSES AND CHANGES IN FUND BALANCE
YEARS ENDED SEPTEMBER 30, 1991 AND 1990**

	<u>1991</u>	<u>1990</u>
REVENUES: (Notes 1 and 5)		
Grant revenue - government agencies	\$28,824,962	\$39,027,216
Other grants and contributions	210,824	232,246
Other revenue	<u>45,025</u>	<u>27,708</u>
Total revenues	<u>29,080,811</u>	<u>39,287,170</u>
EXPENSES:		
Program grants (Notes 1 and 6)	26,621,896	37,293,039
Salaries, wages, and benefits (Note 9)	1,408,910	1,213,215
Professional fees	84,037	65,708
Occupancy (Note 7)	268,626	198,284
Consultants	29,922	45,185
Communications	147,497	124,893
Travel and transportation	191,062	112,979
Supplies and equipment	75,681	44,295
Insurance	15,762	13,823
Depreciation and amortization (Note 1)	63,656	74,079
Conferences and meetings	95,046	22,507
Other	8,379	8,394
Periodical - production	38,864	36,626
Periodical - marketing	<u>8,238</u>	<u>57,469</u>
Total expenses	<u>29,057,576</u>	<u>39,310,496</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	23,235	(23,326)
FUND BALANCE, BEGINNING OF YEAR	<u>155,733</u>	<u>179,059</u>
FUND BALANCE, END OF YEAR	<u>\$ 178,968</u>	<u>\$ 155,733</u>

See notes to financial statements.

NATIONAL ENDOWMENT FOR DEMOCRACY

STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 1991 AND 1990

	<u>1991</u>	<u>1990</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess (deficiency) of revenues over expenses	\$ 23,235	\$ (23,326)
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by (used in) operating activities:		
Depreciation and amortization	63,656	74,079
Changes in assets and liabilities:		
Grants receivable	(1,841,380)	(6,163,426)
Pledges receivable	100,000	155,000
Prepaid and other assets	(34,144)	204
Accounts payable and accrued liabilities	106,952	(36,165)
Grants payable	3,858,992	5,143,004
Deferred grant revenue - government agencies	(1,188,051)	(413,976)
Other deferred revenue	<u>26,463</u>	<u>(197,801)</u>
Net cash provided by (used in) operating activities	<u>1,115,723</u>	<u>(1,462,407)</u>
CASH FLOWS FROM INVESTING ACTIVITIES -		
Purchase of property	<u>(42,369)</u>	<u>(32,703)</u>
Net cash used in investing activities	<u>(42,369)</u>	<u>(32,703)</u>
CASH FLOWS FROM FINANCING ACTIVITIES -		
Principal payments under capital lease obligations and notes payable	<u>(19,455)</u>	<u>(16,184)</u>
Net cash used in financing activities	<u>(19,455)</u>	<u>(16,184)</u>
INCREASE (DECREASE) IN CASH	1,053,899	(1,511,294)
CASH, BEGINNING OF YEAR	<u>688,608</u>	<u>2,199,902</u>
CASH, END OF YEAR	<u>\$ 1,742,507</u>	<u>\$ 688,608</u>

Supplemental Disclosures of Cash Flow Information:

During the year ended September 30, 1991, the Endowment entered into a capital lease to acquire equipment in the amount of \$19,725.

See notes to financial statements.

NATIONAL ENDOWMENT FOR DEMOCRACY

NOTES TO FINANCIAL STATEMENTS YEARS ENDED SEPTEMBER 30, 1991 AND 1990

1. ORGANIZATION AND ACCOUNTING POLICIES

Organization - The National Endowment for Democracy (the Endowment) is a private, not-for-profit organization headquartered in Washington, D.C. The Endowment was established coincident to a grant awarded by the United States Information Agency (USIA) as mandated by the National Endowment for Democracy Act (the Act) of the United States Congress. The Endowment also receives funding from the United States Agency for International Development (USAID). The purpose of the Endowment is to encourage free and democratic institutions throughout the world through activities which promote individual rights and freedoms. The Endowment awards grants to organizations with programs consistent with its objectives.

Basis of Presentation - The accounts of the Endowment are maintained and the financial statements have been prepared on the accrual basis of accounting. The Endowment reports to the U.S. Government on the basis of obligations incurred and cash expenditures made.

Revenue Recognition - Grants received from government agencies specify the periods in which monies are to be expended. Additionally, certain government grants restrict the use of funds for programs in specific countries. Revenues from government grants are recognized as earned in the year in which the granting organization indicates the funds are intended for use, provided the Endowment incurs valid obligations which are in accordance with the purposes set forth in the grant agreement.

Grants received from sources other than government agencies are recognized as revenue in the period in which expenditures are incurred for the purposes specified by the contributor.

Subscription income is recognized ratably over the subscribers' subscription period based on actual delivery of the periodical.

Program Grants - The Endowment records as expense the full amount of a program grant at the time an agreement committing funds to the grantee is signed. A corresponding grant payable is recorded at that time.

