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Inter-American Development Bank**

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RE-250

***Summary of Findings –
Decentralization and
Effective Citizen
Participation:
Six Cautionary Tales***



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“Incentives must be in place for decision makers to be accountable to those whose lives are affected by the results of their decisions. Usually, decentralization of execution requires central norms and central evaluation”.

“Many countries in the region are pursuing decentralization efforts of various kinds to improve their systems, however, too often these decentralization strategies are implemented by devolving responsibilities to intermediate administrative or political levels that are in no better conditions to manage local service provision than the national government”.

1.8 Attention, then, is not on decentralization per se, but rather on defining the most effective roles for various agents.

1.9 The Bank also makes the tie between decentralization and citizen participation at the project level. For instance, the **Honduras Proposal for a Loan for a Multiphase Natural Resources Management Program in Priority Watersheds** (PR-2569, May 1, 2001) says that:

“A decentralized implementation strategy has been designed for the program because prospective local and rural beneficiaries are the main stakeholders with the most to gain from protecting natural resources, and thus are the program’s prime target. If they receive the right kind of support they can assume ultimate responsibility for executing the program activities. Producers, producers’ associations and communities therefore will be the chief implementers of these activities. *Though the organizational apparatus and legislation governing civil society participation at the community level are still in their infancy in the program area, such involvement is firmly recognized in central and municipal government policies as being legitimate and necessary.*” (3.10) (Italics added by the authors of this report.)

1.10 In fact, there are many degrees of participation, some effected by decentralization, some not. For instance, participation is not only dependent upon whether countries are centralized or decentralized, but also the enabling environment of the political system, the organizational structure of civil society, the socio-economic characteristics of the group, and the historical precedents.

1.11 The tendency to use “decentralization” as a mantra for a single political process that will result in greater levels of community engagement overlooks the fact that there are many types of decentralization and many forms of participation. For instance, even centralized governments can have institutions and areas open to citizen participation, such as legislatures, regulatory bodies, and interest groups (including trade unions, chambers of commerce, etc) which give voice to different interests within the country. In the case of highly centralized governments, the degree of representation of government

policies and programs will be determined more by the responsiveness of the political system to local demands, than whether independent sub-units of government exist.⁶

1.12 Highly centralized governments may “**deconcentrate**” functions by establishing central government agencies (offices) outside the center (often the capital.). These agencies are part of the central government and subordinate to it. They carry out the central government responsibilities in an assigned territory (region, province, etc.). There is not a transfer of responsibilities for service provision to a different entity (sub-national government). In the end, the central government is responsible for the service provision, manages resources, and decides the budget of the territorial agencies.

1.13 **Administrative decentralization** implies a transfer of responsibilities and resources to different sub-national governments (regional, municipal). The central government is not responsible for the provision of transferred service anymore. Rather, the sub-national governments are the new entities responsible, and manage their own budget, Under administrative decentralization the sub-national governments have not the power to establish laws (understood as rules issued by the legislature) but they may issue administrative regulations subordinated to the laws dictated by the national parliament. Nor have the sub-national governments power to create new taxes different than those authorized by the central government (usually legislature), but they have the right to apply and collect their own taxes authorized by national laws. **Also**, they have their own budget separated from the central government budget.

1.14 While administrative decentralization may not initially change power relationships between the central and sub-national government levels, it may lead to further changes in government relationships as sub-national governments take on more responsibilities. When this happens, either because of top-down or bottom-up demands (or because of international pressures) sub-national governments begin to have some autonomy in policy making and, particularly, in financial control, and the beginnings of what is usually thought of as “**decentralization**” may appear. Thus, sub-national units are given some autonomy as to how and which services to provide because theoretically, they know their constituents better and they can more closely match citizen preferences. There may also be improved equity through more effective targeting of the poor population.

1.15 Governments may also **delegate tasks**, which means that the government retains **the** responsibility for service provision and manages and assigns the budget allocated to the service. However, by contract or agreement, the government delegates service provision or certain tasks to private entities (NGOs, or legally organized community based groups). The government has the power to regulate the service and decides which entities to hire, and the amount of resources to pay to them. The hired entities have to provide the service according to the rules set by the government and are accountable to it

⁶ If sub-national levels are captured by local elites it may be important to recentralize in order to expand participation: “Decentralization and Recentralization – Lessons from the Social Sectors in Mexico and Nicaragua”. Alex Ian Gershberg and Michael Jacobs - Office of the Chief Economist. Working Paper Series 379. August 1998.

for the use of the resources. Unlike deconcentration, **the** delegate entities are not a part **of** the government. Unlike administrative decentralization, there **is** not a transfer of responsibilities to other sub-units. Rather, the power over the service still lies in the government.

1.16 Delegation may also involve **privatization**: redistributing public responsibilities between distinct levels of government and/or reducing the role of the state in providing services by either having the state pay private organizations to deliver services and/or leaving the provision of a service to private interests. The first option, where the state pays private organizations to provide a service more often happens in the social sectors, i.e. health and education. The second option, where the state leaves an activity to the market place, often happens in the economic sector, such as construction, public utilities, etc. In both cases the state may still provide norms and regulations affecting the activities.

1.17 Privatization does not necessarily mean decentralization. It means, rather, that more actors are participating in the economic life of the country. Whether they are participating in the political life is more a matter of political parties, organizations for representation, and the enabling environment.

1.18 Political decentralization involves the establishment of separate power centers, with both legislative and fiscal autonomy over various sectors and functions, although at some points various levels of government may share functions. Political decentralization is difficult to achieve because it involves redistributing powers and responsibilities, with some centers gaining, and some losing **power**.⁷ In addition, since sub-national governments are usually unequal in funding and human resources, and because they have not participated in the governmental process independently before, they are in a weak position vis a vis central authorities in terms of gaining **power**.⁸ However, power relationships may change over time because of encouragement from central authorities who may wish to abdicate responsibilities for certain functions, (especially when there are insufficient funds for carrying them out). In addition, international organizations are putting pressure on developing countries to decentralize. Finally, with more experience, civil organizations may be increasingly willing to exert pressure on their leaders to represent their views.

1.19 In summary, typologies can simplify the complexities **of** decentralization, but decentralization involves more than a simple and discrete transfer of responsibilities. **As** the GtZ puts it: “decentralization should be considered as a process of permanent

⁷ Interestingly, at the same time that many developing countries are trying to decentralize, some European countries are trying to centralize into larger political and economic units, i.e., the European Union. Since the countries involved in this process are undergoing equally difficult decisions as the ones that are decentralizing, we can assume that any change in the power balance leads to consequent disequilibrium and opposition.

⁸ In the case of smaller political entities giving power up to a larger federation, it may be the larger federation that has these weaknesses.

negotiation involving various actors and their networks in a continuous search for an elusive balance between competing interests”.⁹

A. REASONS FOR DECENTRALIZATION AND CITIZEN PARTICIPATION

1.20 The various reasons for linking decentralization with responsiveness to local demands and increased participation are usually based on a combination of efficiency, effectiveness, and equality. For instance:

- 9 Fiscal Efficiency: Using available resources to achieve desired results at the least costs. For instance, national governments can use leverage from fiscal transfers to stimulate economically efficient and/or socially beneficial behavior by sub-national governments. In addition, sub-national governments can set taxes and/or user fees in a more efficient and responsive manner with respect to the regional/local economy, households and other stakeholders. This may augment the public resource base.
- 9 Production and Allocative Efficiency: Being closer to constituents, sub-national governments can manage programs that are more responsive to local needs and can implement more appropriate personnel and policy programs:
- 9 Democracy/Equity: If reforms allow true power sharing, then democratic political participation and/or political stability may be improved. In addition, if reforms improve service provision to disadvantaged groups, equity may improve despite regional disparities.”

B. REVIEWING THESE REASONS MORE CLOSELY, ONE PERCEIVES A CERTAIN VIEW OF THE WORLD BEHIND THEM:

- Governments that are closer to constituents geographically i.e., State (Departmental) or local governments will be more sensitive to their fiscal, economic, and social needs.
- 3 Governments that are closer to constituents geographically, will be more accountable to citizens because they can be controlled more through various means of elections, organized interests, pressure, etc.
- 9 Power sharing is more likely at the local government level because there is more space for political participation at that level.

C. THE STATE OF DECENTRALIZATION IN LATIN AMERICA SCENE

1.21 One of the interesting things about this model is that it draws a direct line between decentralization and the ability of citizens to influence government decisions. This is not necessarily based on experience in Latin America. In fact, most of the countries of Central and South America and the Caribbean (with the exception of Argentina and Brazil) have traditionally been very centralized. Even today, after more than a decade of programs that have advocated some sort of local control and citizen participation “the

⁹ OVE Document RE-232-3

¹⁰ OVE Document RE-232-3, paps 4-5

¹¹ The Bolivian Emergency Social Investment Fund, which was an early example of a project that was supposed to be controlled by local preferences, was started in 1986. It became a model for many other projects that supported local control.

majority of countries are extremely centralized. A recent IADB background paper¹² says that:

“Measuring decentralization as the percentage of total public expenditures managed by sub-national governments, Argentina, Brazil and Colombia are found to be the most decentralized countries in the region (40% or more), followed by Bolivia, Mexico and Venezuela (between 20 and 30%).”

1.22 As can be seen from the table below, the rest of the countries have less than 10% of the budget going to sub-national entities. In contrast, the average for the countries of the Organization for Economic Cooperation and Development (OECD) is **34.9%**.

TABLE 1: LEVEL OF DECENTRALIZATION - SUB-NATIONAL PUBLIC EXPENDITURES

FOCUS OF DECENTRALIZATION	MORE THAN 20%	BETWEEN 10% AND 20%	LESS THAN 10%
Intermediate Level (State of Provinces)	Argentina 49.3% Brazil 45.6% Mexico 25.4% Venezuela 19.6%	Peru 10.5%	
Local Level (Municipalities)	Colombia 39.0% Bolivia 26.7%	Uruguay 14.2% Chile 13.6% Honduras 12.3% Guatemala 10.3%	Ecuador 7.5% Trinidad Tobago 7.2% Paraguay 6.2% El Salvador 6.0% Nicaragua 5.2% Panama 3.2% Dominican Rep. 2.9% Costa Rica 2.3% Barbados -- Bahamas --

1.23 The above Table links the level of expenditures of sub-national governments with the level of decentralization. If the connection is then made between the degree of decentralization with the degree that citizens are able to influence government decision-making through popular participation,, Mexico, which ranks third in terms of expenditures controlled at the intermediate level, should exhibit substantial decentralization and popular participation. However, until quite recently, Mexico has been a very centralized country because of its political configuration. Although state and local governments exist constitutionally, many of the programs that they administer are legislated at the federal level and paid for through fiscal transfers. The ability of citizens to influence government at any level has been circumscribed by the existence of a dominant single political party, which has filtered popular demands through a centralized sieve. On the other hand, in the Bahamas and Barbados, which rank lowest on the fiscal decentralization scale, citizens exert substantial amounts of pressure on their (centralized) government, through the elections of local and parliamentary officials. Again, it is not the amount of decentralization that determines citizen influence, but rather a whole host of other factors, such as traditions, effective political competition, organization of civic society, etc.

¹² “Making Decentralization Work in Latin America and the Caribbean” (A background Paper for the Implementation of the Sub-national Development Strategy).

1.24 **So** where does this model of decentralization and local participation come from? Obviously not from the Latin American/Caribbean experience.¹³ In fact, when seeking countries where decentralization of government responsibilities, strong sub-national governments and active citizen participation have been practiced for many years, one must leave the Region and turn to either North America (the United States and Canada) and some of the European countries (which have a more mixed history of central vs. local control). The United States, in particular, is a country where strong traditions and historical ties (the states, as colonies, existed before the national government) assumes that control will be at the sub-national level in many areas, except in cases where the National government steps in to set norms and standards.

1.25 The fact that the decentralization model is borrowed does not mean that it is inappropriate. However, by championing this model, the Bank is taking a model from one set of countries and trying to graft it onto another set of countries with different traditions and experiences. What is more problematic, is to expect the results in the **two** sets to be somewhat the same. This, of course, has to be studied, which is the intention of this report. To do this, OVE, with the advice of the State and Civil Society Division, has developed case studies in six countries with centralized traditions, but which now appear to be moving towards more decentralized decision making.

D. FINANCING AND METHODOLOGY FOR THESE STUDIES

1.26 The financing for this report comes from a Technical Cooperation from the Japanese Consulting Fund (TC-98-12-05-RG). These funds paid for both international and national consultants who were responsible for developing and drafting six case studies.¹⁴ The objective of the case studies was to identify how decentralization processes in Latin America are affecting the ability of citizens to address their priorities and needs across different government levels, sectors and issue areas.

1.27 We originally asked the six national consultants to respond to a common methodology dealing with institutional and operational characteristics of the decentralization process in each case. However, as the first draft reports were received, it became obvious that although certain outcomes were fairly common (i.e., the lack of vital links between the groups being studied and other civil society organizations), each case was quite unique in terms of the degree of decentralization and its effects on citizen participation. Therefore, each case has been handled **as** a unique study and connections and comparisons are made later about the collective findings and conclusions.

1.28 The study itself rose from an earlier OVE Report **RE-232-3 on Decentralization and the IDB: Lessons Learned, Best Practices, and Issues Raised**, which concluded that the decentralization process was contributing to redefining relations between the government and civil society. In addition, **as** new power centers emerged, there were

¹³ During the 19th century there were many wars within Latin America between those seeking federal control and those seeking local control. However, these wars were usually between military leaders, rather than popular movements for local self-government.

