

DEPARTMENT OF STATE

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COUNTRY

Project Paper (PROP)

*420-187 7*

COUNTRY: *GUATEMALA*

Effective Date: *June 1, 1970*

Project Title: *Rural Community Leadership and Modernization*

Administrative Span: *FY 67 through 75*

Physical Implementation Span: *FY 67 through 76*

Operating Life of Project: *Financial Requirements:*

|                 |                  |
|-----------------|------------------|
| U.S. Dollars    | 2,327,000        |
| Country Cash    | 1,050,000        |
| Other Resources | 14,500           |
| <b>TOTAL</b>    | <b>3,391,500</b> |

PAGE 1 OF 12 PAGES

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## I. Summary Description

### A. Necessity and Justification

In order to achieve a balanced growth rate between the urban-rural areas of Guatemala greater emphasis must be placed in programs which directly and indirectly affect campesino-ladino integration. These programs include leadership training, youth activity, and women's participation. It is necessary to emphasize an accelerated rate of change in the rural area to insure greater local participation in national development, community affairs, and government activities, as well as to obtain a greater maximization and mobilization of human and material resources.

Institutions which insure greater local participation, provide a vehicle for campesino-ladino integration, strengthen coordination between government and national institutions through participant training programs must be strengthened. Rural leaders, teachers, professionals, university students, and government employees must be selected and trained so that rural institutions and organizations under their influence will have the greatest possible effect in the development of the rural sector of Guatemala.

### B. Goals and Targets

The project's goals are to extract and nurture latent rural leadership capabilities at the municipal and local community levels, to foment the creation of new associations and organizations, as well as to revitalize existing ones. These associations and organizations will (1) serve the needs of local communities, (2) act as catalysts for potential leaders, (3) serve as tools through which existing resources can be channeled, and (4) act as vehicles through which new programs can be introduced. These new programs will include projects in marketing procedures, crop diversification, self-help projects, cooperative movements, and other projects of the \$23 million Rural Development Loan.

### C. Minimum Output and Plan of Action

USAID/Guatemala is presently expanding rural leadership education and youth-women participation programs, and is assisting in rural institutional creation in the government and private sectors. These efforts will be strengthened with the implementation of the Rural Development Loan.

By 1975 it is planned that over 6,000 campesinos, 350 rural teachers, and 1890 professionals will have been exposed to programs dealing with leadership techniques, agricultural methodology, cooperative formation and other programs influential in the formation of new rural organizations. This total reflects the output from existing USAID/Guatemala supportive programs: CENTER FOR TRAINING SOCIAL PROMOTERS (C.A.P.S., Rafael Landivar University), LOYOLA, PARTNERS OF THE ALLIANCE, and the LEAGUE OF WOMEN VOTERS and its Guatemalan Counterpart ORGANIZACION GUATEMALTECA DE CIUDADANAS, and the PENNY FOUNDATION.

AID Support Programs

By 1975 broadened rural participation is expected in the socio-economic and political sectors, with major influence to be felt from the private social sector and small business community. This will be accomplished through (1) participation and influence of trained graduates on other institutions and programs dealing with the rural sector, and (2) through selected technical and financial support to further the coordination and cooperation between existing leadership programs. Some of these are: INSTITUTO INDIGENISTA, MOVIMIENTO GUATEMALTECO DE RECONSTRUCCION RURAL, PROGRAMA NACIONAL DE DESARROLLO DE LA COMUNIDAD, MOVIMIENTO NACIONAL DE PROMOTORES (MONAP), CONSEJO DE BIENESTAR SOCIAL DE GUATEMALA, CENTRO NACIONAL DE DESARROLLO, ADIESTRAMIENTO Y PRODUCTIVIDAD (CENDAP), ASOCIACION DE GRADUADOS DE LOYOLA, and the ESCUELA RADIOFONICA. Collaboration among these public and private institutions and international organizations such as the UNITED NATIONS and OAS will be fostered.

