

BIBLIOGRAPHIC DATA SHEET

1. CONTROL NUMBER
PN-AAJ-567

2. SUBJECT CLASSIFICATION (695)
AE30-0000-0000

NI

3. TITLE AND SUBTITLE (240)

Reaching the assetless poor: projects and strategies for their self-reliant development

4. PERSONAL AUTHORS (100)

Lassen, C. A.

5. CORPORATE AUTHORS (101)

Cornell Univ. Ctr. for Int. Studies. Rural Development Committee

6. DOCUMENT DATE (110)

1980

7. NUMBER OF PAGES (120)

72p.

8. ARC NUMBER (170)

301.35.1347

9. REFERENCE ORGANIZATION (130)

Cornell

10. SUPPLEMENTARY NOTES (500)

(Special Ser. on landlessness and near-landlessness, no. 6)

11. ABSTRACT (950)

12. DESCRIPTORS (920)

rural poverty -- self help
 and studies Community development
 project impact evaluation Participation
 low income Social change
 project design Development strategy

13. PROJECT NUMBER (140)

301.35.1704

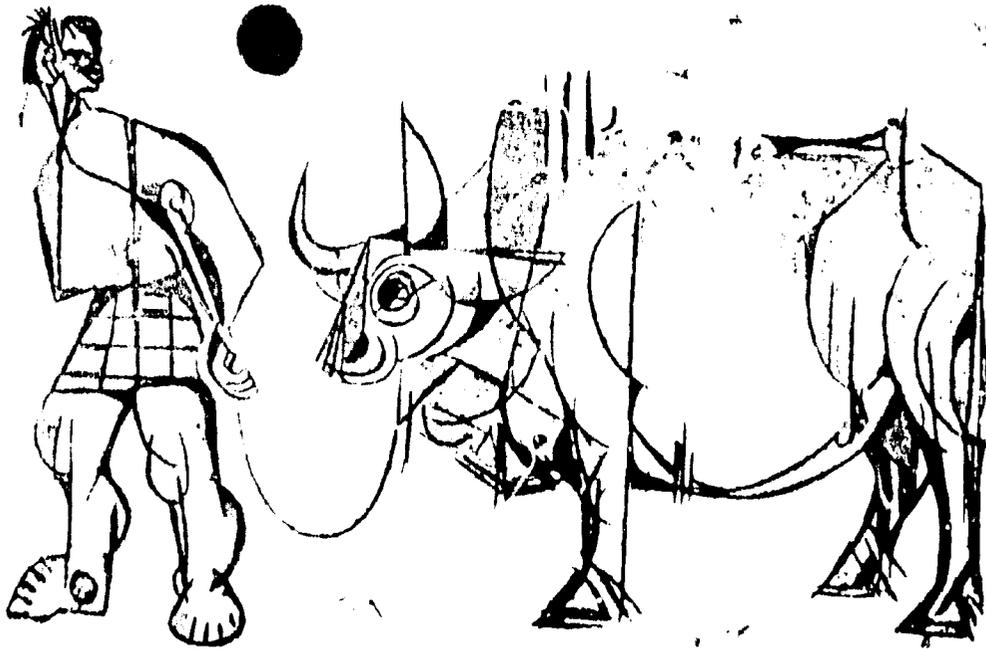
14. CONTRACT NO. (140)