¹⁴ OVE staff also conducted fieldwork.

also new actors across the public, private and civil sectors. However, the consequences of these new political and economic relations were mixed in terms of fostering political participation, equality and social justice.

1.29 The above mentioned **OVE** Report found that where civil society actors are successful in organizing and using available access to power, their potential to influence the direction and scope of development efforts could be significant. On the other hand, the findings of the **OVE** report also suggested that civil society participation could be quite uneven. The range of contributing factors include the degree to which participation is encouraged, the differing dynamics of sector decentralization processes, and the fit between the opportunities afforded by decentralization and the priorities and needs of civil society members. Moreover, the study found that participation could also be influenced by cultural, economic, social and political factors, particularly in the case of disadvantaged groups, including women, youths and minorities.”

1.30 Following on that report, this present study reviews some of the conditions which influence the ability of citizens to effect government decision in six countries: Bolivia, Peru, Costa Rica, El Salvador, Guatemala, and Nicaragua. **The cases (as well as the terms of reference for the individual consultants) are on line on the OVE mebsite.**

1.31 The Bolivian case examines citizen participation within the framework of the decentralization process that is being implemented through a general policy of transfer to the municipalities of responsibilities and resources for the provision of specific services. Inclusion of citizen participation in the local decision-making process has been coordinated by giving the community organizations the opportunity to propose, supervise, and control the establishment of infrastructures and the provision of municipal services¹⁶. Bolivia, in fact, is the one case where a strict decentralization in terms of change over of power according to new constitutional norms is taking place. However, Bolivia is also an example of a multi-cultural society, where sub-national governments, such as municipalities, may be captured by local elites and interest groups.”

1.32 The cases from Peru, El Salvador, and Costa Rica are studies in deconcentration rather than decentralization. They show the limits to citizen participation that the central government can impose on supposedly local programs where citizens are told that they have new decision making power to help gain their support for a program. In these cases, the central government has retained responsibility for the service and control of the financial resources, but delegated certain tasks and resources to community-based groups created specifically to implement the program or project. These are cases where a certain

¹⁵ The Bank's strategy Supporting Reform in the Delivery of Social Services (GN-1932-1, July 1996), takes a more cautionary note to decentralization and equity, saying that. "Local political and social processes must also be monitored to assure that local elites do not interfere or redirect resources from intended uses."

¹⁶ The Popular Participation Law of 1994 gave the traditional communities (campesino communities, indigenous peoples, and local councils) the opportunity to participate in the local decision-making process. For these purposes, the communities must set up "base territorial organizations" or OTBs [in Spanish]. The different OTBs in a municipality elect an Oversight Committee which represents them and oversees the tasks of the local government.

¹⁷ Alec Ian Gershberg, Michael Jacobs, Decentralization and Recentralization: Working Paper Series 379. August 1998. Page 3.

obedience is shown to decentralization and popular participation, but where the power structure retains control.

1.33 The first four cases illustrate how traditional governments and social structures can maintain the status quo despite outward acquiescence to broaden the base of political decision making. The final two cases, which occur in Guatemala and Nicaragua, illustrate how organized political elites can influence government policies to further social change, without trying to change the formal power arrangements.

1.34 The Guatemala case analyzes a rural development program, designed and implemented by Talita Kumi, an NGO that has considerable power because of its links with the Catholic Church, with other international organizations and with the Guatemalan Government. Talita Kumi's work with indigenous communities has also gained it a political base within the country side. 'Talita Kumi is using its strength to influence the government's health and education policies. Although its work does not threaten existing power relationships in the short run, the long run effects of a better educated and healthier indigenous citizenry may have a stronger impact on the political balance of power in Guatemala, than formal moves towards decentralization. Finally the Nicaraguan case reviews the participation strategy of the Women's Network Against Violence, (NETWORK) an umbrella NGO that coordinates organizations and individuals who promote national legislation in the area of social reforms. The NETWORK has also become a partner of the government in terms of the design and provision of services for the care of victims of domestic and sexual violence. This is a case which illustrates how a group of highly professional women, have been able to influence government policies and programs because they do not challenge power holders, but rather are part of the elite. Although the NETWORK itself is a decentralized organization and Nicaragua has recently strengthened its local institutions, the NETWORK'S strategy has been to influence central political institutions, such as Congress, because it is this level of government that has the greatest capacity to effect the kinds of legal and organizational change necessary. The following chapters of this Report "**Summary of Findings**" summarizes the results of each case study, reaching conclusions about the elements that have promoted and/or limited the development of public participation. From the analysis of these results, the third section (**Lessons Learned**) draws general conclusions about the assumptions and conditions required in order for civil society to effectively influence the decision-making process.

II. SUMMARY OF THE FINDINGS AND MAIN CONCLUSIONS OF THE CASE STUDIES¹⁸

CASE STUDY No. 1: BOLIVIA • THE MUNICIPALITIES OF COLOMI, PUNATA AND VILLA TUNARI

2.1 Bolivia represents a fascinating test of the decentralization process because it is currently implementing decentralization at many levels:

- 3 Many of the functions of the Central Government have now been decentralized to Departmental (Prefecture) offices;
- 3 Responsibilities for identifying and prioritizing (local) investments have been decentralized to territorially based groups (OTBs) which receive legal recognition;
- Responsibilities for construction, equipment, maintenance and operation of infrastructure related to health, education, culture, sports, neighborhood roads and micro-irrigation have been given to the municipalities, and
- 3 Responsibilities and activities that were previously government-owned (such as water), have shifted to private or quasi-public organizations, as economic decentralization continues.¹⁹

2.2 In the last fifteen years,²⁰ Bolivia has been undergoing a process of government reform that has resulted in the transfer to the municipalities of responsibilities for the provision of certain public services²¹ as well as additional financial resources²² needed to make those responsibilities effective. The decentralization process has been accompanied by an effort to integrate public participation into the new local government agencies. For this purpose, and through the Popular Participation Act, traditional communities (campesino communities, indigenous peoples, and local councils) have been given the opportunity to organize themselves into “base (basic) territorial organizations” or OTBs. Through this new type of organization (OTB), the communities are able to participate in local public decision-making processes, proposing, supervising, and controlling the creation of infrastructures and the provision of services in the areas of education, health, sports, basic sanitation, micro-irrigation, local roads, and urban and rural development. In

¹⁸ The Case Studies can be found on the OVE website.

¹⁹ Bolivia: Implementing Bolivia's Laws on Popular Participation and Administrative Decentralization: Progress and Challenges. OVE Working Paper 5/97.

²⁰ The reform process began in the mid-1980s with Organic Law Number 696 on Municipalities and Law No. 843 on Tax Reform. However, the two key normative pieces of the reform process did not fall into place until the mid-1990s: the Popular Participation Law, No. 1551 of 1994 and the Administrative Decentralization Act, No. 1654 of 1995.

²¹ Since the Popular Participation Law, local governments are responsible for the provision of education through the secondary level, health services, sports facilities, micro-irrigation, local roads, and most cultural facilities.

²² Central government transferred to the municipalities the existing local infrastructures associated with the transferred services. The municipalities are also entitled to new financial resources (in the amount of) up to 20 percent of the revenues generated by taxes assigned to the national government, which should distribute this amount to the municipalities according to the share of each in the total population. These so-called ‘popular participation resources’ are linked to financing the newly assumed services, and the greatest part (85%) must be applied to investments. Popular Participation Law, Article 23 - III.

addition, the OTBs elect representatives to the Comites de Vigilancia, which oversee use of funds received from the central government (co-participation funds) and ensure urban and rural priorities are respected. The Comites de Vigilancia have links up to the Central Government, in that they can request the Senate to freeze government transfers if municipalities do not respect community priorities.

2.3 The Bolivia Case Study examines the development of the decentralization process in three municipalities in the Department of **Cochabamba**²³ and the extent of public participation in the local decision-making process. In general, decentralization has been positive, encouraging more equitable distribution of public resources at the district level and giving the traditionally disregarded population groups access to services. In addition, public decision spaces have been formally opened to the participation of civil society, enabling it to play a leading role in the governance and the process of development at the local level.

2.4 However, the decentralization process and local public participation are still very far from being fully implemented. First, the deficiencies and weaknesses in implementing the decentralization process have limited the consolidation of local governments as institutions for the provision of services and local development. **A** second factor is the existence of structural and short-term limitations that have created obstacles to the development of effective influence by the communities in the local decision-making process.

A. THE RESULTS OF THE CASE STUDY CAN BE SUMMARIZED AS FOLLOWS:

- 1. Deficiencies in implementing the Decentralization process have limited consolidation of the Municipalities as entities for the provision of local services and local development.'**

2.5 The limitations facing the Municipalities as entities providing services are basically the result of:

- ⊗ **insufficient financial and human resources to adequately fulfill the responsibilities they undertake,**
- ⊗ **lack of institutional support, resulting from the weakness of the prefectures as bodies of coordination and support for the local governments, and**
- ⊗ **Insufficient development of tools for cooperation among municipalities (associations) to maximize the efficiency of service provision.**

2.6 The financial insufficiency of the municipalities is the result, first, of imbalances in the mechanisms for distribution of the participation resources, and second, of limitations on the ability of the municipalities to collect their own resources. Distribution of participation resources from the central government is made in terms of the population

²³ In this Department, three Municipalities were chosen, representing the basic geographic areas into which the country is divided: Valley (Municipality of Punata), High Tableland (Municipality of Colomi), and Tropical Zone (Municipality of Villa Tunari).

²⁴ A newly approved IDB project "Loan Proposal for a local development and fiscal accountability program" (1075/SF-BO) will deliver support to the municipalities in the areas outlined below.

of each municipal area. The absence of a current population **census**²⁵ and, in many cases, the imprecise marking of the municipal territory, result in imbalances in the allocation to the municipalities of participation funds. This problem is especially severe in connection with municipalities whose populations have increased substantially in recent years as a result of internal migration²⁶.

2.7 The Municipalities' difficulties in generating their own resources is basically caused by their limited ability to collect taxes due to their circumscribed economic base. There is also a lack of trained personnel²⁷ and technical tools which would make it possible to implement adequate systems to collect taxes and combat tax evasion²⁸. In an earlier **OVE** report Bolivian officials cited problems in developing and implementing new cadastrals because of high costs, lack of internal capacities, and a proliferation of different methods as barriers to implementation. In addition, there is social resistance not only to paying taxes, but also in other areas where cost recovery is required to maintain or invest in new **infrastructure**.²⁹ And, the municipalities' financial weakness is also a result of the economic crisis and weak fiscal policies in Bolivia.

2.8 The Prefecturas are a level of government between the central authorities and the local governments. They have their own authority, which is partially autonomous, and partially dependent on the central government. The Prefectures serve as an intermediary between the central and local levels. They are responsible for regional development plans and control a range of investments as well as health and education personnel. They are also responsible for training municipalities and for fostering participation and can co-finance municipal investments along with other agents. The weakness of the prefectures as bodies for coordination and support of municipal strengthening results from a combination of factors. The prefectures were not configured as bodies fully representative of the territories. Their composition is a result of the mixed criteria of both

²⁵ The most recent Census of the Population of Bolivia dates from 1992. This census does not reflect the population increases in many rural municipalities as a result of internal migration. One thing that explains the impreciseness of the Census in these municipalities is the fact that campesino unions boycotted it. They opposed it because they felt it was a tax collection tool. This resulted in a decrease of participation resources in the rural municipalities, since the Popular Participation Law established distribution of resources on the basis of municipal population.

²⁶ The Municipality of Villa Tunari provides a clear example of this phenomenon. In recent years, the population of this municipality has nearly doubled as a result of immigration in connection with coca production. In real terms the population of the municipality is estimated at more than 70,000, while the official data (INE [National Statistics Institute] Census) shows the population to be 49,000. This affects the amount of participation resources the municipality receives.

²⁷ The administrative personnel serving the Municipality change with the different government teams. This lack of management continuity, along with the municipal personnel's low levels of education and training, limits the municipalities' ability to generate and develop medium long term technical proposals (development of plans and programs) and implement and maintain professional management, tax, and collection systems.

²⁸ The population base of many municipalities is comprised of small campesino growers, exempted by law from paying direct taxes. This reduces the taxable base to economic activities carried out in the urban areas. However, the opportunity to tax these activities is limited by the lack of current land registries.

²⁹ **OVE** Working Paper (WP-5/97).

decentralization and deconcentration. The Prefect is appointed by the central government, while the members of the Departmental Council, which approve budgets and programs and can censure the Prefect, are elected by the Municipal Councils of each Department³⁰. **As** a result of this composition, the Prefect usually favors the central government's judgment because this is where his/her job comes from. However, this loyalty to the central government conflicts with the oversight and control functions of the Departmental Council in connection with the Prefect's actions. In addition the absence of mechanisms for dialogue and cooperation with the municipal governments, limits the role of the prefectures as institutions of municipal coordination, development, and **strengthening**³¹.

2.9 The effectiveness of the decentralization process and the consolidation of the municipalities³² as entities of service provision and local development has also been inhibited by the limited expansion of association agreements among municipalities aimed at creating communities that maximize effectiveness in the allocation of resources for service provision. The inadequacy of the municipality as an optimal territorial area for providing specific services requires the development of a policy of association and cooperation among municipalities that makes it possible to maximize the use of the available resources. The establishment of associations of municipalities in which they join together to provide services becomes key for local development. To date in Bolivia, the development of associations has been **limited**³³ and has hindered the municipalities' capacity [to serve] as entities of local development and service **provision**³⁴.