Leadership Programs

Current assistance to the Rafael Landivar Training Program has produced 747 graduates; the Loyola program has produced 129 graduates; participant training for Guatemalan women has been begun in the United States; participants for a Partners of the Alliance conference are in the process of selection; and to assist Fundación del Centavo in its loan program to self-help projects in the rural areas.

## II. Setting

The setting is one where the integration gap between the campesino and the ladino is great. This gap is created through (1) the existence of agriculturally deficient techniques, (2) subsistence farming methods producing, maize, squash, and beans, (3) non-utilization of manufacturing and small business skills, (4) a farm labor "system" of exploitation of the campesino laborer, and (5) the unawareness of existing opportunities by the rural sector. These are major factors that limit the creation of strong leaders, local organizations, and

## NONCAPITAL PROJECT FUNDING (OBLIGATIONS IN \$000)

Table 1  
Page 1 of 2  
COUNTRY: GUATEMALA

PROP DATE: June 1, 1970  
Rev. No. 1  
Project No. 187

Project Title: RURAL COMMUNITY LEADERSHIP &  
MODERNIZATION

| UNCLASSIFIED | Fiscal Years Ap L/G Total Cont |    |   |      | Personnel Serv. |      | Participants |        | Commodities |       | Other Costs |       |      |   |
|--------------|--------------------------------|----|---|------|-----------------|------|--------------|--------|-------------|-------|-------------|-------|------|---|
|              |                                |    |   |      | AID             | PASA | CONT         | U.S.   | CONT        | Dir   | CONT        | Dir   | CONT |   |
|              |                                |    |   |      |                 |      |              | Agenc. |             | US Ag |             | US Ag |      |   |
| Total        |                                |    |   | 664  | 78              | -    | -            | 78     | -           | -     | 45          | -     | 541  | - |
| Landivar     |                                |    |   | 526  | -               | -    | -            | -      | -           | 45    | -           | 401   | -    |   |
| Loyola       | Prior                          |    |   | 70   | 70              | -    | -            | 70     | -           | -     | -           | -     | -    |   |
| L. of W.V.   | Act. FY 70                     | AG | G | 8    | 8               | -    | -            | 8      | -           | -     | -           | -     | -    |   |
| Fund. del C. |                                |    |   | 60   | -               | -    | -            | -      | -           | -     | -           | 60    | -    |   |
|              | Oper.                          |    |   |      |                 |      |              |        |             |       |             |       |      |   |
|              | FY 71                          | AG | G | 453  | -               | 62   | -            | -      | 50          | -     | 15          | -     | 326  | - |
|              | Budg.                          |    |   |      |                 |      |              |        |             |       |             |       |      |   |
|              | FY 72                          | AG | G | 410  | -               | 50   | -            | -      | 50          | -     | 15          | -     | 295  | - |
|              | B + 1                          |    |   |      |                 |      |              |        |             |       |             |       |      |   |
|              | FY 73                          | AG | G | 320  | -               | 50   | -            | -      | 50          | -     | 15          | -     | 205  | - |
|              | B + 2                          |    |   |      |                 |      |              |        |             |       |             |       |      |   |
|              | FY 74                          | AG | G | 220  | -               | 50   | -            | -      | 50          | -     | 15          | -     | 105  | - |
|              | B + 3                          |    |   |      |                 |      |              |        |             |       |             |       |      |   |
|              | FY 75                          | AG | G | 260  | -               | 50   | -            | -      | 50          | -     | 15          | -     | 145  | - |
|              | All                            |    |   |      |                 |      |              |        |             |       |             |       |      |   |
|              | Subs.                          | -  | - | -    | -               | -    | -            | -      | -           | -     | -           | -     | -    |   |
|              | Total                          |    |   |      |                 |      |              |        |             |       |             |       |      |   |
|              | Life                           | AG | G | 2327 | 78              | 262  | -            | 78     | 250         | -     | 120         | -     | 1617 | - |

Memorandum (nonadd) column

| Fiscal Years | AID-Controlled<br>Local Currency |                   | Other Cash<br>Contribution<br>Cooperating<br>Country | Other<br>Donor<br>Funds<br>(\$ Equiv.) |
|--------------|----------------------------------|-------------------|--|--|
|              | U.S.<br>owned                    | Country-<br>owned |  |  |

Prior  
through  
Act. FY 70

Oper.  
FY 71

75

2.5

Budg.  
FY 72

150

2.5

B + 1  
FY 73

225

3.0

B + 2  
FY 74

275

3.5

B + 3  
FY 75

325

4.0

All  
Subs.