ATD-Ca-DMA-8

15. CONTRACT TYPE (140)

16. TYPE OF DOCUMENT (160)

RURAL DEVELOPMENT COMMITTEE



Special Series on Landlessness and Near-Landlessness

REACHING THE ASSETLESS POOR: PROJECTS AND STRATEGIES FOR THEIR SELF-RELIANT DEVELOPMENT

Cheryl A. Lassen

SPECIAL SERIES ON RURAL LOCAL GOVERNMENT

- 1 THE ELUSIVENESS OF EQUITY: INSTITUTIONAL APPROACHES TO RURAL DEVELOPMENT IN BANGLADESH; Harry W. Blair (138 pp.) \$3.50
- 2 PEOPLE'S COMMUNES AND RURAL DEVELOPMENT IN CHINA; Benedict Stavis (184 pp.) \$4.50
- 3 LOCAL INSTITUTIONS AND EGYPTIAN RURAL DEVELOPMENT; J. B. Mayfield (152 pp.) \$3.50
- 4 PANCHAYATI RAJ AND RURAL DEVELOPMENT IN ANDHRA PRADESH, INDIA; G. Ram Reddy (98 pp.) \$3.50
- 5 THE DYNAMICS OF INSTITUTIONAL CHANGE AND RURAL DEVELOPMENT IN PUNJAB, INDIA; S. S. Johl and Mohinder S. Mudahar (171 pp.) \$4.50
- 7 RURAL LOCAL GOVERNMENT AND AGRICULTURAL DEVELOPMENT IN JAVA, INDONESIA; Gary G. Hansen (86 pp.) \$2.50
- 8 LOCAL INSTITUTIONS AND RURAL DEVELOPMENT IN JAPAN; Ronald Aqua (110 pp.) \$3.50
- 9 LOCAL INSTITUTIONS AND RURAL DEVELOPMENT IN MALAYSIA; Stephen Chee (112 pp.) \$3.50
- 10 BASIC RURAL DEMOCRACIES AND RURAL DEVELOPMENT IN PAKISTAN; Norman K. Nicholson and Dilwar Ali Khan (106 pp.) \$3.50
- 12 LOCAL GOVERNMENT AND RURAL DEVELOPMENT IN THE PHILIPPINES; Santiago S. Simpas, Ledvina Carino and Arturo Pacho (118 pp.) \$3.50
- 13 LOCAL INSTITUTIONS AND RURAL DEVELOPMENT IN SOUTH KOREA; Ronald Aqua (82 pp.) \$3.50
- 14 LOCAL GOVERNMENT AND RURAL DEVELOPMENT IN SRI LANKA; John S. Blackton (78 pp.) \$2.50
- 15 RURAL LOCAL GOVERNANCE AND AGRICULTURAL DEVELOPMENT IN TAIWAN; Benedict Stavis (132 pp.) \$4.50
- 16 LOCAL GOVERNANCE AND RURAL DEVELOPMENT IN THAILAND; Marcus Ingle (106 pp.) \$3.50
- 17 LOCAL GOVERNMENT AND AGRICULTURAL DEVELOPMENT IN TURKEY; Douglas E. Ashford (112 pp.) \$3.50
- 18 LOCAL GOVERNMENT AND RURAL DEVELOPMENT IN YUGOSLAVIA; Zdravko Mlinar (136 pp.) \$3.50
- 19 LOCAL ORGANIZATION FOR RURAL DEVELOPMENT: ANALYSIS OF ASIAN EXPERIENCE; Norman T. Uphoff and Milton J. Esman (117 pp.) \$4.50

SPECIAL SERIES ON RURAL LOCAL ORGANIZATION

- 1 PEASANTS, OFFICIALS AND PARTICIPATION IN RURAL TANZANIA: EXPERIENCE WITH VILLAGIZATION AND DECENTRALIZATION; Louise Fortmann (136 pp.) \$4.00
- 2 RURAL ORGANIZATIONS IN SOUTH INDIA: THE DYNAMICS OF LABORER AND TENANT UNIONS AND FARMER ASSOCIATIONS IN KERALA AND TAMIL NADU; K. C. Alexander (95 pp.) \$3.50
- 3 LOCAL ORGANIZATION AND INTEGRATED RURAL DEVELOPMENT IN JAMAICA; Arthur Goldsmith and Harvey Blustain (140 pp.) \$4.00
- 4 RURAL LOCAL INSTITUTIONS AND PEOPLE'S PARTICIPATION IN RURAL PUBLIC WORKS IN NEPAL; Prachanda P. Pradhan (103 pp.) \$3.50