2. Participation of Civil Society in the Local Decision-making process is not fully implemented.

2.10 In Bolivia, general efforts have been made to open spaces for the participation of civil society in the local decision-making process. The communities were granted the right to organize and influence, through their representatives (Vigilance Committees), the design, implementation, and control of services transferred to the municipalities.

³⁰ The Departmental Councils are representatives of the Municipal Councils, reproducing at the Department level the local party alliances for the election of mayors. In the Municipalities studied, the Departmental Councils are not seen as representatives of the municipal social reality; there are complaints about their effectiveness in associating the Municipalities, Departmental investment and planning, and as oversight tools in connection with the Prefect's actions.

³¹ The Municipalities of Punata and Colomi have hardly benefited from the Prefecture's investment and technical assistance. Access to development funds is subject to completing administrative procedures and technical requirements (submission of plans) that exclude municipalities with limited operating and technical capacity. At times, political favoritism has determined access to those funds. Villa Tunari receives development funds through the prefecture on the basis of a government program (**FONADAL**) to promote alternative development, replacing crops of coca leaves.

³² If Municipalities have less than **5,000** persons, they must form Mancomunidades, or commonwealths. Close to **100** municipalities fall into this category.

³³ To date there are just thirty-two Municipal associations in Bolivia.

³⁴ In the Municipalities studied there are informal modes of cooperation that have not resulted in the establishment of associations. In the case of Punata, its proximity to various municipalities in the metropolitan area of Cochabamba favors its inclusion in a future metropolitan association involving joint management of services such as health, education, solid waste collection, roads, water, and energy.

However, and to date, the participation of civil society in decentralized services has not achieved full, standardized development. Some of the factors limiting public participation are:

- **High levels of poverty and low levels of education in the communities.** This factor is predominant in explaining the low levels of participation of the rural communities. In general, the poorest rural communities are uninformed and lack the criteria to establish the hierarchy of needs that are included in the mandatory Annual Plans. In most cases, these communities are only able to articulate a few demands that are directed to building small infrastructure projects that are often insignificant. The weakness of the rural communities has often benefited the urban communities which have more cohesion and education. These urban communities have seen their relative status improved with regard to access to services, to the detriment of the rural communities. In addition, when the urban population is in the majority, (Punata), the municipal government is subject to greater pressures from these communities because of their ability to participate more. This has resulted in the concentration of services in favor of the urban communities although the rural communities may have equal or greater needs.
- 3 Weakness of the civil organizations and, in certain cases, organizational monopolies of the union structure.** In two (Punata and Colomi) of the three municipalities studied, there are no mechanisms for coordination among the **OTBs**. Their capacity to control the municipal government's actions through the Comites de Vigilancia (Oversight Committees) is limited to the extent that the members of the Committee belong to the party of the municipal government. Nor is there, in these municipalities, a significant non-governmental organization presence. The development of organizations such as school boards, health committees, and growers associations is still very limited.
- 9 Villa Tunari** is unique in the municipal spectrum. The agricultural union is well entrenched in all areas of local life. The union controls the local government³⁵ and the Oversight Committee. Although this is a form of citizen participation, it conflicts with the responsibilities of the Oversight Committee as a control mechanism of the municipal government. Also, the union interferes with the activities of the school boards and health committees. The growers associations promoted by the **NGOs** are still very weak and have to compete with the union.
- 3 Survival of ethnic and sex discrimination.** In the case of Villa Tunari, the indigenous minority has not been able to participate effectively in the local decision-making process and is excluded from the development process. The agricultural union which controls the local government and the Oversight Committee has not responded to the problems of the indigenous ethnic minority when the minority is not strictly in agreement with the majority of the campesino population.
- **Women's participation in local life is still very limited, and practically nonexistent in the case of the rural municipalities.** In the traditional agrarian culture, women are relegated to the domestic sphere. The **OTBs**, which reflect the habits and customs of the traditional campesino communities, have continued the exclusion of women **from** public life because these community organizations don't permit women to have equal participation.
- **Absence of approaches and mechanisms for dialogue, consultation, and cooperation with civil society by the local authorities.** In the municipalities studied, the relationship between

³⁵ Six of the seven Council members are campesino leaders.

the local authorities and the communities is specific and short-term. Normally it is connected with taking steps required by law to approve programs and projects or with the need to gather resources, basically in terms of labor, to perform specific activities. The function of the participation mechanisms, OTBs and Oversight Committees is, in the majority of cases, hampered by the fact that their members belong to the local government's majority team, rather than serving as independent voices. This results in a separation between the grassroots and (their) local agencies, which reproduces, on a small-scale, the relationship with the central government.

3. We can draw the following conclusions from the results of the Bolivia Case:
 - 3 The decentralization process has provided access to public resources and services to traditionally excluded territories and towns. This has resulted in a more equitable distribution of public goods. However, the transfer of powers and authorities to local governments has made these entities responsible for delivering certain public needs vis-à-vis local society. In the Bolivian case, the actual fulfillment of the responsibilities assumed by the municipalities is still subject to the limitations described above.
 - 3 Decentralization has also formally opened spaces for civil society to influence public decisions, enabling citizens to have an impact on the local development process. However, the existence of structural and short-term limitations on participation has lessened the community's actual influence on the local decision-making process. High levels of poverty and low levels of education in the communities, the existence of ethnic and sex discrimination and the absence of continuous dialogue and cooperation between the local leaders and the communities, have decreased the actual use of the institutional participation mechanisms. These problems have also inhibited the development of effective civil society influence on the local process.
 - 3 In this respect, it is not sufficient simply to legally authorize participation mechanisms. In certain cases it is necessary to regulate the conditions affecting their effective implementation. The education and training of the communities and the promoting of their organizational abilities are fundamental, especially in relation to minority groups and groups traditionally excluded from the development process. In the Bolivian case, insufficient protection has been given to the representation of minority voices at the local level and participation is based strictly on criteria of representation. This favors the majority groups which, in general, will be those that govern and leaves out groups such as women's groups, indigenous and in certain cases, rural minority communities. Thus, local participation loses its meaning as a tool for expression of the diverse interests of civil society and decision-making based on a broad consensus.
 - 3 The problems posed above are not unknown in far more developed decentralized countries that support equal rights and citizen participation. The concept of *majority rule* and *minority* rights has always been an ideal with a moveable frontier. Minorities and majorities change, but the problem of guarantees for all is continuous. Program designers, both within the member countries and at the Bank need to recognize this in planning government reforms.

111. CASE STUDY No. 2 PERU - FONCODES RURAL LIMATAMBO-MOLLEPATA NETWORK

3.1 Throughout most of its modern history, Peru has been a centralized country. Since 1920, and up to 1980, with the exception of the period between 1963-69, Mayors were not elected by popular franchise. Instead, they were appointed by the central government. Municipal elections were not renewed until 1980 with the return of democracy and a new Constitution. At present, Peru is divided into Departments, Provinces and Districts. The provincial and district municipalities are organs of the local government, in which the population elects the mayor and the aldermen by direct vote. The Municipal Council consists of the Mayor and the Aldermen (Municipal Organic Law No. 23853).³⁶

3.2 After the restoration of municipal elections in 1980, a shaky democratization process began in rural political arenas. Although the “clientelism”³⁷ of the eras prior to agrarian reform of the 60’s no longer exists, there are still many clientele relationships in several of the country’s rural areas. However, most community and municipal government leaders who are elected by the population are no longer of the old school. With ever-greater frequency, the mayors come from the surrounding communities or are persons with better education such as teachers or professionals from other areas.

3.3 The constitution of 1980 proposed the establishment of a system of regions. In 1992, the government dissolved the Regional Assemblies and the Regional Councils and substituted the Transitory Law on Regional Administration (CTAR-Legal Decree No. 25432). The CTAR’s were supposed to be temporary measures in the process of introducing “unified government in a decentralized and de-concentrated manner” into the regions with larger territorial expanses than those of departments. However, the central government did not decentralize significant budgetary authority to sub-national governments.

3.4 For instance, within the expenses of the central government,³⁸ the Ministry of the Presidency provides a significant amount of the funds for rural development. Two offices of that Ministry, the National Fund for Compensation and Social Development (FONCODES), and the National Program on Food Assistance (PRONAA) assume the responsibilities for providing infrastructure and food services in rural areas. Current legislation gives certain functions related to rural development to local governments which regulate, operate and control the supplier markets, the food processors, the storage silos and fishing ports and promote construction of infrastructure needed for these

³⁶ In the current system, there is a duality between Provincial Municipalities and District Municipalities. Provincial Municipalities have jurisdiction over the territories of their respective provinces and over the district of El Cercado that has no local district government of its own and depends on the Provincial Municipality. The District Municipalities have jurisdiction over the territories of their respective districts.

³⁷ A hierarchical social relationship involving deference to political, economic, or social leaders, in return for certain monetary or economic favors.

³⁸ In 1995, 10.5% of the total public expenditure of Peru was the responsibility of the local governments.

purposes. However, even for these locally administered functions, a centrally controlled Investment Fund (FINVER) is available to finance the infrastructure.

3.5 FONCODES was created by Legislative Decree No. **657** in the year 1991, as a fund for social investment. Its mission is to improve the living conditions of the poorest sectors of the population. FONCODES has deconcentrated its offices to **23** Regional Offices throughout Peru. Since 1994, the IDB and The World **Bank** have been the main source of foreign financial resources for FONCODES, promoting and collaborating in its deconcentration and contributing to the increase in the number of Regional Offices and in the bolstering of its operations. Since 1998, the Regional Committees for Project Approval (CZAP) from the Regional Offices have been the body that approves most of the projects.

3.6 The Case Study analyzes the operation and development of a profit-making FONCODES project, known as the Rural **NETWORK**,³⁹ implemented in the districts of Limatambo and Mollepata, comprising a total of eight communities. The Cuzco Regional Office of FONCODES, under whose jurisdiction lies the Strategic Clusters for Rural Development Project in Limatambo and Mollepata has a CZAP. The office also has a chief evaluator, project supervisors and personnel in charge of the administration of productive projects. However, in the case of important decisions concerning the management of a project, the project supervisor at the regional level, consults with the FONCODES Director of Productive Projects Office in Lima.⁴⁰

3.7 The case examines the scope of participation in a FONCODES program intended to promote rural development by financing profit-making projects and partially ameliorating the scarcity of rural credit. This type of project is implemented by means of several projects carried out in various communities previously selected in consideration of poverty levels, profit potential, access to markets, level of community organization, and sociopolitical status. Implementation of the projects requires establishment of community-based groups comprised of those interested in receiving loans for profit-making agricultural projects. These community groups, through an agreement signed with FONCODES, receive the investment funds and are responsible for their administration and management. Along with the funds for loans, the program includes a training component connected with agricultural production. This project was considered successful and financially viable after a recent evaluation carried out with the advisory assistance of KFW of Germany.

3.8 This analysis focuses on the strengths and weaknesses of the project and the scope of participation coordinated through the project and its effect on the attainment of objectives.

B. THE RESULTS OF THE CASE STUDY CAN BE SUMMARIZED AS FOLLOWS:

1. Absence of a Policy of Cooperation with other Public Institutions and Private Entities.

³⁹ In 1999, the RED Rural represented 1.7% of the total amount of the project approval target of FONCODES, around US\$2 million.

⁴⁰ Although the IDB has funded FONCODES, it has not funded this particular area of FONCODES operations.

2. The project increased the amount of rural credit in an area that sorely needed it and has had positive effects in terms of increasing productivity and marketing. However, the number of participants was limited, restricted to the community groups created for the project rather than to groups already in existence. Perhaps due to a desire to retain absolute control over the project, FONCODES did not seek the participation of other organizations and institutions as sources of financing and training. In this respect, the project excluded the possible participation of the municipalities⁴¹ in the area which, even if they could not offer substantial financial resources⁴², could nevertheless make an important contribution to the project through activities in support of marketing the products. Also, the limited technical training⁴³ the project offers could be improved through cooperation with other state organizations (Ministry of Agriculture) and non-governmental organizations with experience in the subject area operating in the zone where the project is being implemented⁴⁴. However, this is not being done.
3. Participation of the project's beneficiaries through the community-based groups (Beneficiaries Meetings and Implementer Groups) has been positive, but has limitations that can affect the sustainability of the project
4. In a decentralized system, the community group would have a large role in deciding who would receive credit and managing the funds. However, participation in investment fund management is limited because the Beneficiaries Meeting's select the people who will receive the credits, but have little decision making authority over other areas. Their activity for selection and renewal of loans has been positive, helping maintain a low rate of arrears in connection with the investment fund. In this respect, the Beneficiary Meetings are appropriate agents for making the selection because, being comprised of community members, they have direct knowledge of the applicants' credit records⁴⁵. In other aspects, however, such as financial administration of funds, follow up and repayments and promotion of the project, the FONCODES operation does not allow much participation.
5. Financial administration is provided by the FONCODES technical team, which also establishes the financial conditions for the loans. The beneficiaries' minimal education and lack of training received in this area through the project, restricts the objective of transforming this community group⁴⁶ into an independent short-medium term financial micro-credit entity.
6. Promotion of loan activities and follow-up of repayments has been carried out by members of the FONCODES technical team. The lack of participation by the beneficiaries in follow-up of repayments is the result of various factors, including the conflict of interests when the same

⁴¹ The Municipalities can participate in credit entities. They can also make an important contribution to these rural development projects by organizing fairs for marketing the products.