Total  
Life

1050

14.5

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the growth of principles necessary for the formation of a viable democratic system. The training of campesinos, youth and women will provide the necessary degree of awareness to local leaders and institutions that will affect the rural sector. As awareness is developed in emerging leaders the effect will be felt in the social private sector, small business, and through participation in socio-political events in Guatemala. The trend should be that of a gradual, but direct, effort in affecting attitudinal change in order to form an environment which allows further democratization.

In the present and future administrations, as well as the private sector, there is an increasing interest in social and civic development. These interests will be politically significant in the future. Some of these interests are direct-indirect outcomes from present USAID/Guatemala activities carried out between 1967-1970. These interests are also an outcome from efforts by religious institutions as the Padres Benedictinos de Cobán, the Maryknoll Fathers, Peace Corps; government programs as the Movimiento Guatemalteco de Reconstrucción Rural, INTA, CENDAP, and the Programa Nacional de Desarrollo de La Comunidad; and private institutions as CAPS, IDF, and the League of Women Voters, and the Fundación del Centavo.

Since 1967 USAID/Guatemala has supported and contributed to GOG and private programs that are concerned with rural change. USAID/Guatemala will continue to support programs with rural development concerns in an attempt to coordinate their efforts. The Special Development Fund has also contributed indirectly to these efforts, and is in the process of reorganization in order to further encourage and assist these efforts. The Rural Development Loan will be a major input to affect change of the rural areas in the future.

### III. Strategy

The training of the rural campesino, youth-women's groups, and other elements of society which will influence the further development of the rural sector is a key policy of USAID/Guatemala. AID hopes to contribute toward the development of the skills necessary to (1) incorporate the campesino, in a more significant and contributory roles, (2) in political participation, and (3) in accelerating the process of campesino-ladino integration. A peaceful democratization and increased participation of this group comprising over 66% of the population is necessary in order to influence existing traditional "systems", i.e. the latifundios and existing bureaucracies which presently control the large masses of margined citizens.

The campesinos will only be able to influence and contribute to the development of the rural sector if they can develop and create a competitive "system" instead of the non-competitive "system" which exists today. The development and growth of a competitive "system" will not depend solely

on the outcome of leadership training and modernization programs, but from GOC private efforts, and USAID/Guatemala programs (i.e., Pilot Schools Project) and the implementation of the Rural Development Loan, among others. Development is a long evolutionary process which must be influenced by training programs, and by a well planned educational experience.

In rural training, emphasis is made on problem definition, planning and solution implementation. Human dignity as related to national idealism is stressed in order to break down those group values and behavioral beliefs which fragment present Guatemalan society. This training will provide a better understanding of the existing problems, as well as a methodology with which to attach them through group cohesiveness. This will result in the formation of new community groups, departmental associations, and institutions representative of a new emergent class aware of the positive values of both the campesino and ladino strata of Guatemalan life.

The more experience the marginated citizens have in decision making and participation the better understanding they will have of the democratic process and its possibilities. Thus USAID/Guatemala plans to support other institutions and groups besides the Fundación del Centavo, The Partners of the Alliance, CAPS, the League of Women Voters, and Loyola University.

#### IV. Targets

In the field of human development it is difficult to define quantitative targets and results. Instead of defining quantitative targets, the following is being sought by USAID/Guatemala aid:

1. Greater participation from the rural sector.
2. Experimental pilot training programs for homogeneous and heterogeneous groups in the municipio-aldea areas to maximize results.
3. Build flexible programs that are willing to change selection procedures, course content, field supportive techniques as required by the situation.
4. Create technically and financially self-sufficient programs which AID is presently assisting.
5. Begin to assist other programs, to increase coordination of efforts.

