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OFFICE OF PRIVATE AND VOLUNTARY COOPERATION

AGENCY FOR INTERNATIONAL DEVELOPMENT

PVO INSTITUTIONAL DEVELOPMENT EVALUATION SERIES

FIELD REPORT NO. 8

FOUNDATION FOR THE PEOPLES OF THE SOUTH PACIFIC

AND

SOLOMON ISLANDS DEVELOPMENT TRUST

SOLTRUST

TONGA COMMUNITY DEVELOPMENT TRUST

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Annex 1 - People Contacted

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Foundation for the Peoples of the South Pacific

Evaluation Report

1. Executive Summary

Introduction. The Foundation for the Peoples of the South Pacific (FSP) is the most respected private voluntary organization active in the South Pacific nations. After almost a quarter century of exclusive commitment to the region it has built up:

- An unrivalled network of organizations and individuals;
- An important reservoir of trust among peoples who have too often had their trust betrayed by outside entities; and
- A broad experience in the successful management of a range of development projects throughout this diverse region.

Findings. FSP is strongly committed to institutional development in the South Pacific and toward this end has created a number of autonomous trusts throughout the region. These trusts are locally incorporated PVOs dedicated to carrying out local programs to help their people. FSP helps with the initial organizational stages and provides the services of an advisor/trainer to work with the new group for a few years. Some of these new institutions have been spectacularly successful in developing their programs and in attracting financial support. In particular, the Solomon Islands Development Trust and the South Pacific Appropriate Technology Foundation now operate major programs totally without support from FSP.

FSP has also been instrumental in expanding the involvement of women in development activities throughout the region. Both in Tonga and in the Solomon Islands, its women's interest programs have been influential, although these programs operate quite differently in the Polynesian and Melanesian cultural contexts.

FSP also supports the development of micro enterprises through its support of commercial fishing groups in Tonga and the Solomon Islands. In the Solomons especially, FSP is strongly committed to

carrying out its program through local private entrepreneurial groups to the extent possible.

FSP is facing a budgetary crisis due to the cuts in the American AID program for the South Pacific. Its annual budget dropped over 75% between FY 86 and FY 87.

As a result, FSP, its country programs and affiliated trusts are reorganizing to survive in a very different funding environment from the one that has prevailed during the past six years. With the support and cooperation of AID's South Pacific Regional Development Office, FSP has streamlined its operations so that it now operates most of its programs from a regional office in Fiji. Its two remaining country programs, Solomon Islands and Tonga, are putting together packages of support from other sources (European NGOs, national government programs, other U.S. sources).

Recommendation. The team makes only one recommendation. AID's Bureau of Food for Peace and Voluntary Cooperation should provide bridging support for FSP to ensure that it develops during the next three years the specific capabilities needed to survive in this changed funding situation. There is funding available from various sources to support the kind of work FSP and its affiliated trusts are carrying out. FSP needs to be able to provide technical assistance to its field units in the following areas:

- Developing strategies for resource mobilization;
- Document the impact of their programs;
- Improve systems of personnel, program, and financial management;
- Place FSP programs more specifically within the current development context and strategies of the South Pacific nations within which it works.

2. Introduction

Evaluation Series. This evaluation of the programs of the Foundation for the Peoples of the South Pacific (FSP) is part of a series of 12 evaluations sponsored by the Bureau for Food for Peace and Voluntary Association (FVA) of the United States Agency for International Development. The aim of this series is to document those approaches to institution building utilized by private voluntary organizations (PVOs) which are most effective. The evaluation series project is being conducted by the International Science and Technology Institute, Inc. of Washington, D.C.

Topics. The focus of this evaluation is on FSP's strategies of local institution building, especially the approaches they have used in setting up local development trusts in Vanuatu, Fiji, Papua New Guinea, Solomon Islands, and Tonga. We had the opportunity to study three trusts: Solomon Islands Development Trust (SIDT) and Soltrust in Solomon Islands, and Tonga Community Development Trust (TCDT).

We also examined the overall FSP programs in the Solomon Islands and in the Kingdom of Tonga. The FSP programs are committed to helping women of the South Pacific nations achieve full participation in their communities. We paid special attention to the women's programs of both Tonga and Solomon Islands. Also, FSP programs are, in different ways helping people become independent entrepreneurs in activities that are in the community interest. We examined these efforts in the two nations that form the basis of this evaluation.

Field Visits. This evaluation is based on a visit to the South Pacific for sixteen days during January, 1987. The team consisted of Richard Huntington, an anthropologist, and John Oleson, a lawyer and retired AID foreign service officer. We spent two days upon arrival in Suva, Fiji, where we met with FSP's regional director, David Wyler; and with Louis Kuhn and William Paupe at USAID's South Pacific Regional Development Office (SPRDO).

We then spent eight days on Guadalcanal in the Solomon Islands, observing the programs of FSP, Soltrust, and the Solomon Islands Development Trust; and interviewing management, staff, beneficiaries, and government officials.

We returned to Suva, Fiji, for one day and conferred again with the FSP regional director and with USAID.

We then spent five days in the Kingdom of Tonga, reviewing the programs of FSP and of the Tonga Community Development Trust. We interviewed members of the TCDT board of directors, officials of the Kingdom of Tonga, FSP management and staff, and selected beneficiaries of the programs. While in Tonga, we split up to make the most of our brief time, and for the last two days Huntington went to the Island of Vava'u to observe the projects of the TCDT women's program in villages on that island and Oleson remained on Tonga'tapu to concentrate on FSP's project with the Ministry of Fisheries. A list of those interviewed is provided in Annex 1.