⁴² In this respect, the Mayor of Limatambo indicated his interest in contributing funds (US\$ 10,000) to create a rural microcredit system (trust).

⁴³ The training is provided by two agricultural technicians and basically consists of technical production assistance. Although an increase in productivity of the activities that have technical assistance has been noted, in general, it has been insufficient in connection with aspects such as the health of plants and animals, crop rotation, and post-harvest treatment, which have a significant impact on the amount and quality of production and on prices for the marketed products.

⁴⁴ Two NGOs are carrying out microcredit and technical training activities in the area where this project is being implemented: IMA (Environment Institute) and MIDE (Microcredit and Development). Neither has formal ties to the Rural NETWORK project.

⁴⁵ In the new model of Central Implementer Group, this function of the Beneficiary Meetings is diminished. When members from other, neighboring communities who may not be known by the members of the Meetings join as beneficiaries, their ability to rate the new debtors diminishes.

⁴⁶ The reform proposal by the German Cooperation Organization provides for the creation of a Central Implementer Group, comprised of the representatives of the Implementer Groups of each community, and their conversion to a microcredit finance entity in two years.

people are both managers of the funds and debtors⁴⁷, and the absence of effective mechanisms to guarantee repayment (e.g., collateral).

7. Although the communities do have a certain degree of organizational **ability**⁴⁸, manifested in the establishment of the Meetings and Implementer Groups, these did not previously exist in the community, but are artificial entities created for the project, based on the expectation of receiving funds at low interest rates. This has reduced the community group's ability to influence the design and implementation of the project and **has** resulted in a certain inability to articulate requests intended to expand the scope of the project by including the cooperation of other institutions and organizations. The organizational weakness of the community structure limits the dynamic of participation and reduces expansion of the project beyond the limits established by the promoter, FONCODES.

C. THE FOLLOWING CONCLUSIONS CAN BE DRAWN FROM THE CASE STUDY:

8. Although the FONCODES development strategy is usually based **on** community prioritization, selection, and execution oversight of projects, it should be noted that local participation and decision making in this case is very limited. The Foncodes staff is making almost all major decisions and even they consult the central FONCODES organization in Lima when important decisions have to be made. To speak, therefore, of "decentralization" in the FONCODES decision process is a misnomer. The program, goals, and procedures are all decided by FONCODES, at either the regional or central level. There is a small deconcentration of decision making at the local level, where it is assumed that the community itself can best assess credit risk of potential borrowers. It should be noted that community members are not being trained to take over other functions.
9. The absence of mechanisms and strategies for including the cooperation of other public and private organizations connected with the sector in which the project is carried out, weakens the ability to expand the number of project participants. In **this** respect, cooperation among the various interested public and private agents could help improve the project's potential results, multiplying the profitability of the allocated resources and means. However, in the absence of such alliances, the project participants remain dependent upon the FONCODES funding.
10. When participation in a project is coordinated through delegation of tasks to community-based groups which are **not** operating in accordance with a previous organizational structure with its **own** participative dynamic, the sustainability of the results sought by the project requires the establishment of mechanisms that allow the community group to have autonomous development, separate from the project in the **medium/long** term. In the Peru case, this means strengthening the beneficiaries' productive and credit management capacities, enabling them to evolve towards the creation of a micro-credit finance entity.
11. That finance entity could provide for a public/ private participation plan in creating the investment fund, including, if applicable, minimum contributions from the beneficiaries or the provision of guarantees by them (e.g., chattel mortgage without conveyance). This, in addition to limiting the moral hazard and providing incentives for repayment of the loans, would actually lead to the communities' adopting the mechanism, because they would have a direct interest in its proper operation.

⁴⁷ In one of the communities, Tahahuasi, where the default rate was 32%, as compared to the average rate for the fund, 14.3% (January 2000), the members of the Implementer Group took no action to recover the overdue portfolio because, as debtors, they had an interest in postponing repayment of the loans.

⁴⁸ Despite the family nature of agricultural operations, in the communities where the project is being carried out there is a certain associationist tendency manifested in joint, short-term actions intended to achieve specific objectives (e.g., infrastructure, irrigation).

IV. CASE STUDY NO. 4: COSTA RICA -COMMUNITY SECURITY PILOT PROJECT IN HATILLO.

- 4.1 The difficulties and obstacles that a centralist state presents have inhibited the promotion of the decentralization process in Costa Rica, as in other Latin American countries. It can be claimed that in Costa Rica, despite the rhetoric of decentralization, the municipalities continue to be weak. In addition, there is not a legislative proposal that expresses a local or national strategy on decentralization. What does exist are isolated initiatives to develop programs which include citizen participation and improve state efficiency.
- 4.2 In Costa Rica, municipalities have limited municipal resources, as only **2.3** percent of public resources are allocated to local governments. Municipal finances continue to be very weak. The tax burden, namely the percentage of the **GNP** that municipal taxes represent is less than one percent. This means that a large part of municipal spending is financed by transfers from the central government, and not by resources from the municipalities themselves.
- 4.3 A few isolated experiences of decentralization exist in the country that have led to pilot projects with different degrees of sustainability. For example, the current administration has proposed the creation of a negotiating mechanism to reach an agreement between different members of society. This mechanism is supposed to increase efficiency in the delivery of social services and make a more equitable investment that favors citizen participation and strengthens the management capabilities of local governments.
- 4.4 Another proposal refers to restructuring and redefining the role that municipalities play in the framework of state reform, especially at the level of organization and fiscal management. In 1998 the Municipal Code was restructured. Traditionally in Costa Rica, there was no Mayor but rather a Municipal Executive, selected and rotated by the Municipal Council. With the new Municipal Code, beginning in 2002, the Mayor will be elected by the community through popular vote in elections held after the presidential one.
- 4.5 With respect to citizen safety matters, it is important to remember that after the civil war of **1948**, Costa Rica abolished its army. Since then, the Costa Rican State has guaranteed public safety in the country by means of the police force that falls under the jurisdiction of the (National) Ministry of Public **Security**.⁴⁹ In the course of the last 60 years, the State has made efforts to professionalize the police force. However, the appointment or removal of police officers continues to be subject to policy changes of the government in power.

⁴⁹ The Ministry of Public Security is the branch of the Executive Power that, under orders from the President has an obligation to guarantee the order, defense and security of the country.

- 4.6 The General Police Bill of May **12, 1994** marked a change in the duties and obligations of the police force and created the Police Statute. For the first time in Costa Rica’s history, a statute guaranteed stability and professional incentives to the agents of the police force, such as salary increases, police force equipment and police investments and infrastructure. In addition, the law promotes a new police model that is founded on a close relationship between community organizations and the police authority. The law also highlights the professionalization of police with the aim of raising their educational level and incorporating a civilian, democratic and defensive perspective on human rights.
- 4.7 Police reforms were part of the National Development Plan of President Figueres’ administration (**1994-1998**). This plan also stipulates other actions related to activities geared towards addressing the major crimes that affect citizens. One of the most innovative strategies of the National Development Plan was to promote community participation in the fight against crime, specifically in the area of prevention, and as a support to state intervention.
- 4.8 The Costa Rican Case Study reviews an initiative taken by the government to change local provision of citizen security services using the “community police” model. This model is based on extending police responsibilities beyond the follow-up of the crime. Thus, police action focuses on crime prevention, and identifying and acting on the cause of social conflict. **This** requires interaction between the police and the community, and inclusion of the community in the design, implementation, and control of services.

Table 2: The Community Police Model

Objectives	Related Actions
➤ Creation of strategies at the local level (neighborhoods and districts)	➤ Design and execution of joint pilot projects (Police/community) to achieve visible effects.
3 Prevent problems that generate social conflict (pro-active activities)	➤ Gathering of relevant information on criminality and feelings of being unsafe.
➤ Expand the police mandate to include maintaining order and the prevention and repression of criminality, the resolution of community problems within the criteria of quality of life of the population	➤ Establishment of alliances with local political authorities, municipality, mayor's office, etc. and active community groups to establish priorities and actions.
➤ Create a rapprochement within the community with the aim of increasing the obligation to release information to citizens and responsible politicians to generate greater institutional transparency.	➤ Design of alternative patrols and prevention programs, such as visits to various institutions (schools, colleges, businesses, and residences) to exchange information and work together for solutions.
➤ Incorporate effective degrees of decentralization to bring the institution closer to the citizens and achieve a more horizontal relationship	➤ Selective intervention in delinquency matters giving priority to crimes selected for their seriousness and frequency.
3 Achieve a greater visibility of police presence by means of a patrol system that establishes greater contact with citizens.	➤ Communication and publicity of the results of the process for demonstrative effects.
➤ Promote association mechanisms and cooperation with political authorities, public and private services, communication media and the community in general	3 Application of strategies in other zones. ➤ Evaluation of the experiences.

- 4.9 The initiative was designed and implemented by the Government, **through** the Ministry of Security, **as** a pilot project limited to a pre-selected locality (Hatillo district, capital municipality of San José). At the same time, the Community Security Unit was established in the Ministry, to promote the new police model and give the communities technical assistance with organizing public security.
- 4.10 There were four stages in the project:
1. Diagnosis of Hatillo: **This** was done by the Community Research and Extension Unit, an organization of the National Police School. It was based on a survey of 100 citizens that provided evidence of public concerns with public order and control **of** crime.
 2. Preparation of the Pilot Project: **This was** prepared by the Community Safety Unit (USC), which was the advisory agency for the Directorate of the Civil Guard and the Ministry of Public Security. The USC performed a detailed review **of** the initial information supplied by the diagnosis from socioeconomic data, and generated lists of institutions, organizations, and leaders who could both motivate and be motivated to support different activities, such as a Neighborhood Watch and Safety Council, programs in alternative conflict resolution and juvenile penal law, etc. The pilot plan said that the characteristics of the program involved creating new ways to patrol and interact as an open institution **to** serve citizens, and to incorporate the community in the “production” of safety.
- 4.11 Interestingly, the strategy outlined listed as “limitations” on the program the fact that there was a highly centralized and hierarchical police structure and an organizational culture deeply rooted in the values of a paramilitary model.
- 3 Implementation of the model:** During implementation, almost **90%** of police personnel deployed in Hatillo was changed, to insure that elements that had been perceived as corrupt or unable to interact with the community were eliminated. Then, a chain of command was established that was directly linked to the Office of the Minister of Security, which also appointed the zone commander. During this period, a strong leader emerged in Hatillo, who was a trusted officer of the Executive Power and, in particular, of the Ministry of Public Security.
- 4.12 The pillar of the project was the Community Watch and Safety Council, which was composed of ten citizens, including the Hatillo Central Station House Chief, representatives from the Catholic Church, educators, members of Hatillo Development Associations and members of the health and sports sectors. The Council was supposed to act as a liaison between the community and the police authority and work in conjunction with the central police station commander in the planning, control and evaluation of police service and activities in the community. It developed preventive programs and crime control activities, in coordination with the commander of the **zone**.⁵⁰

⁵⁰ Activities included training of police personnel, installment of police units and new patrol systems, and creation **of** special programs in domestic violence, juvenile delinquency, and **drug** consumption prevention.

4.13 It is important to point out that the community leader mentioned above played a pivotal role in the Council deliberation. He supported a large number of organizations, informal groups and opinion leaders in the district and also motivated and united the community. However, he delegated responsibilities and monitoring based on a vertical system that was almost authoritarian in its coordination and achievement of those efforts. Participants who dropped out of the project made some of the harshest criticisms of these processes. They said that there was a lack of openness and consultation in the decision-making process and a biased attitude toward the expertise of different participants in the various facets of community participation.

➤ **Evaluation of the Impact:** The Pilot Project provided a baseline at the beginning of programmed activities and the subsequent performance evaluation focused on changes in the impact indicators rather than management issues. Police statistics and survey figures on victimization prior to and following the pilot project provided additional information with which to evaluate the project.

4.14 The project was, in many ways, a success. The number of people who said they had been a victim of crime decreased; the crime rate increased more in the rest of the country than in Hatillo; the number of people who believe that crime has increased in Hatillo decreased and vehicle theft and robberies in general decreased. The general public image of the police also improved.

4.15 However, within slightly more than a year after it began the pilot was discontinued. The former Security Minister said that in spite of the positive results, the political and financial sustainability of the project was always a problem because the program depended directly on the willingness of the Central Government and in particular on the support of the Minister of Public Security. The Pilot Project was not successful in consolidating alternative institutional channels that provided political support above and beyond that of the current Executive Power, or within special interest groups in civil society as in complementary programs within the municipality. Moreover, there is no evidence that this was a central concern in the design and implementation of this project.

4.16 The results of the Case Study are summarized below:

➤ Strongly centralized institutions need incentives to encourage them to decentralize. The Costa Rican Case is a particularly good example of how even with good intentions, highly centralized governments can fail to understand the problems involved in decentralizing and changing power relationships. The project was supposed to be about changing vertical relations between police and civil society into horizontal ones, which encouraged discussion and citizen participation. However, the centralized nature of the project was apparent in its design and execution under the direction of the Ministry of Security which neither decentralized

appointment of police authorities nor the administration of project funds. There was no transfer of functions and resources to the local authorities, or delegation of tasks or resources to community groups. In general, the project lacked the means to include the local authorities, private organizations, or community-based entities.

- Nor is there any evidence that the project included components to inject enthusiasm in the Hatillo police force for its sustainability. Since a high percentage (90%) of the former police force had been transferred out of Hatillo, it would have helped the project's continuity if the newly organized Hatillo police force had received incentives to support the program through links with the community. However, the new force reported directly to the Minister of Security rather than to local organizations⁵¹ and made no protest when the project was discontinued.