Quantitatively, by FY 75 USAID/Guatemala plans primarily to have trained 13,740 participants (primarily campesinos). A breakdown of the training

by institutions is shown below:

|                             |       |
|-----------------------------|-------|
| a. Loyola                   | 190   |
| b. C.A.P.S.                 | 8,250 |
| c. League of Women Voters   | 200   |
| d. Partners of the Alliance | 100   |
| e. Other institutions       | 5,000 |

These do not include participants from programs that USAID/Guatemala is considering to assist and which were named in Section I.C. "Minimum Output and Plan of Action".

## V. Course of Action

### A. Loyola Leadership Training

#### 1. Present Status

Two and four week training courses are being held at Loyola University at New Orleans using sensitivity techniques by personnel from the National Training Laboratories at Puerto Rico. The program originated in 1964 and USAID/Guatemala began to send participants in 1967. There have been 129 graduate participants that are now active in cooperative efforts, social and civic development programs, rural projects, and in political activities. Loyola influenced in the formation of the Guatemalan campesino training program at Rafael Landivar University.

#### 2. Future Status

A graduated decrease in participants is planned with a phase out date scheduled for FY 75. Several pilot training programs for sectors other than the rural sector are being considered by Loyola in Guatemala.

### B. Landivar University (C.A.P.S.)

#### 1. Present Status

An in-country leadership training program resulting from the

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Loyola program and an AID contract in 1967, is 100% Guatemalan run and 100% AID funded and uses CAPS "sensitivity" techniques from Guatemalan trainers trained in the National Training Laboratories in Puerto Rico. There have been 747 campesino graduates. Yearly activities include 4 campesino courses, 7 professional, 14 municipal, 15 departmental advanced seminars, and three regional conferences. After three years of operations, Departmental Associations are beginning to function.

CAPS is also collaborating with AID in the Pilot Schools Project.

## 2. Future Status

Continued funding through FY 75, with a graduated decrease in funding by AID is planned to result in a 100% Guatemalan run and financed program. Technical help and guidance will be provided from FY 71-FY 75 to assure the successful continuance of the program.

The following innovations are being planned:

To omit the central training courses and regional conferences and to place these efforts at the departmental and municipal levels.

## C. League of Women Voters and Other Women Organizations

### 1. Present Status

The Organización Guatemalteca de Ciudadanas (OGC), the counterpart for the League of Women Voters, presently sends two AID financed participants each year to the Institute of the Overseas Education Fund at Boston University. The Institution is planning to sponsor training courses, the continued formation of new civic organizations, the establishment of a national civic center, and sending three participants to the Nicaragua conference. The purpose of the program is to promote an increased participation of women, and their contribution to the progress, democratization, and the general welfare of Guatemala.

### 2. Future Status

- a. AID/Guatemala policy is to increase number of participants to be trained to the United States, and to influence in the initiation of local training courses to Guatemalan women. This may be done with OGC and/or other organizations.

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- b. To work with the Alianza Civica de Asociaciones Femeninas (formed by 23 women's organizations) founded in 1962. Its objectives are to strengthen and promote participation in national affairs.
- c. To work with the remaining of the 42 women's organizations which include newspaper, educational, business, medical, tourism, child health, and other organizations. This will not only increase women participation, but serve as a vehicle to the private business sector.

D. Partners of the Alliance

1. Present Status

The Alabama and Guatemala Committees have reorganized and are dealing directly with each other thus obtaining a more fruitful collaboration. As a result, new programs are emerging, i.e., (1) a 3 million dollar backing from three American savings and loan institutions with Guatemalan counterparts; (2) small businesses in villages backed by American financing; and (3) a Partners International Conference to be conducted in Guatemala in November 1970 which AID will probably finance.

2. Future Status

USAID/Guatemala is planning to encourage the efforts of the Partners of the Alliance in assisting the private business sector in Guatemala, especially as it pertains to business ventures in the rural areas.