The Tonga and Solomon Islands provided an important contrast

between Melanesia and Polynesia, and provided at least some representation of the wide range of situations in which FSP works. Even a brief visit to Fiji, Tonga, and Guadalcanal disabuses a visitor of any notion that all islands in the South Pacific are the same. Programs that are successful in Tonga often require considerable modification for the Solomons, and vice versa.

Circumstances. To carry out this simple visit, we flew on over a dozen airplanes in 18 days and ran up a large travel bill. Plane service to some areas is infrequent. For instance, service between Fiji and the Solomons is limited to Thursdays. The travel experience of the team illustrates the expense and difficulty of normal project supervision in the South Pacific.

The Foundation for the Peoples of the South Pacific is a small idiosyncratic organization accustomed to operating on shoestring budgets. It is an organization which has achieved much with relatively few resources. As a result, the evaluators are confronted with a checkered pattern of startling successes and surprising lapses which is difficult to assess using the carefully calibrated yardsticks that we have developed in a large bureaucracy such as AID. Also, FSP is currently in the midst of a wrenching process of retrenchment and reassessment as a result of drastic funding cuts of 75% in its largely USAID-funded program. Again, such a moment in the life of an institution is not the best time to examine such things as its long range planning mechanisms.

In this report we try to steer as even a course as possible between the extremes of admiration for the courage and accomplishments

of dedicated people under trying circumstances and an overly rigorous judgement of a small organization not always entirely up to the tasks it sets for itself.

3. Background

The Foundation for the Peoples of the South Pacific (FSP) has been working in the South Pacific for nearly twenty-two years in programs that assist human development. One cannot overstate the importance of the networks and respect that FSP has earned through its two decades of commitment to helping the peoples of the South Pacific achieve the goals they set for themselves. The FSP president and founder, Elizabeth Silverstein, and the Executive Director, Rev. Stanley Hosie, are known to national leaders throughout the region. Indeed they have been working with these leaders since long before the recent decolonization of these nations.

The political evolution of the region has brought about an increase in American foreign aid activity and a transformation of international relations in the region. FSP's role likewise has evolved. In 1976, FSP began a decade of transformation from a secular but largely church-related philanthropic organization to a largely government-supported, sophisticated development institution. In 1976, FSP received its first grant from AID/Washington. Under this grant, FSP assisted the new governments of Papua New Guinea and Fiji to develop national nutritional policies. In 1978 USAID began its operations in the South Pacific and immediately concluded two grant agreements with FSP to carry out integrated rural development programs in Tonga and Papua New Guinea. This pattern expanded until by 1986, FSP was

carrying out what were largely USAID development programs in Kiribati, Papua New Guinea, Solomon Islands, Tonga, and Fiji.

4. Overview of Country Programs

In both Tonga and the Solomon Islands, the current FSP programs are influenced by the fact that these are small island societies. In each case, the population is spread out over hundreds of miles of ocean, on numerous small and not so small islands. Both societies are largely village-based. Given these similarities, one finds certain obvious correlations between the FSP programs. In both cases, developing commercial coastal fishing is important, as is improving the "lifestyle" in villages and families through working with women's groups. Both programs face problems of communication and supervision of activities on widely scattered islands; and both are relatively remote from the outside world.

There are some significant differences between the two countries.

One is language. Tongan is universally spoken throughout the country, and English is also widely known. In the Solomons there are over fifty major languages, and the *lingua franca* is Pidgen.

The Tongans are well-educated with mandatory schooling up to the age of 16. There are also large numbers of Tongans who have worked abroad. In the Solomons, as many as 90% of the people live in their traditional villages, only a small percentage are literate, and few have worked or studied overseas. The fact that a Solomonese received a masters degree last year was newsworthy

The Solomon Islands is one of the newest de-colonized nations in the world. Tonga, on the other hand, was never colonized and has operated on the international scene as an independent monarchy for over 100 years. Whereas the government of the Solomon Islands is a very recent creation with extremely centrifugal tendencies, the government of Tonga is an established bureaucracy within a highly centralized and conservative government.

In two such different environments, the contrasts between the programs are sharp. The Tongan program to date has been more successful in meeting its targets as specified in the OPG. And, in general the Tongan programs have been better organized and better documented than those of the Solomon Islands. This reflects the increased sophistication and levels of education that prevail in Tonga.

FSP/Tonga. The FSP program in Tonga is comprised of four projects:

- Fisheries Development
- Village Women's Development
- Agricultural Training Centre
- Tonga Community Development Trust

Of these four, FSP directly implements the fisheries and women's programs, and provides only financial assistance to the agricultural training centre. The trust (TCDT) is closely linked to FSP and we will describe its activities later in this report.

FSP/Solomon Islands. The Solomon Islands program has focused

on two activities in recent years:

The Women's Interest Program

The Small Commercial and Community Projects

Beginning this year, FSP Solomons carries out a group of activities as part of a concerted Cyclone Namu Rehabilitation program. This includes programs aimed at women to improve gardening practices, portable saw mills to utilize the wood from all of the downed trees, and water tank construction (to be done by small business set up by FSP).

5. The Strategies of Trusts and Institution Building

General Strategy. The Foundation for the Peoples of the South Pacific has actively worked to set up permanent local organizations. Although it grants to all of its country programs a large degree of autonomy, its most concerted institution-building activity has been its efforts to set up local national trusts in Vanuatu, Fiji, Solomon Islands, Papua New Guinea, and Tonga.

The basic strategies and stages by which FSP helps bring forth these local trusts are basically the same in all of these instances.

1. FSP consults with local elites and governments, helping to reach agreements on the desirability of the trust, the nature of the trust, the composition of its board, and the identity of the director and advisor/trainer to the extent possible

2. FSP then works to prepare the legal incorporation of

the trust. In the new nations of the South Pacific, this can be especially difficult since there are few legal precedents.