Failure of project to support a spectrum of local leadership.

- 3 The role filled by the strong leader referred to above is particularly important in an analysis of why the community organizations that were originally involved in the project did not continue as strong supporters of it. For the Pilot project, the "leader" was an effective and highly credible spokesperson who, due to his experience in police circles, was involved in the final selection of agents for the Hatillo Pilot Project. Nevertheless, the leader's position brought with it a fundamental disadvantage as it inhibited the building of effective communication channels and additional community exchange. His capacity to motivate and unite the community was a short-term success factor but it also impeded the formation of more horizontal links between the USC⁵² and other community leaders of Hatillo. His strong and dominant presence as a natural leader in the district also seemed to inhibit the formation of new leadership with respect to citizen safety. This concentration of responsibilities in the central government resulted in the failure of other institutional and social agents to embrace the project, undermining its ability to continue beyond the tenure of the government team that promoted it.

Limited Citizen Participation.

- 3 The centralized nature of the project failed to include space for effective citizen participation. In fact, there was no real decentralization. For instance, even though the design phase included an evaluation of the population's needs with regard to public security, as well as activities to

⁵¹ Costa Rica Case Study, Page 24 "*Weaknesses ...resistance of the police commands to the community police model, because they did not consider it efficient.*"

⁵² The USC supported the efforts to train the police agents who participated in the operation of the Pilot Project and supported efforts made in the District of Hatillo.

publicize the project, there is no evidence that the definition of the model included elements resulting from active community participation⁵³.

3 During the project execution, community participation was supposed to be through the Oversight Council. However, several limitations impacted the effectiveness of this group. First, the composition of the Oversight Committee was determined by the Ministry and was selective in nature”. The Committee’s operability as a consulting body in decision-making and control and evaluation of the service was also minimal. The Council’s operation was seriously interfered with by the active participation of “the leader” (appointed by the government), who became its driving force and director⁵⁵.

3 The Committee’s lack of representative legitimacy and its limited operability in the decision-making process prevented it from becoming a body with its own identity, capable of articulating the community’s requests and serving as interlocutor with police authorities other than those who initiated the Hatillo project.

Lack of coordination among the various political and social forces, and politicization of project implementation.

➤ The community police project was not the result of a general policy to reform local police services adopted on the basis of a broad consensus of the various political and social forces. The project began as a result of a unique government initiative implemented through the Ministry of Security.

3 Moreover, its implementation responded to political considerations. These were apparent in the selection of the locality where the project would be implemented and in the time period for execution. In this respect, the district selected for project implementation, Hatillo, was an area that clearly leaned toward the party that was in power⁵⁶. As for the time period for execution, the project was carried out in the year immediately before national elections.

➤ These factors undermined the sustainability of the project. In 1998, the change of the party in power resulted in the termination of the community police project, which was identified with the ousted party. Moreover, none

⁵³ Costa Rica: Case Study, page 12

⁵⁴ This body consisted of ten citizens representing groups with diverse interests (the Catholic Church, Educators, and members of development associations), selected by the Ministry. Theoretically, the Oversight Committee had functions of oversight and control of police activity.

⁵⁵ Costa Rica: Case Study, Pages .13, 14, 18.

⁵⁶ Costa Rica: Case Study, Page 9. This does **not** mean that the selection of the district of Hatillo for the community police experiment was based exclusively on political considerations. Hatillo had certain objective qualities, such as being a “bedroom community,” high population density, [and] high rates of crime and political corruption, that made it appropriate for implementing the community police model. But these objective elements were probably **not** unique to Hatillo.

of the projects to reform the local police, adopted by the new government, has been implemented in the district of Hatillo.

Short period of Project Execution and Weak Organization.

- 3 The community Police model's objective of changing police-society relationships requires a medium-long term perspective, which did not exist in the Hatillo project. Because of the political circumstances, the project was carried out in a short time period (one year). Although the results of the evaluation performed after the year of execution were partly positive with respect to improvement of the population's sense of security, the sudden termination of the project resulted in frustrated expectations.
- Moreover, there were practical organizational limitations because of its weak institutional support structure (the Community Security Unit), and dissociation between personnel and financial resources allocated and objectives sought⁵⁷.

We can draw the following Conclusions from the Case Results:

- This Case illustrates the difficulties of changing highly centralized, vertical organizational structures, into horizontal, decentralized ones without the **full** support of all of the stakeholders. The sustainability of projects beyond political shifts requires seeking agreements and support among the various political and social forces. The existence of a general commitment to the reform process and its organization guarantees the continuity of a project regardless of which party is in power.
- 3 The lack of mechanisms to integrate the participation of local institutions and community groups and organizations kept agents other than the promoters from embracing the project and conditioned the project's sustainability on the promoter's support. Because the project did not incorporate the active cooperation **of** the local entities, community participation was minimal and coordinated through **an** unrepresentative body (Oversight Committee), which acted under the authority and influence of an authority appointed by the government (the leader). In that respect, once government support stops the project dies.
- 3 The project was the result of a government offer (initiative) rather than a specific request by the community of Hatillo. Although it responded to a need felt by the community (to increase the citizens' security), there was no request articulated by the citizen organizations for the community police model. The existence of community requests prior to the provision **of** coordinated services through citizen organizations works in favor of

⁵⁷ Costa Rica Case Study, Page 24 "Weaknesses."

the continuity of projects⁵⁸. The existence of the articulated request demonstrates the community's interest in the service and its ability to become the driving force behind the project and, thus, to carry out specific activities for its implementation regardless of the existence of public offer.

⁵⁸ This does not mean that the absence of an articulated request indicates that the project, and public provision thereof, were unnecessary. In many cases, the project will have to create the conditions for generating demand.

V. CASE STUDY NO. 5: EL SALVADOR: -“EDUCATION WITH COMMUNITY PARTICIPATION PROGRAM (EDUCO)”.

5.1 The El Salvador Case Study analyzes the role of Citizen Participation in the EDUCO Program and its effect on the objectives sought by that Program.

5.2 EDUCO is the result of **an** initiative to reform educational services, adopted by the Government as a result of the country’s democratization process, initiated after the signing of the 1992 Peace Accords. With the support of various international **organizations**⁵⁹, the Government implemented a program to increase the coverage of educational services at the primary and pre-school levels in rural areas, ameliorate the deterioration of institutional management of the service, and include community participation in service provision.

5.3 Delegation of tasks was the tool used to achieve these goals. Thus, the strategy employed consisted of transferring resources and implementing tasks for service provision to community-based groups. These groups, called Associations of Community Education (ACEs), were established on **an** ad hoc basis for purposes of the program. The municipal organizations were left out of the EDUCO program. The reasons given to explain this exclusion are related to the municipalities’ institutional and organizational weakness⁶⁰. But political considerations for not decentralizing the program more cannot be ruled out.⁶¹

5.4 The transfer of resources and administrative responsibilities are to the ACEs, comprised of parents in communities in which there are no pre-school and basic education services, or where they are deficient. These associations are established, in theory, on the communities’ initiative. In practice, the Ministry, through the supervisors of education, has played an essential role in establishing the ACEs, bringing the members of the communities together and promoting their association. Once established, they receive resources from the Ministry for the provision of educational services.

5.5 The ACEs’ responsibilities are basically management of the resources received from the Ministry. However, since almost all of the resources are earmarked for payment of teachers’ salaries⁶², the ACEs have little discretion. The Ministry of Education is

⁵⁹ United Nations (**UNICEF**), The World Bank (Social Rehabilitation Project), and Inter-American Development Bank.

⁶⁰ **55%** of the Municipalities do not have the minimum population required to provide education services. In many cases, the territory is fragmented, lacking communication access among the diverse parts. Besides, in general terms, municipalities are not economically viable, lacking financial resources even to afford the mayor’s salary.

⁶¹ **Also**, political considerations in connection with the avoidance of political patronage in the administration of financial resources may have played a role in the decision to not decentralize in local governments.

⁶² In **1999, 95%** of all resources transferred to the **ACEs** were earmarked to pay teachers’ salaries. The **remaining 5%** was earmarked for consumable materials and maintenance of facilities.

responsible for supervising the ACEs' educational and administrative activities and periodically evaluating their **performance**⁶³.

5.6 The EDUCO program has broadened the coverage of educational services in the rural areas that need them. However, the structural and operational limitations of the ACEs as decentralized entities for the provision of educational services make it difficult to believe that the Ministry can consolidate EDUCO as an alternative to the traditional system of service provision.

5.7 The results of the Case Study are summarized below:

1. The provision of educational services on the basis of the demand of the communities organized into ACEs limits the access of communities with less organizational capacity which, in general, are those most lacking in services.
2. Although EDUCO⁶⁴ has helped increase the **gross** rate of school attendance, which grew during the 1990's from 14% to 40% (pre-school) and from 80 to 98% (basic), the disadvantages of the poorest rural population persist⁶⁵. EDUCO has focused its attention on the rural **areas**⁶⁶ but **has** not concentrated its efforts on the poorest sectors. Just 28% (2,073) of all EDUCO's educational sections are located in municipalities with **priority 1 or 2** according to the Basic Unsatisfied Needs (NBI [in Spanish]) **index**, and just 20% of those sections are located in the departments with the lowest levels of human **development**⁶⁸. The majority of EDUCO sections are located in **priority 3 to 6** municipalities (**66%** of all sections) and in the departments with average human development indices (61% of all sections). In this respect, EDUCO has not met the needs for educational services of the rural communities that most require them.
3. Among the explanations for this result are structural, organizational, and educational weaknesses of these poorest communities, resulting in their inability to satisfy the Ministry's requirements to provide educational services under EDUCO. Satisfying those requirements (basically, that the community

⁶³ The Ministry is responsible for controlling and evaluating the ACEs' performance. If, in the Ministry's judgment, an ACE is not in compliance with the agreement, the Ministry can decide not to renew it. In the majority of cases, this would mean the extinction of the ACE for lack of resources.

⁶⁴ In 1998, EDUCO enrollment represented 17% of the total public sector enrollment for kindergarten and basic education. El Salvador, Case Study, Page 17.

⁶⁵ Approximately one of every three rural children lack written information, as compared with one of every ten urban children. Council for Sustainable Development, El Salvador. 1999.

⁶⁶ In 1999, EDUCO had a presence in **90%** (236) of the country's municipalities. Of these municipalities, **9%** (21) are considered urban. **32%** (76) are considered suburban. and **59%** (176) are considered rural, in accordance with criteria of population, poverty, and basic unsatisfied needs. El Salvador: Case Study, page 18.

⁶⁷ The Municipalities were classified in terms of NBI by the Ministry of Planning. The Municipalities with priorities 1 and 2 would be those with higher levels of basic unsatisfied needs. There are 56 Municipalities in the country classified as priority 1 and 2.

⁶⁸ The three departments with the lowest human development indices (Cabañas, Morazán, and la Unión, **0.45-0.47**) have just 20% of the EDUCO sections, while the departments with higher human development indices (La Libertad and San Salvador) have a very similar percentage of EDUCO sections (19.3%).

organize into ACEs and manage payment of the teachers' salaries) would necessitate taking action to increase the abilities of these communities to demand services.' While the problem of inability to organize and articulate demands remains unresolved, this alternative **form** of educational delivery remains ineffective for the most poor.

4. The participation of the communities organized into ACEs in the management of educational services is very limited. It is basically confined to administrative tasks, with little ability of the community to influence the quality and organization **of** the services.
5. The "decentralization" brought about by EDUCO consists basically of the transfer of resources earmarked for paying teachers. Although the ACEs are theoretically responsible for organizing and evaluating service provision, the exercise of these functions is limited in practice.
6. Regarding organization, the services are provided in accordance with the conditions established by the Ministry, which is the entity that approves or rejects the establishment of the ACEs, assigns the budget and, in many cases, recommends the teachers to be hired. The ACEs must fulfill all the requirements established at the central level if they are to continue to be service providers. If the Ministry determines that an ACE is not in compliance with the agreement, the Ministry can decide not to renew it. This would mean the extinction of the ACE for lack of resources. The ACEs lack financial autonomy to determine income and allocate expenditures. Their own resources are limited to the meager voluntary contributions from members of the community. This makes them highly dependent on transfers from the Ministry for their existence **as** service providers.

5.8 As for evaluation of services by the ACEs, there are limitations because of the members' low level of education, the lack of an evaluation system, and the meager training offered by the program in this respect. The training offered by the program has focused on strengthening the ACE leaders' administrative and management skills more than the skills [needed] to evaluate the quality of education. However, it should be stated that the ACE directors learn to manage funds, personnel, and accounting systems. They also have the opportunity to establish contacts with other public institutions besides the Ministry of Education, such as Administrators of Pension Funds and Social Security. The administration of EDUCO creates opportunities for citizen education that promote local development and could foster the establishment of mechanisms that facilitate citizen participation in the public decision-making process if the ACE's received more training in this direction, which to date, has not been the case.

5.9 The transfer of administrative management to the ACEs causes operating limitations and raises questions of equity.

5.10 EDUCO reduced the Ministry's administrative and management costs by setting up a non-traditional system **for** hiring teachers and transferring those costs to the

communities organized into ACEs. EDUCO has limited the reach of the administrative bureaucracy, making the traditional public system of hiring teachers more flexible. EDUCO has given young teachers a way into the labor market without going through the selection process set up by the Ministry of Education. Under the EDUCO system, teachers are hired directly by the ACEs for renewable one-year periods. However, the traditional system offers advantages of stability in the employment relationship, which is attractive to most teachers. This, together with pressure from the teachers' unions⁶⁹ for the Ministry to allocate more resources to creating positions in the official system, could limit expansion of the EDUCO hiring. It also means that teachers may **try** to move from the new system to the traditional system, as they become more experienced. This would be a loss for the rural communities who need experienced teachers.

