

May 1, 2008

Mr. Thomas C. Dawson  
Director of External Relations  
Africa in Distress  
Accra, Ghana

SUBJECT: Negotiations with Arcadia

Dear Mr. Dawson:

I appreciate your invitation for dinner the other day, and I was especially grateful for the helpful advice you gave. You asked me to keep you informed on how negotiations with Arcadia are progressing. I hope that you find that the following report meets your needs.

Our negotiations focused on two questions: how much aid and in what form it would be given. After very difficult and sometimes rancorous negotiations the delegates from Arcadia and A.I.D. reached an agreement on both points: As for the question on how much aid it would be given, Arcadia would donate USD 90 million worth of aid, provided that Arcadia will increase the amount of aid at least above USD 110 million after 5 years regardless of Arcadia's economic condition. Concerning the form of aid, both parties agreed on allocating USD 35 million for cash, USD 30 million for products, and USD 25 million for Human Resource. **(2)**

It will help your understanding of the final agreement if you know some factors leading up to it. Arcadia came prepared to cope with our objection on its policy of cutting aid and the form of aid. The Arcadia delegation came well prepared indeed. They, at first, threatened that because of their economic recession, unless they cut the amount of aid at the present time, they would not be able to contribute anything to AID countries in the long run. Arcadia, however, **(3)** assure us that they will do everything in their power to recover their economic condition in 5 years, so that they will be able to donate more than the previous amount of money. We could not ignore their threats; in fact, we realized that A.I.D might benefit, in the long run, from Arcadia's recovered economy by getting them to donate more aid, so we were more generous than we had originally planned. The Arcadia delegation was also aware of our complaint against their selection of construction project which benefit their own economy and our desire to help Africa countries not only to reduce their extreme poverty but also to become self-sufficient. As a top notch agriculture-based country, they made sure that the form of aid would be focused not only on the acute aid with their best quality products but also on transmitting their highly developed skill in agriculture to Africa countries by sending their human resource.

Against that background negotiations developed into an agreement in which both parties will be generally satisfied. Arcadia and A.I.D. reached an agreement on the two main points, which is total amount of aid and the form that Arcadia will provide with. **(4→)** As for the amount of aid, while we have managed to get Arcadia to accept more than USD 70 million they wanted, we had to agree to an amount on USD 90 million that was lower than we had instructed to agree to. **(5→)** We did, however, manage to get agreement from Arcadia that they will increase their donation to at least USD 110 million after 5 years regardless of Arcadia's economic condition. In addition to the amount of aid, the other agreement that we reached was the form of aid. Among the total amount of aid, Arcadia will allocate USD 35 million for cash and USD 55 million for the form of Arcadia's products and Human Resource, which is designed for relieving the poor and developing Agriculture in Africa countries. As far as Allocation of USD 55 million is concerned, we agreed on that they will contribute USD 30 million in the form of products which include Agricultural equipment, Food, and Drug**(6)** and USD 25 million in the form of Human Resource which include Agricultural Trainer, Agricultural Engineer, and Medical Team. **(←7)** Please see the table below for a breakdown (Table 1: Arcadia Donation, Table 2: The details of product, Table 3: The details of Human Resources).

Table 1: Arcadia Donation

Form	Amount
Cash	USD 35 million
Product	USD 30 million
Human Resource	USD 25 million
<b>TOTAL</b>	<b>USD 90 million</b>

Table 2: The details of product

Product	Amount
Agricultural Equipment	USD 15 million
Food	USD 10 million
Drug	USD 5 million
<b>TOTAL</b>	<b>USD 30 million</b>

Table 3: The details of Human Resource

Human Resource	Person*	Amount
Agricultural Trainer	500	USD 15 million
Agricultural Engineer	100	USD 5 million
Medical Team	330	USD 5 million
<b>TOTAL</b>	<b>930</b>	<b>USD 25 million</b>

We agreed on the fact that there is a need of keeping a close watch on Human Resource. Arcadia, therefore, promise to send inspectors from South Korea in every 4 month, and we will hold annual meetings for 5 years in order to check and rearrange the form of aid in the same amount, USD 90 million.

Although we reached agreement on the two points, many details have yet to be finalized. We must still come to some agreement on whether or not Arcadia may provide extra aid for the expenses involved in technical training for agricultural equipment and other such training program from agricultural trainers they will provide, how the shipment will be scheduled, what kind of Agricultural Equipment, Food, and Drug will be provided, how the Human Resource will help Africa countries, how many inspectors Arcadia will send, and other such minor but essential details as the visa status of the personnel that we dispatch. We will report on these developments as they are negotiated.

Our assessment of the present state of negotiations is, while we did not achieve our goal of committing a minimum of USD 120 million in untied aid, rather positive. We think that this agreement is optimistic in the regard of the mutual benefit for both parties promising the expansion of benefit, and the possibility of change. Our agreement is mutually acceptable because while both parties had to compromise, both parties will benefit from it. As for Arcadia, they should benefit from improvement of their international image, and increased employment; Arcadia Economy Associates predict that this agreement will ultimately produce an increase in employment of 0.5%, and they could estimate more than USD 5 billion of positive effects from the improvement of their international image. In regard to AID, AID countries should benefit from Arcadia's well-designed aid program, which is not only providing acute relief but also helping AID countries to become self-sufficient, because Arcadia promise they will transmit their developed technology in agricultural industry. According to the report from ADSA (Africa Demographic Study Association), they expected that the agreement will make a 5% decrease in death from malnutrition and lack of cure system and an annual increase of 3% in agricultural production and 4 % in agricultural skilled workers. Regarding that the main critics about aid program is focused on the fact that the aid is not used for where it needs, it is convinced that the aid program uses for the right people in the right place. Moreover, we can expect this benefit will be expanded, because Arcadia promised that they will donate USD 110 million worth of aid after 5 years without any excuse. I also say this agreement has possibility of change because both

\* Arcadia came up with this specific number of person by dividing the worth of aid by the common wages of Arcadian in each job.

parties will be able to take a chance to renegotiate the form of aid with the annual meeting for 5 years. Therefore, after implementing the aid program in each year, if there are certain points we need to change, such as the portion of cash, products, and Human Resource or other details of the aid program, we could deal with it properly and be better off for both AID countries and Arcadia.

