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UNITED STATES GOVERNMENT

Memorandum

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PD. AAA-914-F1

TO: Mr. Foster Kight, Chief, PAD

DATE: July 7, 1969

3p.

FROM: Alexander Morisey, Municipal Government Advisor *AM*

SUBJECT: MONTHLY PROGRESS REPORT - JUNE

INFOM: Preparation of the loan ^{Progress} for a possible loan to this organization required a great deal of this month's time. The major difficulties were resolved and the loan papers were prepared and carried to Washington. Preparation on this loan paper required many hours and the urgency of getting the work done required evening work. A complete report could be written on the negotiation with INFOM and the preparation of the loan papers. It is comforting to know that, after many days of negotiating with difficult problems and spending hours at INFOM, an application has been made to Washington.

INAD: One of the most promising activities of this month has been the beginning of the regional seminars of municipal officials. The seminars were inaugurated on June 14, 1969 in Chimaltenango. The interest of municipal officials is much greater than expected. The Chimaltenango regional center has a registration of 96 officials. The other centers, Mazatenango and Huehuetenango, have about 40 people registered in each location. The Contractor has had an opportunity to observe the centers in Chimaltenango and Mazatenango. The municipal officials are eager to learn and are enthusiastic about the program. The participants are from municipalities of various sizes and are from varied educational backgrounds. They seem anxious to take advantage of any opportunity to make them perform better in their jobs and develop more efficient methods of administration in their municipalities.

INAD has done a commendable job of organizing the seminars and has received cooperation from many other organizations. The program is flexible and will be adjusted to the interests and needs of the participants.

National Association of Municipalities (ANAM): This is the weakest organization of the municipal movement as far as the Contractor is concerned. The Board of Directors' meeting was attended and it was observed that ANAM could be doing much more to aid municipal development than it is currently doing. It is a co-sponsor of the regional seminars but the role it is playing

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is minimal. The Contractor has established a pleasant working relationship with this group and will be seeking means of strengthening it using some of the available resources of local organizations.

Peace Corps Municipal Development Project: The pressures of the pending INFOM loan and the regional seminars have left little time for this project. The volunteer from San Antonio, Suchitepequez decided to terminate his assignment there and look for an assignment in Guatemala City. This leaves three volunteers in the program. Although the Velasco's in Escuintla are in name a part of the program, the Peace Corps does not consider them so because they are basically involved in community development. The volunteers in Santa Lucia, Cotz. and Tiquisate are doing an excellent job and are enthusiastic about their work. They have become involved in the regional seminars and are attending the seminars with the officials from their respective municipalities.

The Contractor feels the Peace Corps has not shown great interest in the municipal development program. The termination of the assignment in San Antonio was handled poorly and as a result has continued to cause problems. The future of this program is questionable but the Contractor strongly recommends that full support be given to the volunteers that are continuing to do an effective job.

Problems:

- (1) The phasing out of the Public Administration Division and the future role of AID in local government activities is of concern to the Contractor. The extent of future support from the AID Mission in these activities is unclear and can present problems in completing current obligations and planning for the future.
- (2) The Contractor feels that it is essential that the INFOM loan be used as a lever to broaden the activities of INFOM and be a means of providing more technical assistance to municipalities. Although the construction of public works is important, an equally important aspect of the loan is making INFOM a development organization as well as a more effective municipal bank.
- (3) Although there are problems with the Peace Corps program and ANAM, they seem resolvable and will receive more attention from the Contractor in the coming months.

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Recommendations:

- (1) A review of the municipal government activities be made by the AID Mission in the coming months and a definite decision be made about the future of this program.
- (2) If a loan is made to INFOM, conditions will be included which will insure the broadening of activities of this organization.
- (3) The future role the Contractor will play with INFOM should be clearly defined.

Plans for the Future:

- (1) Continued support will be given to the INAD regional seminars. Constructive criticisms and evaluations will be made to INAD.
- (2) More support will be given to the Peace Corps volunteers.
- (3) Suggestions will be made for the strengthening of the Association of Municipalities.

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cc: Dr. Peter Wright

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