5.11 Moreover, under the EDUCO system, the communities organized into ACEs take over management of the services in return for access to education. This involves a greater burden for the neediest EDUCO communities in comparison with the communities served under the traditional system. The communities with fewer resources assume the administrative burdens, translated into contributions of time and effort in exchange for access to services which the Ministry offers **free** to other communities. In the case of EDUCO, it has been calculated that the fathers **or** mothers who are presidents of ACEs invest approximately 156 hours, the secretaries invest 177, and the treasurers invest **133** hours a month in financial, administrative, and school support activities. In monetary terms, this time equates, on average, to **65%** of the 1998 minimum agricultural wage⁷⁰.

5.12 **Also**, the ACEs have limitations as administrative managers that can affect the expansion of the service and sustainability of the Program. The management tasks in connection with the service involve certain costs in terms of time and opportunity, the assumption of which by the members of the ACEs is conditioned on their availability and capacity. In this respect, an increase in educational services provided by the ACEs would involve **an** increase in the management tasks, demanding time and business ability that the majority would not be in a position to offer. This means a limitation on the expansion of services through EDUCO.

5.13 The sustainability of the ACEs with respect to the structure of citizen participation in the educational services has weaknesses because parallel participatory structures exist.

5.14 The Ministry of Education has promoted two parallel structures for citizen participation in educational services: the ACEs for the EDUCO Program and the School Development Councils for the traditional system. Moreover, the inclusion in the program of other existing community structures, such as the ADESCOS (Community

⁶⁹ The unions opposed the hiring system created by EDUCO, viewing it as an attempt to privatize educational services and, therefore, a threat to the stability of the employment relationship they enjoy under the official system.

⁷⁰ (MINED, 1998).

Development Associations), promoted by the Municipal **Councils**,⁷¹ has not been taken into consideration. This fragmentation of formal participatory structures splits the community base, weakening the community's ability to effectively influence the provision of educational services.

5.15 The following conclusions can be drawn from these results.

1. To speak of the EDUCO program as “educational decentralization” is a misnomer. In fact, it is a case of the Ministry of Education deconcentrating some of its responsibilities to another level, but retaining substantial control over functions. In addition, the ACEs' weaknesses as decentralized and participatory entities limit EDUCO's viability as **an** alternative to the traditional system of providing educational services. EDUCO **has** ameliorated the deficiency of educational services in areas that have traditionally been abandoned. However, the design of a educational system that seeks **to** achieve actual decentralization and sustainability would have to consider the inclusion of local entities, such as municipal schools, with the ability to organize the services and with financial autonomy. Service provision would be accomplished automatically and in proportion to the needs to be satisfied, eliminating the need to express the demand by establishing ACEs.
2. The EDUCO program has made it clear that conditioning the satisfaction of educational needs on the existence of community organizational ability limits access to educational services, and can even exclude the poorer communities with less education and organizational capacity. The fact that EDUCO **has** a stronger presence in municipalities and departments at an intermediate level in terms of human development indicates that the requirement for establishment of the **ACEs** has harmed the less-developed communities where the organizational ability is much weaker, but where the deficits in terms of education are greater. A criterion of equity in program formulation would have required treating diverse situations differently in practice, focusing resources and efforts on the neediest communities in order to bring them up to the same starting point as the rest of the communities to satisfy EDUCO requirements.
3. Paradoxically, those communities excluded in practice are those most in need of services and the formal objective of program coverage. In this respect, perhaps the program would have been qualitatively more effective if it had concentrated more resources on the poorest communities, establishing with respect to them, additional mechanisms to help ameliorate the deficiencies that block access to education and community participation. These mechanisms would be those most appropriate in relation to the communities' needs, and they could change: nutritional assistance in schools, the design of alternate educational systems adapted to the communities' needs (for example, the need for children to help support the family); promotion of community organization through adult education activities, etc.
4. Community participation in educational services should also be standardized to facilitate establishment of priorities and allocation of resources. Community participation should concentrate on evaluation of the quality of the services and control of resource management. In this respect, factors such as quality assessment training and setting up mechanisms to control resource management are essential. Finally, the participation of teachers, as interested parties, in the design, execution, and control of educational services should be considered.

⁷¹ The Community Development Associations (ADESCOS), are citizen organizations for participation in the local governments.

VI. CASE STUDY NO. 6: GUATEMALA - “TALITA KUMI RURAL DEVELOPMENT PROGRAM”

6.1 The Guatemala Case Study examines the “Talita Kumi Rural Development Program”, formulated and implemented by a non-governmental organization in one of the most underdeveloped areas in the country. This program was based on a comprehensive perspective of rural development and on inclusion of members of the community in the development process (participative development). However, although the community was included in the process, it was not asked to decide upon its priorities. Rather, Talita Kumi developed a model ‘foreducating women and delivering health services that was its own, and in many cases, contrasted with the priorities that the traditional society would have chosen. The success of the program has led the way for both the Government and the local communities in terms of how to bring development to traditional societies.

D. LEGAL BACKGROUND

6.2 One of the important changes expressed in the 1985 Constitution of Guatemala, which marks the beginning of the country’s democratic transition, refers to the decentralization of the government. This is stated in Article 119 Obligations of the State: “To promote the economic – administrative decentralization in a systematic manner, to achieve an adequate regional development in the country”. Chapter 11: Administrative Regimen, Articles 224 through 228, orders for the organization and coordination of the public administration, the creation of the National Council and Regional and Departmental Councils on Urban and Rural Development. In 1986, the Preliminary Law of Regionalization was enacted and in 1987 the Law on Urban and Rural Development Councils was passed. This novel proposition contemplated the participation of the citizens from the local municipal level up to the national level. However, in 1987 some of the articles were declared unconstitutional, especially those related to local councils, suggesting that they damage the autonomy of the municipality because they are in conflict with the Municipal Code.

6.3 With the signing of the Peace Accords in 1996, new possibilities for broadening local participation were developed. In the Identity and Rights of the Indigenous Peoples accord and in the Socio-economic aspects and the Agrarian Situation accord, the following rights are recognized:

- **The rights of the indigenous population and communities to participate, organize, and make decisions regarding their development within the framework of municipal autonomy.**
- **Adequate financing for the Councils.**
- **Reform the Municipal Code and the specific law so that the departmental governor is proposed by civil organizations that are present in the councils.**

6.4 Furthermore, other agreements⁷² **contemplate** the creation of local development councils for the active participation of indigenous communities and women. Proposals for the reform of Decree 52-87 have been drafted for this purpose and are awaiting approval by the Congress of the Republic. The current government has created a cabinet for decentralization, whose mission is to coordinate the activities of decentralizing public administration and implementing its plans for development at the national level (Government Accord No. 93-2000 of March 20, 2000). The components of the Modernization and Decentralization Program in discussion by this cabinet are as follows: 1) political and administrative, fiscal and economic modernization and decentralization; and, 2) modernization and decentralization of policies, functions and basic services, including healthcare and education.

6.5 However, until now, all political power and almost all of the state decision-making capacity about investments and public services are concentrated in the Capital, leaving the rest of the country in a depressed state. 57% of the public employees are located in the Capital, 85% of the paperwork requiring public administration can only be handled in the Capital and 95% of the government decisions are made there, without a consideration of the real needs of the rest of the **country**⁷³. **An** indispensable condition for overcoming this situation is the strategic convergence of the fundamental actors such as the central government, the municipalities, citizens, the private sector and the NGOs.

E. TALITA KUMI

6.6 The history of Talita Kumi dates back to the mid-70s when as a part of a broad-based plan to attract a return to the Catholic Church, the Salesian brotherhood began a campaign of social promotion. From its beginning, Talita Kumi, a Catholic organization that is part NGO, part social movement, and part foundation, has been involved with the most remote communities, which were excluded from the development plans in Alta Verapaz. These communities share a highly precarious political; economic, social and cultural profile. Women in particular exemplify the deficiency in human development, characterized by extreme poverty, illiteracy, mono-linguism, poor health and limited personal autonomy. All these represent conditions that persist in large part due to a patriarchal culture. These women have become the target group for Talita Kumi and its efforts are directed on their social and cultural development.

6.7 During this period, when it was unusual to encourage mixed education, the Salesian priests founded and sustained two educational centers in Alta Verapaz, the Don Bosco Center for boys and adolescents (1982) and the Talita Kumi Center (since 1991), for q'eqchi girls and adolescents. The priests formed part of the Don Bosco Salesian Association (ASDB), legally constituted and whose home office is in Guatemala City. By the end of the 80s, the Salesian Order had accumulated vast experience in community work in Alta Verapaz and organized an inter-disciplinary group of local advisors to draft a proposal. This proposal would later become the Project for Q'eqchi Development that,

⁷² The Strengthening Citizen Empowerment Agreement and the Function of the Army in a Democratic Society Accord.

⁷³ Reyes Estrada, Leonel 2000, PL-31-5-00,

with the financial backing of the Kellogg Foundation, would function until 1994. In 1996, the administrative separation of the educational centers was consolidated and Talita Kumi became an autonomous educational program. Although Talita Kumi was related to ASDB, it had the legal support of the Foundation for the Development of Indigenous Women (FUNDEMI).

6.8 This Foundation is comprised of 30 nuns from the Sisters of the Resurrection Congregation and it **is** consistent with the profile required by the laws of Guatemala. It functions with a General Assembly as its supreme authority, a board of directors and a legal representative. This legal representation has been delegated to a Salesian Priest who also functions as the Executive Director.

6.9 At the local and regional level, this organization has successfully achieved the unification of community expectations and the “requirements of the cooperating parties” and government entities, for the purpose of “improving the quality of the rural q’eqchi families.” It is important to highlight the relationship that Talita Kumi has established with the national and international NGOs, such as **CARE , SHARE , PADEL**, Redd Barna and CRS and with cooperation organizations such as KFW, USAID, IDB and the European Union. Moreover, Talita Kumi works with government entities that designate resources such as the Social Investment Fund (FIS), the Ministry of Education, Ministry of Health, Ministry of Agriculture and PRO-MUJER.

6.10 The trajectory of Talita Kumi, in a context marked by the armed conflict until 1996, has not been free of difficulties, which threatened its survival. It managed to survive by earning the confidence of the communities and by maintaining a relationship of prudent rapprochement with the army, which had a strong presence in the zone.

6.11 The effects of democratic transition, which began in 1990 and eventually led to the signing of the Peace Accords in 1996, undoubtedly favored Talita Kumi’s organizational efforts. Other achievements can be added to these processes to demonstrate that Talita Kumi has been highly successful in driving rural development. From the Catholic perspective, the nearly 20 years of community work and the preparation of young women as agents of change, constitutes a “silent revolution” in a local, profoundly conservative society. By incorporating these young women into the educational realm, great changes have been generated in the mentality of traditional parents.

6.12 The results of the study are:

- 3. Cooperation with the government has made it possible to extend health service coverage to traditionally deficient areas.**

6.13 Talita Kumi’s relationship with the government **is** not an example of decentralization. Rather, the government’s deconcentration **of** certain services in the area of health has permitted the NGO to implement the health services reform program (Sistema Integrado de Atención en Salud, **SIAS**). Based on this program, the central

government retains responsibility for service provision, establishes pertinent public policies, and decides on allocation of resources. However, there has been a **deconcentration**⁷⁴ of tasks to peripheral agencies, and community groups and organizations have been included in service provision by the transfer to them of resources and actual implementation and control tasks.⁷⁵ Talita Kumi has joined the **SIAS** program as a health services administrator and **provider**⁷⁶.

6.14 Starting with the first year of the SIAS' operation (1995), Talita Kumi was hired by the Ministry to provide advisory assistance to other organizations interested in being health service providers and administrators. At the current time, the organization renders service to the Ministry as a health services administrator and provider. The agreements between Talita Kumi and the Ministry are for the amount of Q. 5,138,448 and have made it possible to extend health services coverage to 330 communities, encompassing 28.72% of the population of the department of Alta Verapaz⁷⁷. Service provision is accomplished by means of an organizational structure that includes 9 institutional facilitators, 66 community **facilitators**⁷⁸, 12 traveling doctors, 493 midwives, and 1125 health inspectors.

6.15 In general, it can be said that the Talita Kumi program has effectively included the indigenous communities in the development process. Furthermore, cooperation between the government and the **NGO** has been positive, facilitating extension of basic health service coverage in a traditionally deficient area. However, given the precarious starting point of these communities in terms of development, the achievements are still insufficient. This is demonstrated by the limited development of autonomous and self-sustaining community organizations, the high level of dependency on outside resources, and the weaknesses in terms of program evaluation and follow-up.

6.16 Education and training has made it possible to include members of the community in the development process.

6.17 The philosophy of Talita Kumi's educational programs is to change the attitude of the community, to raise women's self-esteem, and to empower people so that they will become agents of change. Talita Kumi has clearly benefited the community and has

⁷⁴ The deconcentration consists of the creation of peripheral agencies subordinate to the central authority, to which the central authority delegates certain functions with respect to a specific geographic area (department, province, etc.). Thus, for example, through the SIAS (Sistema Integrado de Atención en Salud), the organizational structure of the Ministry of Health was changed, delegating functions to peripheral territorial units (Area Headquarters).