Property and Equipment - Property and equipment which are not part of direct program costs are carried at cost and are depreciated or amortized on the straight-line method over their estimated service lives or the terms of the lease, as applicable, ranging from three to ten years.

Grants and Pledges Receivable - At the time a grant agreement is awarded/signed, a receivable and deferred revenue are recorded. When payments are received, the receivable is reduced. The deferred revenue is recognized as revenue in accordance with the Endowment's revenue recognition policy.

2. PROPERTY

Property less accumulated depreciation and amortization as of September 30, is as follows:

	<u>1991</u>	<u>1990</u>
Furniture and equipment	\$ 357,891	\$ 315,522
Equipment under capital lease	<u>111,125</u>	<u>91,400</u>
Total	469,016	406,922
Less accumulated depreciation and amortization	<u>(293,256)</u>	<u>(229,600)</u>
Property, net	<u>\$ 175,760</u>	<u>\$ 177,322</u>

3. GRANTS RECEIVABLE

Grants receivable are from the U.S. Government and represent balances of Federal Reserve Letters of Credit and direct funding established by USIA and USAID grant agreements.

The Endowment collects U.S. Government funds by filing requests for direct funding and by presenting payment vouchers against letters of credit when it disburses cash for program grants and administrative costs.

4. GRANTS PAYABLE

Grants payable represent the undisbursed balances of funds obligated to the Endowment's grantees. Grantee organizations are entitled to collect grant funds as needed by presenting requests for funds to the Endowment.

5. DEFERRED REVENUE

Deferred Grant Revenue - The following schedule summarizes the changes in deferred grant revenue from agencies of the U.S. Government for the years ended September 30, 1991 and 1990:

	<u>Deferred Grant Revenue Beginning of the Year</u>	<u>Add: Grants Awarded to the Endowment and Adjusted During the Year</u>	<u>Less: Grants Obligated by the Endowment During the Year</u>	<u>Deferred Grant Revenue End of Year</u>
USAID Grants:				
South Africa	\$ 561,063	\$ 1,110,000	\$ 643,920	\$ 1,027,143
Nicaragua	379,095	3,440	382,535	
Poland	4,457	3	4,460	
Hungary	7,802	8	7,810	
Central and East Europe	970,294	1,523,460	2,336,737	157,017
Haiti	<u>249,500</u>	<u> </u>	<u>249,500</u>	<u> </u>
Total USAID	<u>2,172,211</u>	<u>2,636,911</u>	<u>3,624,962</u>	<u>1,184,160</u>
USIA Grants:				
Primary Funding Central and East Europe	<u>200,000</u>	<u>25,000,000</u>	<u>25,000,000</u>	<u> </u>
Total USIA	<u>200,000</u>	<u>25,000,000</u>	<u>25,200,000</u>	<u> </u>
Total, Fiscal Year 1991	<u>\$2,372,211</u>	<u>\$27,636,911</u>	<u>\$28,824,962</u>	<u>\$1,184,160</u>
Total, Fiscal Year 1990	<u>\$2,786,187</u>	<u>\$38,613,240</u>	<u>\$39,027,216</u>	<u>\$2,372,211</u>

The deferred grant revenue at September 30, 1991 will be recognized as revenue when the Endowment incurs valid obligations in accordance with the purposes set forth in the grant agreements.

Other Deferred Revenue - The Endowment produces and publishes a quarterly periodical entitled the Journal of Democracy. The Endowment has received support to fund the operating deficiency of the periodical from a number of private sources. Commitments for future support of the publication are recorded as pledges receivable. Contributions restricted for support of the periodical are deferred and recognized as revenue in the period in which expenses related to the publication are incurred in excess of subscription revenue recognized.

The Endowment defers the recognition of subscription income associated with the Journal of Democracy in accordance with its revenue recognition policy. The unearned portion of subscription income is included in other deferred revenue at September 30, 1991.

The following schedule summarizes the changes in other deferred revenue:

	Deferred Revenue at Beginning of the Year	Add: Cash and Pledges Received During the Year	Less: Amounts Recognized as Revenue	Deferred Revenue at End of the Year
Restricted support - Journal of Democracy	\$ 202,882	\$ 87,500	\$ 51,274	\$ 239,108
Deferred subscription income - Journal of Democracy	<u>9,763</u>	<u>11,560</u>	<u>21,323</u>	<u> </u>
Total, Fiscal Year 1991	<u>\$ 212,645</u>	<u>\$ 99,060</u>	<u>\$ 72,597</u>	<u>\$ 239,108</u>
Total, Fiscal Year 1990	<u>\$ 410,446</u>	<u>\$ 27,431</u>	<u>\$ 225,232</u>	<u>\$ 212,645</u>

6. RELATED PARTIES

The Endowment awards grants to various organizations to be used for programs which the Board of Directors determines are consistent with the purposes of the Act. Some of the organizations which submit proposals and are awarded funds have members of their Board of Directors represented on the Board of Directors of the Endowment.

Article VI, Section V of the Endowment's bylaws provides that any Board member who is an officer or director of an organization seeking to receive grants from the Endowment must abstain from considering and voting on such grant. This provision shall not prevent any director from supplying factual information the Board requests.