BIBLIOGRAPHY SERIES

- 1 PARTICIPATION AT THE LOCAL LEVEL: A WORKING BIBLIOGRAPHY; John M. Cohen, Gladys A. Culagovski, Norman T. Uphoff, Diane L. Wolf (125 pp.) \$4.50
- 2 TILLERS OF THE SOIL AND KEEPERS OF THE HEARTH: A BIBLIOGRAPHIC GUIDE TO WOMEN AND DEVELOPMENT. Louise Fortmann (53 pp.) \$3.50

**REACHING THE ASSETLESS POOR:
PROJECTS AND STRATEGIES FOR THEIR
SELF-RELIANT DEVELOPMENT**

Cheryl A. Lassen

**Rural Development Committee
Center for International Studies
Cornell University**

Published by the Rural Development Committee, Center for International
Studies, 170 Uris Hall, Cornell University, Ithaca, New York 14853.
October, 1980. \$3.50

TABLE OF CONTENTS

| | | |
|------------------|---|-----------|
| Part I. | Strategies for Attacking Rural Poverty. | 1 |
| Part II. | Case Studies of Efforts to Assist Development among the Assetless Rural Poor. | 14 |
| | 1. The Bangladesh Rural Advancement Committee (BRAC) | 15 |
| | 2. Ayni Ruway, Cultural and Economic Development in Bolivia | 17 |
| | 3. The Social Work and Research Center, India | 19 |
| | 4. Self-Help Housing in Guatemala. | 21 |
| | 5. MARSILA: A Rural Pressure Group in the Philippines | 25 |
| | 6. The Salvadorean Communal Union, El Salvador | 27 |
| | 7. Haitian American Community Help Organization | 30 |
| | 8. The Mexican Rural Development Foundation. | 32 |
| | 9. Partnership for Productivity, Upper Volta-- A Small Enterprise Development Program | 35 |
| Part III. | Techniques to Support the Development of Self- Reliant Processes Among the Rural Poor. | 38 |
| | A. Non-formal Educational Techniques for Creating a Community Consensus | 38 |
| | B. Motivating a Commitment for Change. | 41 |
| | C. Building Organizational Structures for Group Action. | 44 |
| | D. Creating Employment and Generating Income | 46 |
| Part IV. | Evaluating the Developmental Impact of Anti- Poverty Projects. | 54 |
| | Evaluating Social Gains | 56 |
| | Evaluating Participation. | 58 |

Part V: The Role of International Aid Agencies in Promoting
the Self-Reliant Development of the Assetless Poor 62

Problems of Major Aid Agencies in Working with
Catalyst Agents for the Poor 62

Conclusion: Need for More Creative Coalitions
Between Public and Private Development Efforts 64

PART I

STRATEGIES FOR ATTACKING RURAL POVERTY

This study analyzes the ways in which economic development and social change can be promoted for the benefit and empowerment of low income rural people. These are persons who generally have only two resources to rely on--their labor and their capacity for collective action. They lack sufficient land, capital, education and skills to be assisted by most "normal" development efforts.

The assetless rural poor include landless laborers; marginal tenants and sharecroppers; subsistence cultivators struggling with insufficient land or not enough services to make it productive; and other kinds of people who cannot earn a basic minimum income such as petty traders, small artisans, domestic servants, fishermen, etc. Because a major asset these people lack is land, we shall refer to them here as the landless and near-landless (the LNL).