⁷⁵ Through the SIAS, the Ministry of Health has entered into agreements with a total of **78** non-governmental organizations and other institutions (cooperatives, churches, municipalities, and Social Security). In 1999, the program covered a total of **3,534,521** inhabitants in **25** of the country's **27** health areas.

⁷⁶ The health [services] providers are responsible for the direct provision of health services to the population through a structure that includes traveling doctors, institutional and community facilitators, health guardians, midwives, and so forth. The health service administrators are institutions that have set up an agreement with the Ministry to administer Ministry funds and transfer them to the service providers.

⁷⁷ In the Department of Alta Verapaz, the Ministry of Health cooperates with a total of **11** organizations (including Talita Kumi) that act as health service providers and administrators. Some 51.58% of the Department's population is covered by these institutions. Of these institutions, Talita Kumi has the broadest coverage, both in relative (28.72%) and absolute terms (1,264,821 inhabitants).

⁷⁸ Some **90%** of the community facilitators come from the Talita Kumi education centers, having received training as nurses' aides.

made many advances. In the ten years that Talita Kumi has spent working with young women, more than **7,000** have had access to primary education, and since **1997**, approximately **909** have had access to basic education through the Tutorial Learning System (SAT).⁷⁹ Since **1997** the Teaching Profession of Bilingual Rural Education has opened and there have been **46** graduated teachers, who currently serve in official self-managing, community schools, and in the eight Talita Kumi **schools**.⁸⁰

6.18 Perhaps the most interesting element of the strategy used by Talita Kumi is that of making the rural indigenous woman, traditionally ignored and excluded from the educational process, an agent of social development. The emphasis on education of women, the encouragement of their self-esteem, autonomy, and solidarity, has been decisive in improving the communities' standard of living⁸¹.

6.19 The development of an educational methodology specifically adapted to the needs of the rural area has made it possible to bring education to the communities.

6.20 Through the Sistema de Aprendizaje Tutorial [Tutorial Learning System]-SAT in Spanish, the organization has provided education to the most far-flung communities, using the young (female) students who are members of the communities in the social development process. The SAT consists of a teaching-learning process, adapted to the rural context, which combines theory and practice. For **15** days the young women take on-site classes in the schoolroom using the indigenous language, and then spend **15** days in the communities, **supporting** self-management and educational extension activities (Community Activity Program)⁸². Since **1995**, the students have helped **15** communities through this program, directly benefiting **7,400** women and indirectly benefiting **18,000** girls (**70%**) and boys (**30%**).

6.21 The Ministry of Education has shown an interest in this methodology, approving the creation of the Pilot Project, Experimental Tutorial Learning System (Ministerial Decision **166-98**). If validated by the Ministry, the SAT methodology could be used by it to extend coverage at the middle level of basic education to other rural communities. In this sense, the MINED will show that it can not only deconcentrate its tasks, but can also learn from what is being done below.

⁷⁹ The Tutorial Learning System (SAT) is an experimental pilot project guaranteed by the Ministry of Education in **1998**. Its purpose is "to enable the members of the rural population to continue the cycle of Basic Education". It is carried out in two stages: Promotion of Rural Welfare and Practice in Rural Welfare. Talita Kumi has developed a methodology which is appropriate to the rural medium which, being validated by the Ministry of Education, could apply to other rural communities in the country.

⁸⁰ The New Unitarian School (NEU) is a learning method, based on participatory and personalized methodology and it is generally bilingual. The Talita Kumi schools work under this model.

⁸¹ As has been pointed out before, the majority of the students educated at the Talita Kumi centers have gone into education and health services provision. The inclusion of woman in the educational and community development process was possible because of the confidence that developed. "the result of constant, direct work with the communities, using the indigenous language and including it in the education and training process."

⁸² The Community Activity is basically aimed at women and consists of providing education on subjects such as health, family well-being, culture, basic information about agricultural and livestock practices, religion, and so forth. The students in groups of three, visit five communities in fifteen days. Talita Kumi provides travel allowances and the community supports them with food and lodging.

6.22 The adoption of a comprehensive approach to rural development has maximized the effectiveness of both the education and health programs

6.23 Talita Kumi has used its presence in the communities to extend service provision from education to fulfilling basic health needs. The organization developed a model of pyramidal care from the communities, using the education of the young women trained in its centers to provide basic education, especially to women, on child care, pregnancy, personal and family hygiene, [and] adequate nutrition employing the available natural resources. In 1995, the organization was rendering primary health care services in 35 communities, and the current number is 330⁸³.

Questionable community control of the development process:

6.24 The Talita Kumi program has helped improve education in the communities and living conditions in the indigenous communities. However, given the precarious starting point, there are still obvious deficiencies in terms of development, education, and community organization that prevent full inclusion of the communities in the tasks of program control, follow-up, and evaluation. Whether the Talika Kumi model can itself become less centrally driven is an interesting question.

The following conclusions can be drawn from the Guatemala Case:

6.25 The Talita Kumi program shows that community education and training are essential for participative development. In this respect, development programs should include education and training methods appropriate to the specific circumstances and the needs of the community. In addition, mechanisms should be established to ensure that new community dynamics enable members to express their needs to government or private agencies that are responsible for delivering services.

6.26 Although Talita Kumi is a top-down organization, its education and training programs play a fundamental role in integrating the participation of traditionally excluded groups. Overcoming obstacles stemming from the traditional culture, the program works with these groups to educate and train them, not only in income-related activities, but also in skills, such as public speaking and management etc. that will help to change the views that presently exclude them.

6.27 Finally, the Talita Kumi case demonstrates the importance of having strong organizations with experience in social development in connection with the processes of reforming public service provision systems. The government has benefited from this organization and its work experience with the indigenous communities in expanding both education and health service coverage in a traditionally deficient area. Thus, human resources and a previous organizational capacity were utilized, with the consequent savings of resources (infrastructures, personnel) on the government's part. At the same

⁸³ This expansion of coverage has been possible thanks in large part to cooperation with the Ministry, through the SIAS program.

time, the communities benefited from the expansion of the organization's services, thanks to its cooperation with the government's program.

VII. CASE STUDY NO. 7: NICARAGUA - WOMEN'S NETWORK AGAINST VIOLENCE

7.1 On August 13, 1996, the National Assembly of the Republic of Nicaragua⁸⁴ approved the proposal for "Reform of the Criminal Code (Law Number 230)." Domestic and sexual violence has existed for many years in Nicaragua, as well as in many other countries. However, until recently, the subject was not dealt with openly, but kept secret within the family. Nor had it been common to prosecute perpetrators unless there were physical injuries. The Reform of the Criminal Code included measures for the safety and protection of the victims and legally recognized the psychological damage caused by that kind of assault.

7.2 The Reform was proposed and promoted by a group of women's Non Governmental Organizations called the "Women's Network against Violence." This Network was established during the 1992 National Women's Meeting to address the problem of domestic violence. With the combined strength of more than 100 women's organizations and the individual efforts of many others who collected signatures from the general public and petitioned legislators, and through the use of the mass media, much progress was made. Also, to encourage full application of the reform, the Women's Network against Violence cooperates with other public and private organizations to implement the Commission for Women and Children program, operating out of Nicaragua's police precincts.

7.3 The Nicaragua case shows how citizen participation can be effective in highly centralized countries. It also demonstrates the development of citizen groups from dependence upon government largess, to gaining their own voice and independence through experience and political astuteness.

7.4 From an analysis of the Case we can derive the following results regarding the origin of the organizing movement, its participative strategy, and the development of cooperation with the government.

The organization had its roots in the political process.

7.5 The Sandinista government favored the development of feminist groups, most of which were ideologically connected with the Party in power. In this period, a strong organization of women was consolidated and functioned as a tool of the Party in disseminating revolutionary doctrines of social change. At the same time, the women's movement obtained certain advantages as a result of this relationship with the authorities (presence in the executive and legislative branches, establishment of the Office on Women).

7.6 The loss of political power by the Sandinista Party and the advent of a new government resulted in the reformulation of relationships between the women's groups

⁸⁴ The National Assembly consists of the Legislature, comprised of 90 delegates, the former President and former Vice President, and the candidates for President and Vice President of the Republic who participated in the election and came in second. It has the powers specified in Article No. 138 of the Constitution.

and the Government. In the first place, a split developed between the women's groups and the Sandinista Party. For many of these groups, the Sandinista Party ceased to be useful in articulating feminist demands. Second, the more conservative nature of the new government might be dangerous for the progress achieved by the feminist cause. **So**, the majority of the women's groups decided to organize themselves and design new strategies for independent political action. This explains why the appearance of the NETWORK and its development took place during the period of a relatively conservative government. It is here that an autonomous movement organized by women for women's causes was consolidated. Of course, the fact that the party in power allowed for political organization was essential in the process.

Educated women with considerable political experience lead both the NETWORK and the NGOs that compose it.

7.7 The Table below summarizes the personal background of the leaders of the principal Network NGOs. **A** review of this chart demonstrates that the civic leaders who were effective in making their demands heard by the government and getting action on their issues were distinctly different from the groups in the other case studies who were poor, and/or newly enfranchised and/or dependent: In contrast, the Nicaraguan women, with their solid political backgrounds, and training in middle class professions, were able to articulate their demands and have entrance to policy makers at a high level **of** government. In this case, political competition and organization and political knowledge were the building blocks of participation, rather than decentralization.

Table 3: Positions held by leaders of NCO'S in the Network

<p>Name of NCO and Position Held by member</p> <p>Women's Network Against Violence: Executive Secretary</p>	<p>Personal Information</p> <p>Work in the Sandinista youth movements. Was in the National Council of Youth of Nicaragua between 1992-1994. Joined the Network in 1994. Holds a degree in Mathematics and is currently studying for her master's degree in Sexual and Intrafamily Violence at Central American University.</p>
<p>IXCHEN Center Founder</p>	<p>Attorney in charge of setting up the Women's Legal Office during the first years of the Sandinistas. She has been a Supreme Court Justice, a Delegate for the FSLN during the first period and a member of the National Assembly's Committee on Women, Children, Youths and Family. At present she chairs the National Assembly's Integration Committee.</p>
<p>Meeting Points Director</p>	<p>A militant feminist who, during the early years of the Revolution devoted herself to campesino women through the Farm Workers Association (ATC). A former professor at the School of Sociology, Central American University, she was in charge of the women's section of the magazine Gente, now defunct. The author of publications on women, family and society.</p>
<p>Women's Collective of Matagalpa Director</p>	<p>Degree in Psychology</p>
<p>Women's and Family Center for Assistance and Services Coordinator</p>	<p>Experience dates back to Sandinistas. A student leader. Directed the Breast feeding program of the Ministry of Health and founded the Women's and Family Center in 1990 with 9 other professionals. Currently an FSLN delegate for Paríases and Secretary of the body's Committee on Women, Children, and Family. Holds a degree in Social Work and Journalism.</p>
<p>Center for Constitutional Rights Director</p>	<p>She was a member of the first legal advisory team of the Council of State. An attorney, she graduated from Central American University and has worked with women to train leaders and promoters of women's rights. A force behind the first school for legal training of women.</p>
<p>AMNLAE Director</p>	<p>Director for six years. She joined the guerrilla movement as a young woman in northern Nicaragua. She holds a degree in Social Sciences and has a master's degree in Urban and Community Development. A driving force behind Law Number 230 and Law Number 287, Code on Childhood and Adolescence, promulgated in May 1998, by which Nicaragua implements the Convention on the Rights of Children and Constitutional Reform of 1935. She is currently actively serving on the Legislature's Economic Affairs Committee.</p>

Development of Strategies to influence the public decision-making process.

7.8 The **NETWORK** was able to coordinate the participation of citizens groups, individuals, and non-governmental organizations in the public decision-making process. Through this it achieved approval of a law to reform the Criminal Code (Law 230) which changed the legal framework with regard to protection of the victims of sexual and family violence. Participation in the decision-making process was the result of a comprehensive strategy. The principal elements contributing to the success of this strategy include:

- 3 Focusing activities on a specific issue, domestic and sexual violence, and the political neutrality of that issue. This may have been crucial to the NETWORK's obtaining, (if not the unconditional support,) the non-opposition and even the cooperation of the conservative government of Violeta Chamorro⁸⁵.
- Preparation and technical training of the NETWORK'S members and leaders, development of an extensive, efficient organizational apparatus that enabled it to mobilize civil society (collection of 50,000 signatures, organization of marches and activities to promote reform to the population), and access [to] political representatives in the Legislative Assembly.

Cooperation with the government in the design and implementation of care for the victims of family and sexual violence.

7.9 The NETWORK created a space for cooperation and inclusion of diverse organizations of civil society. The nature of the NETWORK as an organization coordinating many NGOs at the national level earned it a position as interlocutor with the government in the design of activities and programs to combat domestic violence (participation on the National Commissionerships Committee). The NETWORK offered a single voice in connection with the NGO organizations that worked on the issue. This promoted the efficiency of the different organizations in achieving common objectives, and offered an advantage to the government in holding discussions with the social forces on implementation of a public policy on the matter.