3. FSP arranges for much of the original funding to launch the trust. Especially, it provides an advisor/trainer to work closely with the trust for a period of at least three years, and during this initial period, it closely monitors the trust's finances and provides higher level advice and contacts as needed.

Because the trusts respond to the aspirations of local leaders in each country, they develop along different paths. Beyond the common name "trust", and the common start-up methodology listed above, the three trusts we examined are quite different from one another in their purposes, styles of operation, relationship to FSP, and relationship to government. Given the diversity of the South Pacific nations, the divergence of these trusts is an appropriate strength.

The term "trust" not only masks the differences among these South Pacific organizations, it also hides the similarities between the activities of FSP on these islands and the institutional development activities of PVOs elsewhere. Within the context of this series of studies of local institution-building strategies by US PVOs, FSP's approach is similar to the way other PVOs go about setting up local affiliates. Obvious examples from earlier evaluations in this series are: Save the Children and FUDECO in the Dominican Republic, World Relief Corporation and CODEPLA in Haiti, Goodwill Industries and its affiliates in Panama and the Caribbean, International Institute of Rural Reconstruction and its national movement in

Guatemala. In all cases, there is a local charter, a local board of directors, a period of close supervision and leadership training, and a gradual weaning whereby the affiliate seeks an increasing share of its support from other donors and attempts to recoup some costs locally. We say this not to diminish FSP's accomplishments in this area, but just to put the approach in a broader context. FSP has worked somewhat in isolation - isolation being one of the problems of the South Pacific - and it is important to recognize that its "trust building" is in line with currently accepted strategies of institutional development practiced elsewhere.

FSP's efforts and success in this difficult activity of building local institutions is as strong or stronger than that of PVOs with many more resources. As is to be expected, the track record of the FSP-supported trusts is mixed. The stunning success of the Solomon Islands Development Trust, the solid promise of Soltrust, and the excellent appropriate technology organization in Papua New Guinea are balanced by a currently inactive trust in Fiji, an active but presently unfunded trust in Tonga, and a moderately active but politically entangled trust in Vanuatu. Again, within the context of our wider study, such a mixed record of struggling organizations, especially after a relatively short period of support, is quite normal, and it would be unrealistic to expect anything different. Let us examine in detail the three trusts that are the focus of this study.

Solomon Islands Development Trust. The Solomon Islands Development Trust is by any standard a resounding success. After only three years of operation, it has an annual budget of about

\$250,000 from diverse sources, a dedicated, highly respected, and competent director, a well established purpose and program, an effective and appropriate operational methodology, a well-developed and dynamic system of training and re-training over 100 villagers who staff its mobile teams in all the far-flung islands of the Solomons. The American advisor-trainer, supplied by FSP through a PACT grant, leaves a strong personal impact on the program, and he is appropriately reducing his role and phasing out.

We were lucky that our visit coincided with the annual training conference by SIDT for all of its village trainers. We were able to sit in on training and discussion sessions, and have a crash course in Pidgen. There were 108 villager-trainers there, from every island in the country plus representatives from Vanuatu and New Guinea. We observed a program of professional participatory training and re-training among a group of strongly motivated and committed people.

SIDT is committed to development-awareness education at the village level. This is a country where 90% of the population lives in remote subsistence villages; where low levels of education and a veritable Babel of languages leaves a large information gap between villagers and the outside world. This is also the land of the famous Cargo Cults, where after World War II, villagers organized behind charismatic leaders to clear runways in the jungle so that development would fly in from the sky and unload consumer goods and other material cargo.

Older villagers have little realistic sense of the outside world;

younger villagers, especially those with a bit of schooling, have a demoralized attitude toward the traditional village, but an unrealistic cargo view of development. The SIDT program aims to bridge that gap by sending teams of three to four persons out to villages to conduct three-day participatory workshops. These workshops stress an integrated view of village development which focuses on how to make the most of local resources in order to improve the Quality of Village Life. These teams travel for fifteen days at a time, making a circuit of four or five villages. In between tours, the team members are to return to their own villages and put into practice some of the principles of self help. During the last three years, SIDT teams have performed the three-day village seminars in over 1,300 of the approximately 5,000 villages of the Solomon Islands.

SIDT's program is a source of some criticism within the Solomon Islands. The criticism is that it does not do anything. It preaches and leaves. Islanders complain because it does not give them anything, it does not bring them projects. We evaluators are concerned that the program is not results oriented. SIDT personnel believe implicitly in their message and do not much endeavor to ascertain whether it actually makes a difference in the quality of life of the villages where it has been active.

But let us make one thing clear. This is an independent organization that follows its own dream and is quite successful in acquiring funding for this dream. Furthermore, it is a participatory organization. The troops are committed to the dream. They don't resist change *per se*, but they resist changes

which they see as undermining the ideals of the Trust. For example, partly due to funding sources, the SIDT leadership wants to include "cyclone preparedness" training in the program. Some trainers feel strongly that such should be a government responsibility and it is not SIDT's mission to carry out government programs. There were lively debates on this and related issues at SIDT's up-coming program.

The leadership of SIDT, now having established their track record, their independence, and their institutional identity, is cautiously moving in directions which will offset the criticism yet maintain their identity and integrity as a trust devoted to *development awareness education*. SIDT is reluctant to act as a source of funds and projects, of "cargo." Recognizing that funds are available from donors and that individuals and groups desire projects, SIDT is considering setting up special training/apprenticeship programs to help prepare local people for the task of project management. Such a program would combine practical management training with conceptual awareness education on the differences and incompatibilities between the responsibilities of a project and those of traditional social and familial obligations.