Specific criteria for measuring the numbers of landless and near-landless may be debated, but clearly some combination of limited access to assets, skills, employment and services should be considered to identify persons whose situation is so adverse that it warrants special attention. A recent survey of available data for 17 countries in Asia and Latin America indicates that in the majority of these countries, 65 percent or more of rural households were not earning basic minimum incomes. If anything, trends in the marginalization of rural people were found to be increasing.¹

Some recommendations for dealing with the problems of the LNL have centered on creating employment in rural areas and on making marginal

¹Country profiles are included in the regional analyses by David A. Rosenberg and Jean C. Rosenberg, Landless Peasants and Rural Poverty in Selected Asian Countries (Bangladesh, India, Java-Indonesia, the Philippines, and Sri Lanka), and by Cheryl A. Lassen, Landlessness and Rural Poverty in Latin America: Conditions, Trends and Policies Affecting Income and Employment (Bolivia, Brazil, Colombia, Costa Rica, El Salvador, Guatemala, Mexico and Peru). Data on these and other countries are treated in the summary analysis by Milton J. Esman, Landlessness and Near-Landlessness in Developing Countries. This and the other studies under the project are published by the Rural Development Committee, Cornell University.

transfers of income and assets to gradually overcome rural poverty. This is the "redistribution with growth" strategy advocated by Chenery and also Mellor.² Such economic strategies have correctly emphasized the need to raise the skills, production and income of the LNL, as this also increases their demand for goods and services which the LNL can produce and thus for their labor as a group. These are necessary conditions for reducing poverty, but they are not sufficient because measures to implement these economic strategies, such as raising commodity prices or introducing labor-intensive techniques, have not produced structural change, but have only reinforced initially skewed distributions of income. Nor have they provided organization and services to the poor needed to bring about social development.

An alternative to these economic strategies is the "basic needs" approach to development. The "basic needs" strategy gives high priority to meeting the needs of the poorest people, not primarily to raise productivity (although this is recognized as necessary) but as an end in itself. The controversy that has surrounded this strategy is whether "basic needs" should be defined (and thus fulfilled) in a narrow or a broad sense.

Defined narrowly, basic needs includes setting quantifiable targets for the delivery of food, shelter, clothing, health, education, potable water, etc. to the poorest of the poor.³ It would then be the job of national governments and international agencies to worry about financing and delivering these goods and services to meet the quotas (a "welfare" approach to alleviating rural poverty.)

Defined more broadly, basic needs would encompass both material and non-material needs, e.g., self-reliance; enhanced cultural identity; civil rights and liberties; a greater share in political power, etc. (a "self-actualizing" approach to rural development).⁴

²Hollis B. Chenery, et al., Redistribution with Growth, London: Oxford University Press, 1974; and John Mellor, The New Economics of Growth, Ithaca, New York: Cornell University Press, 1976.

³A. H. Khan, "Basic Needs Targets: An Illustrative Exercise in Identification and Quantification" in The Basic Needs Approach to Development, Geneva: International Labor Office, 1977, pp. 72-95.

⁴Paul Streeten and Shahid Javed Burki, "Basic Needs: Some Issues," World Development, Vol. 6, No. 3 (1978), p. 412.

The difference between these two approaches to fulfilling "basic needs" centers around the concept of participation and the roles to be played by local people, administrators, national decision-making elites and international aid agencies in the development process.

There is widespread consensus over the value of "increased participation." But what is needed is closer definition and analysis of this concept to see which forms of it serve which groups or classes. One can be talking about participation in the benefits of a service or project; participation in the decision-making on what that service or project should be; participation in implementation of programs; participation in evaluation of the performance of project administrators or quality of service; or participation in control over how the project or service is managed in the long run.⁵

Participation only in implementation and benefits is compatible with a welfare approach to extending social services. The question is whether these limited forms of participation can produce structural changes in the circumstances and capabilities of the LNL? Will top-down approaches which do not allow for effective LNL participation in decision-making, evaluation and project control preserve the existing distribution of power no matter what kinds of resources--jobs, services, technologies--are made available in greater supply? Without these forms of participation that create assets, skills and political power for people to decide their own future, can development really come about?