7.10 The Commissionerships for Women project⁸⁶ is one example of the results of this relationship and cooperation with the government. In this project, the various NGOs that belong to the NETWORK act as implementers or service providers to battered women. The extension of the project was possible thanks to the NGOs' cooperation, because the government agency, the Nicaraguan Institute for Women, lacked adequate physical means and personnel to carry out the initiative. In this case, the NETWORK takes responsibility for coordinating the relationship with the government which, in this way, does not have to negotiate with each individual participating organization

Network financially dependent upon international cooperation

7.11 Each NGO tries to obtain financing or subsistence independently of the Network. The Network has no obligation to finance its NGOs. Therefore, the Network and its members maintain a horizontal relationship with no hierarchy, which is the basis of its stability. However, the NGOs and the Network itself are trying to achieve financial

⁸⁵ In 1994, when Violeta Chamorro was president of Nicaragua, the Inter-American Convention to Prevent, Punish, and Eradicate Violence against Women was signed. In 1995, Nicaragua participated in the IV World Conference on Women, assuming the commitments arising therefrom to prevent and punish intrafamily violence and establish measures for legal protection of the victims.

⁸⁶ The "Commissionerships for Women and Children" pilot project was implemented by the government in 1993, with the assistance of international cooperation [organizations].

stability. The majority of the members depends on donations ~~from~~ international organizations and has not been able to rely on stable sources of funding.

The following Conclusions can be drawn from the analysis of this Case:

- a. The Nicaraguan example shows that the existence of a broad base of organizations and citizen groups with the ability to coordinate themselves and articulate requests to the public authorities has little to do with decentralization. It is, in fact, a result of competitive politics, respect for civil liberties, and an organization that has articulate and experienced members. Another reason for the NETWORK's success can be explained by its focusing its activities on achieving a specific objective that responds to an interest which is shared by the majority of society and to the ability to articulate specific requests, coordinating different groups and organizations.
- b. The coordination of different groups that share the same interest under one common voice (NETWORK) enhances its effectiveness in achieving objectives and favors the relationship with the government in negotiating and implementing public programs and policies. In addition, these public programs can benefit from the participation of non-governmental organizations in their design, development, and implementation, including the means and organizational structures of those organizations.
- c. The inability of the **NETWORK** to generate funds ~~from~~ its own members is a great weakness of both this **NGO** and many others in Latin America. Unless the members of these NGOs learn that sustainability rests in their hands (and purses), these groups will always be vulnerable to policy manipulation by those who contribute to their activities. The NETWORK learned that it needed independent funding after their purpose and that of the Sandinista Party diverged. **Now** it must learn that sustainable independence comes ~~from~~ membership contributions.

VIII. SUMMARY DISCUSSION ON LESSONS LEARNED

8.1 A “virtuous circle” is said to exist between decentralization and citizen participation. Decentralization is supposed to bring government closer to “the people” and provide more opportunities to participate. In turn, the participation itself strengthens local institutions and increases their abilities to provide more comprehensive services.

8.2 In fact, the case studies demonstrate that many factors are at work in decentralization, not all of which increase popular participation. In terms of decentralization, we found that of the six case studies, only Bolivia has gone through a process of constitutional decentralization, devolving different responsibilities to different levels of government, and devolving financing to each level. However, even in Bolivia, where constitutional issues were discussed for many years, great problems remain in the division of authority. The role of the Department (the intermediate level between central and local government) is still not clear, and the roles of the officials at this level (prefects, sub-prefects, and Departmental counselors) are either not understood and/or not accepted by many citizens.

8.3 Decentralization at the Municipal level in Bolivia has had many very interesting side effects, most of which are products of historical relationships. The Law of Popular Participation mandated that municipalities include both urban and rural districts. However, historically, the interests of urban and rural dwellers (Campesinos) have not been the same, and their organizations (unions and citizen groups) reflected different interests. In addition, indigenous groups (non-Spanish speaking) have often not been included in campesino organizations, such as Unions, and the indigenous have either had their own organizations or were unrepresented. Finally, traditionally, rural women did not take part in political decision making.

8.4 The constitutional reforms mandated new organizations at the municipal level. The most important of these were the :

- 9 OTBs, which were supposed to represent the different interests in the municipalities in preparing the municipal plans and budgets, and
- Vigilance Committees to ensure that the elected officials carried out the Annual Plans.

8.5 However, traditional power holders often looked on these new forms of representation with suspicion. The case study clearly shows that the Campesino Unions were threatened by new forms of organization such as the OTBs, and quickly either co-opted them, or denounced them, rather than allowing them to represent new or additional interests. And, in municipalities where the Unions had control of local decision-making, Vigilance Committees were viewed as competing power centers, rather than vehicles for increasing democracy.

8.6 Although the Bolivian Case Study ends on a positive note, i.e., the gradual acceptance of new practices and institutional reforms to further the goals of

decentralization, it is clear that the process of institutional change and more equitable representation will take some time.

8.7 Resistance to change and the need for gradual evolution of institutions is even clearer in the case studies in Peru, Costa Rica, and El Salvador. In these three countries, the central government continues to make all important decisions. Decentralization can only be talked about in terms of delegation of executing responsibilities (tasks), rather than in terms of meaningful decision making at sub-national levels. Although the central government talks about decentralization of decisions (FONCODES in Peru, Community Policing in Costa Rica, and EDUCO in El Salvador), the central powers are clearly reluctant to delegate all but the simplest tasks to groups set up to implement programs.

8.8 In all three Cases, the new interests that have assembled around the delegated tasks (credit approval, school maintenance, and community policing activities) have not been sufficiently strong to demand wider functions, new relationships, or more funding. In Peru, the borrowers have not made any connections other than the government agents, to insure that their credit program will continue. In the case of EDUCO, the traditional system offers more benefits to the teachers, so they are not a firm supporter of the parents, and even resent their interference. The parents themselves are overburdened and not very interested in assuming even more tasks, so the central government remains in control. Finally, in the case of Costa Rica, neither the police nor the communities are strong supporters of the Community Policing effort. Rather, the police are an unorganized group dependent upon politics to keep their jobs and the community, while pleased with the results, has not been sufficiently drawn into the effort to believe that their activities make much difference. Therefore, the programs remain an initiative of the government in power, rather than a program “of the people, by the people, and for the people”.

8.9 The recently organized interests appear to be too weak (high illiteracy, poor organizational skills, low economic level, etc.,) to insist upon their prerogatives as citizens. It is difficult for members to confront professional politicians and/or government bureaucrats/technicians and demand more authority when they have had little experience in the political process. Perhaps with more training and more experience in decision-making on smaller matters, increased confidence will enable them to demand more influence over issues of greater consequence. But the case studies leave the possibility of this occurring as an unanswered question.

8.10 The Talita Kumi Program is an interesting contrast to the EDUCO program because in both instances the government is delegating tasks. However, in one case (EDUCO), the tasks are being delegated directly to the community without sufficient training and support to enable the community to develop beyond immediate tasks. In the other case, Talita Kumi, the government is delegating tasks to an NGO that has considerable experience in education and training methods appropriate to the specific circumstances and needs of the community. Ironically, in both cases, the community does not have much independence in decision making. In EDUCO, this is because the Ministry of Education **has** not delegated very important functions. In Talita Kumi, a top down model is being followed.

8.11 The work done by the centralized Guatemalan Government through Talita Kumi contrasts with the more decentralized case of Bolivia. In Bolivia, where actual decentralization to the local level has taken place, there has been insufficient effort to incorporate excluded groups on the part of the central government, or the sub-governmental levels. Rather, there seem to have been expectations that decentralization alone would allow these weaker groups to participate. **As** we saw in the Bolivia case, this does not always happen. On the other hand, by using an experienced NGO to develop and implement health and education programs for the indigenous communities in Guatemala, the prejudices and exclusions of traditional society are being broken down. The challenge in the Guatemalan case is to find other NGOs that can replicate Talita Kumi's experience.

8.12 Talika Kumi (Guatemala) and the Women's Network (Nicaragua) are interesting examples of devolution to, or assumption of both public tasks (health and education) and some policy decisions (new legislation) to private sector institutions. It is important to note that while in both cases, the institutions must work with the government to achieve their goals, they both have enough sources of independent support to influence **as** well as execute programs. It is also important to note that neither case depends particularly on decentralization. Rather, Talika Kumi is carrying out a program of the central government and the government programming, in turn, is open enough to listen to a group with a successful track record of educating and bringing health programs to indigenous people. The Women's Network is functioning in a highly centralized government where political conditions leave space for (some) independent organizations.

8.13 Both Talika Kumi and the Woman's Network have existed for long periods of time and have shown considerable survival skills and abilities to form strong national and international ties with both private and public organizations. Talika Kumi started out as an education program of a branch of the Catholic Church and has expanded into a multi-functional Foundation. The Women's Network began **as** the women's arm of the Sandinista Party and, after that party lost power, grew into a network of independent organizations. Both organizations have considerable loyalty from their members who are trained and educated and have, at least initially substantial political backing from strong pre-existing entities.. **A** main difference between the two organizations is that Talika Kumi has managed to ensure considerable national and international funding for itself, while the Woman's Network is constantly struggling to find funding for its programs. This constitutes a major problem for the Network.

8.14 These Case Studies are only six of many that could be written, and are not definitive. However, they illustrate some of the problems that may arise in attempts to decentralize when the conditions for a liberal model of society are not very well developed. Liberal societies embrace a "vision" of "competition" among different actors, individual citizens, public and private interests and a variety **of** governmental entities (either national **or** sub-national).⁸⁷ They rest **upon** the notion and the experience of interaction among a rich variety of groups and sub-groups, which are accustomed to

⁸⁷ The strongest criticism of the liberal model is that some groups do not have sufficient power to compete in the hurly burly of liberal politics

organizing and lobbying for their interests against both the government and other interests. These interests usually receive funds from their membership, although, particularly in the social sectors, they may receive funds from the government to execute programs. Funding also comes from foundations, private enterprises, interested citizens, etc.

8.15 The Case Studies show very unequal power conditions. The central government is much stronger than the **localities**⁸⁸ in terms of both human and financial resources. In addition, traditional interest groups, such as teacher's unions or government bureaucrats are much more experienced in exercising influence than newly formed citizen organizations. Perhaps most importantly, historically based patterns of presenting programs, changing programs, forming alliances with other interests, and generating consensus are missing and may take a very long time to establish in the communities that many Bank supported programs operate

8.16 The Case Studies also show that decentralization is only one component (and not the essential one) for citizen participation. Much more important are the political, historical, social and/economic environment in which the hurly burly of decisions are made. For instance, to achieve effective political participation it may be more important that there exist an effective competitive party system and the right to organize, than decentralization. Similarly, political participation is stronger when there is a tradition of give and take and political equality in a country, whether it is decentralized or not. And, the social and economic conditions for political participation depend more on an educated citizenry, access to political leaders and lack of poverty, than on decentralization.

8.17 **So** why decentralize? There may be many reasons for decentralizing. The beginning of this paper includes a few reasons that are often cited. However, in the realm of citizen participation, which is what the Case Studies in this paper reviewed, a major advantage of decentralization is that it can allow for more actors in the political game and should provide more space in which citizens can gain experience. But, as we have seen from the case studies, there are many degrees of citizen participation, as well as many ways that central governments can give responsibilities to sub-national levels. Some of these will increase citizen participation; others will simply add to their burdens and not do anything to counterbalance inequalities that affect the usefulness of citizen participation.

8.18 No one can say that the Bank is incorrect in emphasizing decentralization as a major factor in both sustaining projects and moving towards more democratic societies. However, rather than emphasizing decentralization as a way of enhancing participation, the Bank should emphasize the factors that lead to effective participation, namely political competition, education, training, and civic alliances.

⁸⁸ This cannot be said for some countries in the Region, mainly Argentina and Brazil. However, these were not treated here. It would be interesting to do some case studies in these countries.

8.19 The following suggestions are made in this spirit:

3 When developing projects that seek to increase/and or rely on citizen participation and community resources to help (1) analyze and prioritize needs, (2) monitor and administer implementation, and (3) contribute resources to project outcomes, Management should do a careful analysis of the political, economic and social context within which the project will take place. The project can then be developed to include components that take specific recognition of the special power relationships that will influence project implementation and outcomes.

8.20 The political analysis should include considerations of power relationships within the project context and then relate these to project detail.

3 Political context:

8.21 Study of the existing political configuration between the national and local communities included in the project's objectives and activities. Which groups have traditionally been most active (benefited the most) in the project sector. How have they done this (what political alliances, legislative responses, financial arrangements) have been made to ensure that benefits flow to those in power? Are political alliances made over issues, or because of historical or personal obligations and loyalties? What changes in the political configuration is the project trying to make?

3 Project detail:

8.22 Whose project is this? Who is supposed to benefit from it? Have the beneficiaries requested it? Can the beneficiaries build alliances to support and sustain the project? How can the project help them do this? What power centers might be against the outcome of the project? What components can be included in the project to convince the present power structure to accept changes? What components in the project can include incentives for organizational alliances, legislation, and new political arrangements to strengthen the possibilities of achieving goals?

8.23 The economic and social analysis should place the project within the context of how these factors will effect project outcome and then include in the details of the project components to achieve project goals.

3 Economic and Cultural Context:

8.24 What has been the traditional economic and cultural context in which this sector has operated? What are the sources of strength (prestige) within the community? Which has been the dominant culture and how has this achieved its position? What groups have consistently been left out or ignored? Why has this happened? (Legislation, social behavior, role models, etc.)

8.25 What parts of the culture is the project most likely to try to change (position of groups within the community, position of women, types of services available, etc). What groups are most likely to form alliances against these changes? What groups can be

encouraged to support such changes? What components can be included **in** the project to strengthen change agents and weaken agents **of** the status **quo**?

8.26 Although some of this analysis is undoubtedly done in social projects, there is, at present, insufficient emphasis on the context within which changes are to take place. Analysis **of** this type is important.