Soltrust. Soltrust is altogether a different type of entity. Whereas SIDT stresses its independence from FSP and has built its philosophy to some extent in opposition to FSP's economic project approach, Soltrust is designed to be intimately associated with FSP/Solomon Islands. Soltrust and FSP are sides of what is developing into a three way association.

Soltrust is a locally registered foundation designed to receive funds but not to implement projects. FSP/Solomon Islands implements programs under contract from Soltrust. Soltrust receives funds from two sources. First, funds come from non-American foreign donors who are understandably reluctant to fund directly an American organization such as FSP. Second, Soltrust is the repository for funds to be generated locally through income producing activities. This brings us to the third leg of this troika - a local holding company named in pidgen *U Mi Togetha*. This company is seen as the income generating arm of Soltrust. It will launch micro-enterprises with the understanding that the profits go to Soltrust. This three way configuration is quite new, to some extent still on the drawing boards.

Exactly how the *U Mi Togetha* part will operate needs to be worked out. In theory, the creation of this separate entity addresses an important issue facing many local PVOs as they embark upon income generation projects to fund their programs—that is a certain conflict between profits and legitimate charitable programs. The danger is that the search for profits crowds out the provision of important services, and concern with profitability can compromise the PVO's concern for the welfare of beneficiaries. The proposed troika is to our knowledge an original and logical attempt to meet that dilemma.

Although the Soltrust/FSP/*U Mi Togetha* configuration is new, it is our judgement that it is going to achieve success. The configuration is currently funded at a level of about US\$ 250,000 for the next two years (\$125,000, Misereor; \$100,000, SPRDO; \$32,000, PACT). A

number of promising small proposals are in the works to Canadian, German, and Japanese organizations; and a couple of profit-making activities with likelihood of contributing funds to Soltrust have begun or are now beginning (Cancare and Village Equipment Services - portable saw mills).

FSP/Solomon Islands is in many ways a significant local institution itself. It has been active locally for many years, active in a major way (under USAID OPG funding) since 1979. It has had a local director for many years in the person of Willie Betu (who now is director of the Soltrust arm). It has a committed local staff, and a network of supporters and beneficiaries.

Tonga Community Development Trust. The Tonga Community Development Trust is quite unlike either of the trusts in the Solomon Islands. First of all it is in serious danger of going defunct as a result of present cutbacks in the OPG. It has no other funding, and, in spite of a rush of proposal writing and correspondence during the last year with possible donors, few live prospects.

It is very important to note that the TCDT, under the USAID OPG of the last three years, admirably and competently carried out a fairly demanding program and met virtually all of the targets set forth in the grant agreement. We have some reservations about the nature of the program, but it was the program agreed to with USAID, and TCDT fulfilled it. The director and advisor-trainer felt that it was most important for TCDT to establish a good track record with the program at hand, and then use this track record as a basis for attracting more funding from USAID and other

sources.

The TCDT has an identity problem. It was originally set up under the confusing name of FSP/Tonga. This was the name the Tongan Board members desired, for they wanted to stress as strongly as possible that they are the local branch of the international organization. Because FSP itself continues to operate in Tonga, the naming was a cause of confusion and it was changed to TCDT. As TCDT it received funds from FSP's Tonga program funded under the USAID OPG. Its funding source was FSP's grant from USAID (SPRDO). Its programs were separated somewhat arbitrarily from the women's program and other FSP activities. There seemed to be two organizations carrying out essentially the same programs funded by the same grant.

The TCDT board members clearly view that the purpose of TCDT is to receive money from the United States Government. They are more or less adverse to the idea of soliciting funds from European church groups, from local donations, or from local profit-making enterprises. One can speculate that part of this reluctance may stem from the board members' own local activities. One boardmember is a businesswoman who herself operates some of the sorts of enterprises that might earn money for a trust (She has a can crushing operation, for instance.) She views the trust as a noble charitable organization, not a scrambling competitor. The two churchmen on the board are already involved in raising funds locally and from European churches for their churches in Tonga. They are reluctant to also squeeze these sources for the trust

The Tongan director of the trust has resigned and the board is more than content to have the American country director of FSP fill the slot indefinitely.

We did not meet the ex-director of TCDT. By accounts he is quite a competent and dedicated person. But it does seem that directing TCDT was a job for him, not a commitment, not his life. The same is true for the advisor trainer provided by FSP. He is an excellent person for the job, but the nature of his commitment to the TCDT is very different from that of John Roughan of SIDT. On the other hand, Tonga is a more sophisticated place than the Solomons, and this business-like approach is appreciated. Messianic commitment is not a Tongan style.

Under the grant from USAID, the TCDT had a relatively short time simultaneously (a) to carry out a demanding field program, (b) to build their institution, and (c) to raise funds from new and largely foreign sources (in competition with SIDT and Soltrust). They succeeded admirably with (a) hoping that that success would lead to success with the broader institutional development and resource mobilization tasks.

6. Women in Development in Two Cultures

The position of women in Polynesian and Melanesian societies provides a sharp contrast. Melanesian women have perhaps as low a status as anywhere in the world. In terms of the division of labor they do all of the gardening. The only contribution by the men is the felling of the trees for new plots in the cycle of their swidden agriculture. There is an antagonistic and distant attitude

between the sexes in most Melanesian societies that anthropologists have attempted to explain with various theories. In the Solomons, women have been reluctant to organize into village women's clubs, and the clubs, once formed, often sink into early inactivity. In some cases this reluctance is the direct result of the antagonism of the men toward women's organizations. For instance, there have been attempts both by the FSP women's program and by the Solomon Islands Development Trust to help village women construct more efficient stoves. It is not unknown for village men to resent these activities on the part of their women and destroy the stoves.

In Tonga, women have a much more active role in society. Labor is carefully divided as in any traditional society, but in ways that divide the work and responsibility more equitably between the genders. Men do the gardening and the physical work. Women manage the household, take care of the children, and do the cooking.