7. COMMITMENTS

Minimum future payments under capital leases for equipment as of September 30, 1991 are as follows:

Year ending September 30.

1992	\$ 32,772
1993	29,600
1994	5,334
1995	<u>564</u>
Total minimum lease payments	68,270
Less amounts representing interest	<u>(10,113)</u>
Total obligations	58,157
Less current portion of obligations	<u>(26,080)</u>
Long-term obligations	<u>\$ 32,077</u>

The Endowment has noncancelable operating leases for office space and equipment. The lease for office space includes a provision for rent escalations to compensate for increases in operating costs. Lease expense was approximately \$269,000 and \$198,000 for the years ended September 30, 1991 and 1990, respectively. The approximate minimum future lease payments through the end of the lease term, in fiscal 1992, are \$118,000.

8. INCOME TAXES

The Endowment is exempt from Federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a).

9. RETIREMENT PLAN

The Endowment has a defined contribution annuity plan for all of its employees, under which the Endowment contributes a percentage of eligible employees' annual earnings to individually owned tax-deferred annuity contracts. The Endowment's contribution to the plan is based on 10% of an eligible employee's annual earnings. Costs of the plan for the years ended September 30, 1991 and 1990 were approximately \$90,600 and \$60,000, respectively.

10. RESTRICTED CASH

The cash balances at September 30, 1991 and 1990 include approximately \$1,268,000 and \$332,000, respectively, of restricted cash from USAID appropriations for use as specified in grant agreements with USAID. In addition, the cash balances at September 30, 1991 and 1990 include approximately \$207,000 and \$117,000, respectively, of restricted cash for production and publication of the Journal of Democracy.

11. TRANSFERS TO USIA AND USAID

Commencing in fiscal year 1987, the U.S Government established a policy whereby recipients of federal funds are required to deposit grant funds in interest-bearing accounts. Interest earned in excess of \$100 per fiscal year must be remitted back to the U.S. Government. Total interest earned in fiscal year 1991 and 1990 was approximately \$339,500 and \$187,000, respectively. Interest earned has been netted against transfers of interest to USIA and USAID for financial statement purposes. Interest payable to USIA and USAID at September 30, 1991 and 1990 of \$39,344 and \$47,508, respectively, is included in the balance of accounts payable and accrued liabilities in the accompanying financial statements.

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NATIONAL ENDOWMENT FOR DEMOCRACY

SCHEDULE OF EXPENSES BY PROGRAM
YEAR ENDED SEPTEMBER 30, 1991

	USIA	AID	Journal of Democracy	Other	Total
Program grants	\$23,147,150	\$3,474,746	\$ -	\$ -	\$26,621,896
Salaries, wages, and benefits	1,237,669	138,188	33,053	-	1,408,910
Professional fees	78,726	200	-	5,111	84,037
Occupancy	268,626	-	-	-	268,626
Consultants	23,173	3,879	-	2,870	29,922
Communications	130,960	6,544	1,494	8,499	147,497
Travel and transportation	129,967	836	-	60,259	191,062
Supplies and equipment	75,566	-	-	115	75,681
Insurance	15,762	-	-	-	15,762
Depreciation and amortization	63,656	-	-	-	63,656
Conferences and meetings	22,722	313	225	71,786	95,046
Other	6,556	256	1,040	527	8,379
Periodical - production	-	-	38,864	-	38,864
Periodical - marketing	-	-	8,238	-	8,238
TOTAL	\$25,200,533	\$3,624,962	\$ 82,914	\$ 149,167	\$29,057,576

See notes to financial statements.

Endowment Staff

Office of the President

Carl Gershman, President
David Lowe, Executive Assistant to the President
Margaret A. Ferry, Public Information Officer
Dennis Scott Day, Freedom of Information Act Officer
Connie Edson, Executive Secretary
Megan E. Connor, Staff Assistant
Katherine Berenson, Receptionist

Program Section

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Barbara Haig, Director of Program
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Therese Nelson, Program Evaluation Coordinator
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Learned Dees, Program Officer, Africa
Harold Hodges, Intern, Africa
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Rodger Potocki, Program Officer, Eastern Europe
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Timothy Goodman, Program Officer, South America
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Mariela Lopez, Program Secretary
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Michael Kavanagh, Grants Administrator
Larry Rosemond, Systems Administrator
Zarina Ali, Grants Assistant
Mazie Taylor, Finance Assistant
Pat Owens, Finance Secretary
Ruth Stock, Grants Secretary
Darryll Joyner, Office Services Assistant

Journal of Democracy

Philip J. Costopoulos, Senior Editor
Kathy Vitz, Assistant Editor

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The **National Endowment for Democracy** is a private nonprofit organization created in 1983 to strengthen democratic institutions around the world through nongovernmental efforts. Through its worldwide grant program, the Endowment assists those abroad who are working for democratic goals. The Endowment, which receives an annual appropriation from the U.S. Congress, is a tax exempt organization as defined in Section 501(c)(3) of the Internal Revenue Code.

For further information, please contact:

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