These are the questions we want to examine. More generally, how can project activities change social and political conditions and achieve economic improvements in favor of the most disadvantaged elements? Our premise is that serious developmental projects must go beyond incremental economic efforts to increase the delivery of goods and services to the poor. We want to analyze whether and how several projects created social and political change; and what effect if any these had on the level and quality of products and services accruing to program beneficiaries. From the analysis of specific projects we will extract implications which these experiences

⁵ John M. Cohen and Norman T. Uphoff, Rural Development Participation: Concepts and Measures for Project Design, Implementation and Evaluation, Ithaca, NY: Rural Development Committee, Cornell University, 1977.

offer for the design, implementation and evaluation of projects that attempt to promote the development of the assetless poor.

The goal of achieving structural change for the rural poor makes single-sector or single-program approaches to the LNL inadequate in most cases. To give a brief illustration of this, we find the staff of one public education program in Colombia traveling to plantations to instruct migrant workers in literacy, hygiene and better ways to perform their work.⁶ But what is accomplished by showing a migrant worker better ways to pick cotton if the factors that determine his wage and working conditions remain virtually unaffected by this program? In another situation, villagers in one community were shown how to raise a cash crop which they sold to a nearby mining camp. The added income, however, had little developmental impact on their lives because it was consumed in games of chance, fancier weddings and other celebrations. Broadly-defined rural development programs which include motivational, educational, organizational, cultural and technical components are more likely to effect structural change in favor of the LNL.

Expressing support for a broad approach to rural development is not enough, however. To be successful, a strategy for attacking rural poverty must be realistic in terms of costs and must have a way of resolving implementation problems that have prevented previous approaches from having an impact on the poor. The question of costs leads naturally to favoring an approach that elicits a large amount of voluntary local support, local initiative in problem solving, and local responsibility for maintaining assets and organization once they are created.

An approach which stresses popular participation in decision-making and control appears necessary for achieving structural change at a low enough cost per unit that such processes can spread to encompass large numbers of people. Only with such participation can a large portion of the resources necessary to carry out a widespread attack on rural poverty come in a non-coerced fashion from local people themselves. The role of public goods and services in such a strategy would be to break strategic

⁶Steven F. Brumberg, "Colombia: A Mobile Skill Training Program for Rural Areas," in Education for Rural Development, M. Ahmad and P. Coombs, eds, New York: Praeger, 1975.

bottlenecks so as to further self-actualizing processes, but not to set up a centralized system that makes people dependent on government resources to carry things out.

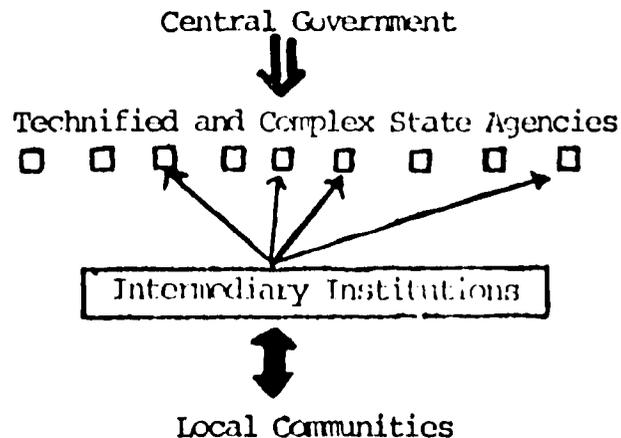
Some may object that this approach puts the burden of development on the poor, or that as a strategy it will contribute to uneven development because those who possess some resources will have more to contribute to their own improvement. We take these objections seriously, but a consideration of past experience suggests that projects that never gave serious consideration to self-reliant approaches were often characterized by problems with chronic dependency and under-development at the community level. In all but the most deprived cases, the poor have some resources; and there are major advantages of emphasizing self-reliance, apart from the direct economic savings, when trying to initiate sustained and effective development for the poor. Developmental assistance efforts may have to be more compensatory toward poorer communities or groups. We are convinced that both government and private sector development agencies have a critical role to play in attacking rural poverty. But the context and philosophy of such efforts should be those of promoting self-reliant development.