E. Fundación del Centavo

1. Present Status

USAID/Guatemala is presently assisting the Fundación del Centavo with a grant to provide loans to self-help projects in rural communities at reasonable rates of interest.

2. Future Status

The amount of assistance to the Fundación del Centavo will probably continue until it becomes more independent in the future.

**F. Other Programs**

USAID/Guatemala plans to work with the following organizations providing them with financial assistance and technical support in order to increase results in the rural sector and assisting on-going AID programs.

**1. Future Status**

- A. **Movimiento Guatemalteco de Reconstrucción Rural**  
Works with agricultural programs and community development in the rural areas.
- B. **Movimiento Nacional de Promotores (MONAP)**  
Works in urban areas providing technical support and training courses in the different colonias.
- C. **Programa Nacional de Desarrollo de la Comunidad**  
Works with IDF and with the Instituto Nacional de Transformación Agraria (INTA) in the field of rural community development. It runs training courses at their school in Guatemala City, the Escuela Nacional de Capacitación Comunal. The results from their efforts are 31 departmental associations, 21 of which can be called successful.
- D. **Consejo de Bienestar Social de Guatemala**  
Coordinates the efforts of all programs involving community development. AID is planning to finance partially the second seminar to be held within the next few months, and future support to aid in the coordination of their efforts.
- E. **Centro Nacional de Desarrollo, Adiestramiento y Productividad (CENDAP)**  
Conducts technical courses at the rural level and is backed by the Chamber of Commerce of Guatemala.
- F. **Escuela Radiofónica**  
Influences the rural sector through broadcasted information. It is underutilized and should be used by other institutions involved in community development.
- G. **Instituto Indigenista**  
Organization specialized in native dialects which could play an important part in the development of the rural sector if utilized by other programs.

A breakdown of the funding requirements from FY 71 to FY 75, not including inputs from the Rural Development Loan are shown below:

AID GUATEMALA FUNDED

| <u>Program</u>              | <u>FY 71</u>   | <u>FY 72</u>   | <u>FY 73</u>   | <u>FY 74</u>   | <u>FY 75</u>   |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|
| Landivar                    | 193,000        | 150,000        | 100,000        | 50,000         | 0              |
| Loyola                      | 30,000         | 30,000         | 10,000         | 10,000         | 0              |
| League of Women             | 8,000          | 20,000         | 10,000         | 10,000         | 10,000         |
| Fundación del Centavo       | 60,000         | 60,000         | 50,000         | 0              | 0              |
| * (1) Motivational Trainers | 32,000         | 20,000         | 20,000         | 20,000         | 20,000         |
| Project Manager & Secr.     | 30,000         | 30,000         | 30,000         | 30,000         | 30,000         |
| * (2) Various               | 100,000        | 100,000        | 100,000        | 100,000        | 100,000        |
|                             | <u>453,000</u> | <u>410,000</u> | <u>320,000</u> | <u>220,000</u> | <u>160,000</u> |

AID WASHINGTON FUNDED

|                          |                |                |                |                |                |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| Partners of the Alliance | 2,000          | 2,000          | 4,000          | 6,000          | 6,000          |
| <b>TOTAL</b>             | <u>455,000</u> | <u>412,000</u> | <u>324,000</u> | <u>226,000</u> | <u>166,000</u> |

The basic USAID/Guatemala policy is to decrease financing of long existing AID financed programs so that they become self-sufficient, and the increase financing of other programs related to rural leadership and modernization.

\* (1)

Funds to train and employ six motivational and skills trainers to be used by AID/Guatemala in assisting social and civic development programs with potential capabilities in furthering development in the rural areas.

\* (2)

Possible selected technical and financial support to: Instituto Indigenista; Movimiento Guatemalteco de Reconstrucción Rural; Programa Nacional de Desarrollo de la Comunidad; Movimiento Nacional de Promotores (MONAP), Consejo de Bienestar Social de Guatemala; Centro Nacional de Desarrollo, Adiestramiento y Productividad (CENDAP); Asociación de Graduados de Loyola; Escuela Radiofónica