Tonga. The women's program in Tonga is perhaps the most successful activity for women in the South Pacific. The Village Women's Development project is a continuation of a ten year old program begun by the Tongan Catholic sisters. The aim of the program is to organize and support women's self-help groups in Tongan villages. This program mobilizes village women's groups to improve the quality of life for the family. We interviewed members of these women's groups in three villages on the island of Vava'au, and examined the home improvement projects. The strength of the program is the commitment and active involvement of village women in these groups. Usually, the group

is led by several women from leading families who work with other women from less well off families to help them raise their families' standard of living. For the most part, this means more modern kitchens, bathing facilities, water cisterns, and WCs.

The item of first priority is a modern kitchen. Traditionally, Tongan village women cook on open fires outside of the house. The kitchens constructed under the Women's Project are generally two room structures, one room for eating with an enclosed cooking area attached at the end. The cooking area has a raised fireplace and perhaps a small "appropriate technology" charcoal stove and/or oven as well. The rationale for these kitchens is put in terms of health considerations. Food preparation is separated from the roaming domestic animals.

The program represents the commitment of better-off village women to help poorer families have what they, the advanced families, regard as the minimal basis of civilization. This commitment on the part of those better off to pool their funds and efforts to help others in the village achieve similar status is remarkable. However we saw some evidence that the priorities of the village trend setters are not always the same as those of the poorer beneficiaries. Among the poorer women with new kitchens, we found a number who still prefer to cook outside, but for whom a new water cistern would have eased their labor somewhat. Some very poor families lack adequate housing, let alone a kitchen. But the program provides for construction of a kitchen which must be in addition to a house. We saw some instances in which a very poor family is living in the kitchen, rather than in their less

adequate or no longer existant house. Women who already have a kitchen and a water cistern, use the program to construct a bathing facility or a latrine.

Although the program provides some of the building materials and pays for the supervision of the overall project, the majority of the cost of the kitchens is paid by the combined contributions of the members of the women's club. All the members contribute monthly, and improvements are made at each woman's house in turn. The structure of the program provides an impressive balance of individual self-help, community responsibility, and external aid. One important role of the FSP is to set standards for construction so that all structures built under the program will survive cyclones.

It is difficult to assess such a program in terms of its contribution to "development" since it does not directly improve the economic situation of the beneficiaries, and one can only assume that it improves the public health situation. However, it should be possible for FSP to analyze the impact of the program in terms of its contribution to the village economy and the investment of remittances from wage labor. (At least some of these earnings are invested in the long term well-being of the family rather than in quickly depreciating luxuries such as larger radios, fancier cassette players, and other appliances.) Also, some baseline data or pilot monitoring might demonstrate positive effects of the program on basic health indicators.

According to the most recent FSP internal evaluation of the

program, over 4,000 families have benefitted and continue to benefit from the activities of these women's groups. This impact is felt in 84% of rural Tongan villages, in approximately 20% of all rural households. This is a superb accomplishment and a broader impact than is usually achieved by such programs.

Solomon Islands. The Women's Interest Program in the Solomon Islands began in 1981. It supports village women's clubs through regular follow up visits, periodic workshops, and funds to help club members engage in micro enterprises (sewing machines are the usual item). According to FSP records, five FSP extension workers carried out 110 visits in six provinces during 1985-86 (an eighteen month period). Records from these follow up visits are not complete enough to judge the impact of the programs. For instance, they do not tell how many ferro cement sinks were built as a result of an earlier program of instruction in this method. The records of the number of sewing machines bought by FSP for village clubwomen are accurate, but it would be impossible to tell what percentage of these machines are used or whether they have significantly added to the disposable income of the women. One estimate suggests that only 20% of the machines are in operation for income generating purposes. The records suggest that the women have earned anywhere from SI \$10 to SI \$50 from the activity, but one does not know if these figures are net or gross, or to what length of time they refer.

The women's movement in Solomon Islands is a growing positive force and FSP's support of women's clubs, workshops, and participation in the very successful Women's Technology Fair in

September 1986 has been an important part of the movement. SIDT has also played a role as women have been included on its village education teams and make up an increasingly articulate 30% of its village trainers. Despite these contributions, the FSP Women's Interest Program has had the weakness of being too diffuse, producing results that are undocumentable.

However, the newly designed Soltrust Home Garden Program should redress some of these problems and provide an appropriate focus to the women's activities. Soltrust is promoting a training project in vegetable growing and marketing as part of its cyclone Namu Rehabilitation Project. One strength of the new program is that it addresses the sector of the "economy" over which women have the major productive responsibility. Although the program is run by the Women's Interest Program, it addresses the whole village family in an effort to mitigate rather than exacerbate the Melanesian "war between the sexes."

The project has chosen four cyclone-damaged areas in two provinces for the initiation of the program. The project will provide training and assistance to families in each village in the form of SI\$ 100 worth of basic tools. Each of the families in the village participating must also contribute SI\$ 10 to a fund which will then provide a packet of tools to other families (selected by the participants) which are unable to afford even the SI\$ 10.

The concentration of effort and the schedule of follow-up by the trainers is designed to assure that data on impact will be collected periodically and analyzed. FSP has drawn up forms for measuring

baseline data and for following up on the progress of each family.

FSP Solomon Islands has given much thought to the design of this project, carefully considering aspects of equity, cost effectiveness, impact, and monitoring. Other groups in the Solomon Islands, including government ministries are providing the sort of general support to village women's clubs that characterized the FSP women's program from 1981 to 1986. The garden program provides FSP a more discrete and unique focus within a larger program of cyclone rehabilitation. The program's strength is that it makes a logical link between women's labor, cash markets, and improved nutrition for the village areas. It combines family self-sufficiency with community organization. It emphasizes the interdependence of family members (male and female).