Reaching the Rural Poor

Before going on to suggest a strategy of project implementation, we need to understand better why it has been difficult for programs to have a developmental impact on the LNL so far. Central governments operate at several disadvantages when they try to move public goods and services down to the local level to benefit the weakest sectors of the community. The first of these disadvantages is that their system of administration does not reach effectively much below the district level. When it does, this is usually done in a limited fashion such as the introduction of a new seed variety, a new road, a visit by a public health worker, etc. This has two weaknesses in terms of LNL development. One is that public inputs are frequently made without much knowledge of or concern for the local resource base. In the interests of speed and uniformity in operations, little thought is given to how to tailor programs to local conditions. A second weakness is that technical departments of government ministries generally control the delivery of public goods and services, which means that socio-cultural knowl-

edge is peripheral to calculations about what will be provided to whom. Thus there is too often a purely technical approach to the problems of the poor.

When it does not reach directly to the local level, the central government frequently works through intermediary agencies such as banks that distribute agricultural credit or associations that provide services to farmers. The idea is that local people will make use of these intermediary agencies to obtain the specific, technical goods and services of the government. The linkages from top to bottom are as follows:

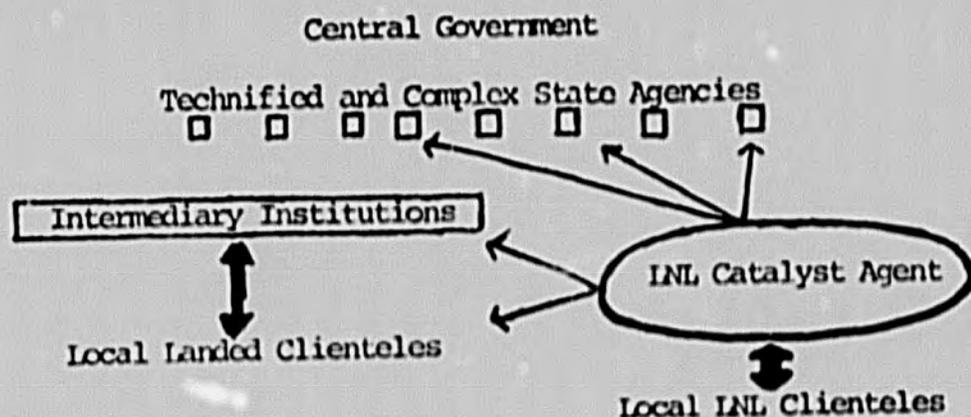


A major difficulty of this approach is its assumption that all local people have equal opportunity and resources to use intermediary institutions, either directly or through organized groups. On the contrary, what we all too often find are local elites possessing assets or political power (often both) who gain preferential access to these intermediary institutions and thus consume the lion's share of public goods and services allotted to the rural sector.⁷

When public administration does not reach down to the local level in ways that can support structural improvements for the rural poor, or

⁷ For an excellent analysis of how this approach has served for thirty years to funnel State-supported agricultural technology and other public goods to Mexican commercial farmers while excluding minifundistas and poor rural workers, see Cynthia Hewitt de Alcantara, *Modernizing Mexican Agriculture: Socio-Economic Implications of Technological Change, 1940-1970*, Geneva: United National Research Institute on Social Development, 1976.

when intermediary institutions respond mostly to advantaged individuals or groups, one needs to consider: 1) how to form the LNL into clientele groups that can effectively seek public goods and services; and 2) how to utilize catalyst agents who can help organize the LNL and act as THEIR intermediary until such a time as the LNL clienteles are able to compete with advantaged local individuals and groups, or else are accepted by local elites. This alternative approach would add the following element:



This view coincides with that of others who have examined problems in designing a strategy for assisting the LNL. Streeten and Burki argue that the biggest challenges in delivering services to the poor are not conceptual, but operational; and that the most significant issue for any strategy to attack rural poverty is the political framework in which it is implemented.⁸ They too point out that an important question is how to prevent goods and services from being "hijacked" by higher income classes; and how to generate, articulate, and sustain LNL demand.