While this agreement seems to be advantage to AID, allow me to make a couple recommendations to ensure ratification and effective execution. To get this ratified, we strongly recommend that we get Arcadia to pay special attention to the Human Resource and to provide the required fund for the expenses involved in technical training for agricultural equipment and other such training program from agricultural trainers they will provide, because our team thinks that if it doesn't come with proper training programs, it will be nothing but labors or volunteers existing already. For effective execution of the agreement we recommend that a committee be established, in concert with Arcadia government, to share critical information and watch this agreement more closely. We also recommend that we organize a research team to make annual report about this aid program. Thus we could help the inspectors who are sent every 4 months and give better information for annual meeting with Arcadia.

In Conclusion, we feel that the agreement we have reached goes some way toward relieving the poor in African countries and developing these countries as much as they become self-sufficient. Arcadia would donate USD 90 million worth of aid, provided that Arcadia will increase the amount of aid at least above USD 110 million after 5 years regardless of Arcadia's economic condition. Concerning the form of aid, both parties agreed on allocating USD 35 million for cash, USD 30 million for products, and USD 25 million for Human Resource. Arcadia will also promise to send inspectors from South Korea in every 4 month. In addition, We will hold annual meetings for 5 years in order to check and rearrange the form of aid in the same amount, USD 90 million.

In the next negotiation, whether or not Arcadia may provide extra aid for the expenses involved in technical training for agricultural equipment and other such training program from agricultural trainers they will provide, how the shipment will be scheduled, what kind of Agricultural Equipment, Food, and Drug will be provided, how the Human Resource will help Africa countries, how many inspectors Arcadia will send, and other such minor but essential details as the visa status of the personnel that we dispatch. We consider that this agreement is positive in the regard of the mutual benefit for both parties promising the expansion of benefit, and the possibility of change. We recommend getting Arcadia to pay special attention to the Human Resource and to provide the required fund for the expenses involved in training program, and organizing committee and research team for effective implementation of this agreement. **(8)**

As always, we are grateful for your concern and help. We would appreciate more suggestions or comments if you have any. And if you require further information, please do not hesitate to contact me. I will stay at this hotel for the next few days, at least until the 7<sup>th</sup>, so you can reach me at the number I gave you the other day.

Sincerely,

*Chang Hak-saeng*

Chang Hak-saeng  
Member of External Relations  
Africa in Distress  
Accra, Ghana

**(9)**

Enclosure:

1. A valuation basis of image in public aid of countries conducted by 'International Aid

Evaluation Organization'

<b>GRADE</b>	<b>The Ratio of Aid considering GNP (unit: %)</b>
A++	More than 0.30
A+	More than 0.22 – Less than 0.25
A	More than 0.19 – Less than 0.22
B++	More than 0.16 – Less than 0.19
B+	More than 0.13 – Less than 0.16
B	More than 0.10 – Less than 0.13
C++	More than 0.07 – Less than 0.04
C+	More than 0.02 – Less than 0.04
C	More than 0.00 – Less than 0.02

Letter Evaluation Checklist

<b>Goal</b>	<b>Problems</b>
<b>Content</b>	
All points of agreement are presented.	+
Content is plausible, reasonable, logical, consistent with given conditions.	5
Statements are explained for clarity and credibility.	7
<b>Clarity</b>	
Content in each logic section is developed in the way that is most suitable for the particular section.	2, 8
Content is presented in the appropriate logic section; each logic section has the required content.	2
Content is presented in a coherent manner (general → specific, points are fronted, logical sequence)	+
Content is presented in a cohesive manner (including global and local transition markers).	+
The paragraph is introduced with a topic sentence (topic and main point) and bridge (major points).	+
<b>Technical features</b>	
Letter instructions and formatting guidelines are applied accurately.	1, 9
Letter and envelope have professional appearance.	

	+
<b>Language:</b> The letter's language is accurate and clear.	3, 4, 6

1. Don't justify the right margin in unpublished materials. This was announced clearly and more than once in class.
2. Too much detail for a topic statement.
3. Future in the Past (English 1).
4. Careless and unintelligible language in this sentence.
5. This is probably unrealistic, in the light of what happens in the real world. Foreign aid depends very much on the current situation, and one government can't make promises that a following government may change a couple years later.
6. Two problems here: noun number and letter case. This noun number problem appears in other places in your letter as well. For you this has always been a problem, and you must work extra hard at fixing this problem because it gives an image of a lower level of English (even though your language in the letter is generally quite good).
7. What will these people do in Africa? You probably think that "trainer" and "engineer" and "medical team" are self-explanatory, but you should give some more information. Another question I have is why drugs and the medical team? What do these have to do with starvation?
8. Too much detail for a conclusion.
9. Where's your signature? Where are your reference initials?

This is a really excellent letter, the best I've read so far in this unit and probably the best that I will read. Congratulations!

Content	9.5
Clarity	10
Language	9
Technical and appearance	9
<b>Score</b>	<b>10</b>