7. Micro-Enterprises and Income Generation Projects

FSP/Solomon Islands has had considerable involvement over the years in sponsoring the creation of small enterprises, and they remain strongly committed to privatizing whatever of their own activities and services that can be suitably handled on a for-profit basis. FSP's encouragement of local enterprises falls into three categories which are not entirely mutually exclusive.

1. FSP Fund-Raising Enterprises. These enterprises are set up and run by FSP for the purpose of raising funds to support its local activities. The most active revenue producing project is CANCARE. This program is a direct result of FSP's overall efforts to promote appropriate technology throughout the region. FSP/Soltrust collects aluminum cans from around the town of

Honiara, compresses them in a crushing machine designed by an FSP advisor in Tonga and used successfully in the appropriate technology program in Papua New Guinea. The bulk aluminum is then shipped to Australia and sold to a dealer. FSP expects the Honiara CANCE operation to earn a net profit of over SI \$20,000 per year. They plan to have five mini-crushers in provincial capitals as soon as these pieces of equipment arrive. CANCE is an appropriate activity in that it simultaneously provides a service to the community, a source of cash to city youths who collect cans and "sell" them to CANCE, and funds for other FSP/Soltrust programs. FSP/Soltrust currently employs four men at CANCE. They have plans eventually for these four to incorporate themselves as a wholly private firm operating under license to FSP/Soltrust/*U Mi Togetha*.

2. Personal Income-Generating Activities. These are FSP programs designed to increase the incomes of the participants. Under the Small Community and Commercial Program, FSP helped communities and individuals set up chicken and pig raising operations. FSP supplied the stock as a grant and required recipients to provide work and materials. The program was also dependent upon the government supplying chicks and feed. Information on the success rates of these operations is scarce, as it suffered from multiple problems. The government ministry itself fell into disorder and was unable to fulfil its commitments. This was especially troublesome because the imported chicks and feed often became stuck in customs. In the case of the baby chicks this was disastrous. In addition, this program suffered heavily from cyclone Namu. Even the best-built chicken coops and pig pens

were not constructed to withstand hurricanes. Additionally, flooding occurred in the lower lands where such coops and pens were often constructed.

Like CANCARE, this program was intended to produce income as well as improve the general well-being of villagers. The goal was to increase the eggs, poultry, and pork available for consumption by the families of the project holders themselves as well as by their neighbors who purchase the excess. A few project holders expanded into small businesses, but most seem to have struggled along, happy for the extra food and the bit of extra cash.

FSP/Solomons has made a major effort in support of the fishing sector. Under the USAID OPG, FSP worked in cooperation with the fisheries department, providing training and provincial centers for ice-making. Although this program accomplished most of its objectives, it also ran into problems regarding the accountability of government organizations. Consequently, it reoriented its fisheries programs toward the support of private groups of commercial fishermen.

FSP helps groups of fishermen by arranging for bank loans which permit them to buy larger, safer, and more profitable boats. Each deal is somewhat different, but generally the fishing group provides the down payment of 20% to 25%. On such loans, the government guarantees to cover 80% in case of default. FSP provides an amount equal to 20% of the loan as a guarantee to the bank. Current practice is for FSP to transform this sum into a grant to the fishing group, once the payments to the bank are complete. FSP

also works with the group regarding its record keeping and repayments.

When a fishing group puts up SI \$1,500 and FSP puts up SI \$1,500, this enables the group to borrow a total of SI \$6,000 and purchase a boat for SI \$7,500. The fishing group is able to pay back the loan and earn a modest profit, at the same time contributing to the protein in the local diet and reducing the dependency on imported canned fish.

FSP works in a similar fashion with groups of boat builders, helping them take out loans to buy materials for boat construction. The skills of boat building are present in the Solomon Islands, but disappearing. This program supports master boat-builders who take on younger men as apprentices.

Naturally these two activities lead FSP into the role of broker between boat building groups and fishing groups. This brokerage role increases the certainty that builders will find buyers, and buyers will be able to purchase a reliable boat for much less than the price of the imported boats generally available on the local market.

This micro enterprise support activity in the fisheries area is a small one so far. Three fishing boats have been built under the scheme, and three fishing groups have borrowed to buy larger boats. The program also is not without its problems. At the moment most of FSP's funds for this activity are tied up in one large boat whose buyer reneged at the last moment.

The program might well expand considerably. The fish are there; the market is there; the capital is there. The biggest problem is that the fishing groups and boat building groups have so little experience running enterprises and are so deeply in the traditional network of social obligations that it takes years of hand holding and time consuming technical assistance to bring each group to a level where it can largely operate on its own.

FSP has helped individuals and groups get started in other micro enterprises. FSP provided start-up funds for the Malaita Saw Mill, technical assistance (an expatriate manager, now replaced by a local person) to the Isobel Development Company, training and initial supplies to a wood furniture business and to a cane furniture company. Six of the graduates of FSP's training programs in the manufacture of charcoal stoves are more or less in business for themselves.

3. Support of Local Businesses. FSP has supported struggling local entrepreneurs by purchasing supplies and equipment from them for FSP programs. FSP's major success story here is the Aruligo Fibreglass Company. As part of its early fisheries project, FSP needed to buy a large quantity of ice boxes (*eskies*). FSP agreed to purchase them from a local man who had some knowledge of fibreglass work from his previous employment with a foreign company. That initial contract, plus FSP's tolerance for some learning errors in fibreglass construction gave a start to a new company which is now the largest locally-owned enterprise in the Solomon Islands. The fibreglass company manufactures boats,

eskies, furniture, almost anything. They employ as many as 60 workers and do an estimated SI \$1 million per year.

In **Tonga**, FSP is involved in strengthening micro enterprises and income generation through its fisheries project. The fisheries project is a large and complex undertaking involving the Tongan fisheries department, UNDP/FAO, Japanese Aid, and USAID. The role of FSP is to bridge the gap between the village level fishermen and the nationally sponsored program providing new fishing boats. FSP has trained 32 boat owners and 144 boat crews. With very few exceptions the boats have operated without maintenance problems, increasing their fish catches, and repaying their loans. FSP handled the training directly, but is also working to build up the training/extension office of the department of fisheries. Under a new arrangement, USAID's fisheries money goes directly to the Kingdom of Tonga, which is now contracting directly with FSP to continue its program of implementation.

Although the Tongan fisheries project focuses more directly on the overall fishing sector and on income generation than does the Solomons project, the actual work of FSP Tonga is not directly aimed at the financial aspects of fishing. In none of the FSP Tonga projects does one see the sort of direct emphasis on micro enterprise development that characterizes the Solomons activities.

There are two reasons why there is less emphasis on income generation in the Tongan program than in the Solomons. One reason is that under the USAID OPG, much of the emphasis was on supporting the government fisheries program and the already

established women's development program. These programs are going very well but demand much staff time. There has been little felt need or free time among FSP Tonga staff to beat the bushes for direct entrepreneurial development. Another factor is that small entrepreneurial activity is quite common in Tonga and does not need a helping hand necessary in the Solomons. In Tonga, there are many energetic small entrepreneurs in many fields. They do not need technical assistance and they do not need the PVO as a competitor.

8. Changing FSP Management Arrangements

FSP is moving toward a decentralized management system, with increased independence for its country programs, and increased authority for its regional office in Fiji. The relationships between the FSP home office in New York, the FSP regional office in Suva, and the FSP country programs in Tonga and the Solomon Islands, and the FSP field operations in Papua New Guinea, Fiji, Kiribati, and elsewhere are still in flux and much needs to be done to clarify future arrangements.

Country Programs. In both Tonga and the Solomon Islands we found the FSP management to have a good handle on its budgets and a professional understanding of the real costs of carrying out its programs. In both offices, new country directors are implementing appropriate, management tools and systems, including involving staff in strategic planning, keeping better records for the impact assessment of programs, and better systems for monitoring costs. They are moving toward a combination of a more open management style combined with tighter control of

scarce resources. Regarding some of these issues, the FSP country programs are ahead of the New York headquarters, but they will need home office support if they are to continue successfully in these endeavors.

One unique characteristic of FSP's approach to institutional development is that it works to create trusts in a country while at the same time carrying on the programs of the local FSP office. The advantages of such an approach are that it allows the development of a very specialized program such as SIDT to take place along side the more general programs of FSP. Also, this local level duplication provides positive funding considerations as we discussed in relation to the trusts. The FSP country program can receive direct OPG money from AID through the New York office (negotiated largely by the FSP regional office in Fiji). Trusts, such as SOLTRUST, can solicit funds from non-U.S. government sources in Europe, Australia, Canada, and elsewhere.

This parallel evolution of FSP country programs and FSP-inspired trusts, none the less, adds a local dimension to the uncertainty of organizational roles. In Tonga, the TCDT has been unable to establish its separate identity under the shadow of an active and dynamic FSP. In the Solomons, SIDT has certainly established its own identity, but in order to do so, it and FSP have both had to over-emphasize their separateness, sharpen their philosophical differences, and avoid obvious areas of cooperation.

Regional Office. The development of the FSP regional office in Suva is a positive and cost effective step. Both the previous

regional coordinator and the new regional coordinator of FSP have a fine grasp of both the South Pacific environment and the intricacies of AID funding and reporting systems. It is envisaged that this office will liaise with AID's regional office (SPRDO) in Fiji, and coordinate a range of FSP activities in Papua New Guinea, Kiribati, and elsewhere in the South Pacific. What is not clear to FSP staff in the field is what the relationship should be between the regional office and the established country programs in Tonga and the Solomon Islands, beyond the important task of negotiating programs and budgets with SPRDO. Currently it is not clear whether FSP/Tonga, for instance, should communicate with FSP headquarters directly or through the regional office.

Resource Development. There also needs to be some clarification of responsibility for submitting proposals to non US donors. In the past it was assumed that FSP/New York served to raise funds for the field programs, and indeed such a relationship worked well for a long time. The decentralization of the AID program and the opening of the SPRDO in Fiji, brought the FSP response of opening the regional office in Fiji in anticipation that SPRDO would continue to provide most of the funding for FSP programs. At present, the New York office is encouraging the country programs and trusts to submit their own proposals to various donors, while the New York office coordinates this by making suggestions as a result of its contacts in Europe. Again the division of responsibilities is evolving as a result of the present funding crisis and it is unwarranted to expect more clarity at this moment.

9. Conclusions and Recommendations for FUA/PUC

Regional Focus. FSP's strength is its commitment to the South Pacific, coupled with its dense personal and institutional networks throughout the region. It has accomplished as much, if not more, than organizations many times its size because: it has the local contacts, it listens to the right people, it understands what they are saying, it respects their opinions and aspirations, it has a sense of what is possible and improbable - all of the strengths and advantages that come with knowing the territory, and being known in the territory.

We were very impressed with both FSP and trust field personnel in all three countries we visited. FSP's ability to recognize and recruit appropriate and talented people is an important aspect of their knowing and being known in the region.

There is a danger to being a small organization limited to one region. It seems that the advantages of knowing the territory are just about cancelled out by the financial precariousness of being limited to the territory. In these times of funding cuts, there is a temptation to expand beyond the region of the South Pacific so as to diversify possibilities for support. However, outside of the region, it is difficult to see what comparative advantage FSP would have in carrying out development programs.

There are advantages to continuing to focus on the South Pacific region. Although American aid to the region is presently shrinking,

there remains a large amount of funding flowing into the South Pacific from Australia, New Zealand, Japan, and Europe. Local trusts as vehicles for attracting such moneys are an excellent approach to capitalizing on the regional expertise of FSP. There has been some notable success already.

Now that the extent of the cuts in AID support is clear, FSP and its offspring have a reasonable chance of continuing their good work with such non-American funding. It should be noted, however, that until now, FSP is largely viewed in the South Pacific as an American organization. As FSP and the trusts move to secure more funding from diverse sources, this perceived association will blur and lessen the American profile in the region.

Current Funding from USAID (SPRDO). FSP has been a useful and important part of the growing USAID program in the region over the last six years. USAID was new to the region and limited to just a few people, largely tied to their desks in Suva. FSP had the knowledge of the region, the contacts, and the personnel to run field programs.

It is a recognition of FSP's importance that despite the deep cuts USAID is facing in its program, SPRDO has worked hard to preserve the active presence of FSP, and is maintaining FSP's field offices in the Solomon Islands and in Tonga, and the regional office in Suva.

In addition to the OPG of approximately \$950,000 for the next two years, there is USAID money coming to FSP/Tonga through the Tongan government's participation in the AID funded fisheries

program, and there is a small PACT grant to FSP/Solomon Islands. This support from USAID provides a stopgap measure and a device to buy the necessary time to reassess the future.

Recommendation for AID Washington (FVA/PVC). We recommend strongly that FVA/PVC find a way to provide support to FSP so that this three year period, this opportunity, is best utilized. It would be counter productive to push FSP to expand beyond the region of its expertise for the sake of securing funds that may dilute its most important strength. We recommend that FVA/PVC consider supporting FSP headquarters so that it can provide the technical assistance that its country programs and trusts need in order to become largely autonomous. This technical assistance is needed in the following four areas.

- FSP/New York needs to provide technical assistance to its country programs to strengthen their abilities to design projects, write their own proposals, and secure grants directly from a variety of donors. In the past, the New York office has taken the lead in securing grants for its trusts and country programs. At present it is not clear who has the responsibility for submitting proposals. Nor does the FSP have the human resources to embark upon a coordinated effort of pursuing project grants from foundations and governments, as well as raising funds from private benefactors.
- An important part of this would be a major effort on the part of FSP country programs to document the impact of their programs. Although FSP/NY has been stressing data collection for this sort of documentation for several years, little has been done to provide the country programs with the technical assistance necessary to conceptualize and set up such systems and to work with the analysis of the material. One exception to this is the recent work on the part of PACT with the Solomon Islands Women's Program. All of its programs will be in a much better position to

attract support when they are able to demonstrate the differential impact of various activities.

- In order to carry out the above tasks and strengthen the country programs, FSP needs to arrange for technical assistance to its field programs in the area of improving financial, program, and personnel management. FSP provided computers to its regional and country offices, but it has not provided guidance in choosing appropriate software for data management, communication, and word processing. Nor has it provided many training opportunities for its expatriate or local personnel to improve their knowledge of and skills in utilizing such programs. Much of the necessary expertise exists among the FSP field personnel. It needs to be shared and consolidated. At present, those with the knowledge are too preoccupied with other responsibilities to devote much time to setting up larger systems and training staff.
- Related to this, FSP needs to be able to place its programs within the context of current demographic, economic, political, educational, and public health trends in the countries within which it works. If FSP's strength is its knowledge of the region and of each individual country in the South Pacific, then this knowledge needs to be concretely and visibly mobilized in support of its projects. We would not recommend a repeat or even an update of the ambitious study commissioned by FSP at its inception almost 25 years ago. But more modestly, its country programs could (with some additional human and financial resources) pull together a development-related profile of the country somewhat analogous to the CDSS normally produced by USAID missions, and then link programs and projects to this analysis. FSP has access to the information, and the knowledge to put this in an accurate perspective. But at the moment, the knowledge is dealt out in an anecdotal way.

USAID/SPRDO is able to provide the funds that will allow the FSP to survive during the next two years, but not enough support for them to carry out the self-strengthening activities necessary for

them to attract donors. Although a central bureau does not usually use its funds to support activities or organizations that are limited to one region, there are two factors which would support an exception being made in this case. First, there is the special role of PVOs in the AID program of the South Pacific, and secondly, there is the uniqueness of FSP as a PVO devoted to one region. This sort of specialization might serve as a model for PVOs in other regions.

FVA/PVC support at this time should build on the unique strengths of FSP as a regionally-focused organization. The Foundation for the Peoples of the South Pacific is a very important resource, both for the South Pacific and as a unique and established private endeavor to help in a poor and difficult region. FSP's depth of understanding of the Pacific cultures and history, its appreciation of the nature of its village-based production and Island economies need to continue to inform the proliferating development efforts in the region. It would be an ironic tragedy if just during the years that political interests and economic resources are increasing in the region, the most knowledgable and respected private organization should be forced to bow out of the arena.

Annex 1 - People Contacted

Fiji

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John Roughan, SIDT, Technical Adviser/Trainer

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Alan Kitchener, Provincial Development Unit, Gov. of Solomon Is.

James Wauke, Bokenibeti Fishing Group

John Falasi, Kwafe Boatbuilders Group

Father Augustine, Project Holder, Ruvavatu Poultry Project

Headman, New Koleula Village

Cancare employees

Aruligo Fiberglass Co.

Aldau Fishing Group Representatives

Charles Hird, HIAP, Country Director

Hal Pattison, U.S. State Department Consular Officer

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