The Role of the Catalyst Agent

The role of the catalyst agent is to bring public agencies into greater awareness of the requirements of the LNL clientele and to aid the rural poor in acquiring public goods and services, as well as enhancing their self-help capabilities. The general characteristics of catalyst agents are as follows:

⁸ Streeten and Burki, op. cit.

1. Catalyst agents have and convey a philosophy of planned change which goes beyond single sector programs and economic activities alone. Among other things, this philosophy involves a commitment to increase productivity; to improve organization; to generate employment; to promote greater equality; to improve agriculture, health, etc. In other words, the catalyst agent has a conception of structural change for the LNL in its economic, social and political dimensions.

2. Catalyst agents create linkages between the LNL and opportunities in the private sector economy or with public agencies. The catalyst agent not only facilitates a more productive exchange of information, understanding, and goods and services, but tries to improve the public and private institutions that deal with the poor.

3. Catalyst agents integrate services coming down to the LNL at the local level. People, organizations, services and natural resources exist and interact in a given space. The catalyst agent understands this and realizes how to coordinate these in the most productive ways to benefit the LNL.

4. Catalyst agents provide research and design assistance to improve vehicles for structural change. The catalyst agents take the lead in experimental projects that 1) serve to gain local participation and support, and 2) discover ways to expand the process of social and economic change.

5. Catalyst agents recruit and train local people. Local leaders are the real engines for development, whatever course it takes. They may or may not be inclined to support the integration of a number of services, and they may or may not have an understanding of the developmental possibilities and opportunities of the entire situation. The catalyst agent identifies persons who have LNL confidence, encourages them to see larger issues, and assists them in working out strategies of local improvement.

Two major questions arise: WHO are catalyst agents--what are some concrete examples of them: and HOW--in operational terms--do catalyst agents work with LNL clientele? The WHO question can be answered in a preliminary fashion by saying that catalyst agents exist in a large variety of roles. Some are from government agencies; some are private groups that earn their own money or raise funds publicly; some are supported by international aid; and some are agencies that receive funds from all these sources.

9

These and other aspects are discussed in Norman Reynolds, "Reflections on the Hyderabad Workshop," and Kishore Saint and J.S. Mathur, "The Role of the Catalyst Institution," in Rural Development at the Grassroots--the Catalyst Role, New Delhi: Ford Foundation, 1974.

Catalyst agents could be large, implementing agencies; they could be smaller agencies with special technical skills; or they could be individuals who help organize local people. Some catalyst agents are indigenous organizations in developing countries, whereas others are international and can be involved in programs in 20 different countries at any one time. At times catalyst agents may work through cultural or other institutions that already exist at the local level such as a church, cooperative or municipal council. The emphasis of other types of catalyst agents may be to build new community-level organizations. In Part II of this monograph, we present several examples of catalyst agents at work in local contexts to illustrate the variety they display. Before analyzing the cases, however, let us briefly discuss several of the ways in which LNL clientele groups can be formed at the local level.

Appropriate Social Technology

Some may look at participation in group action simply as a matter of individual choice: if the right incentives are provided, a person participates; and if disincentives exist he does not. From this point of view, participation is mostly a matter of correctly manipulating incentives. Indeed, this is the perspective many policy makers have about distributing public goods and services. However, this perspective presumes that all people have similar mobility and institutional access--something which is not true in the case of the LNL. For them, participation is not a matter of a few positive incentives. To be promoted, organizational techniques need to be adopted which are appropriate to the institutional circumstances and needs of the target group. These are what we refer to as "appropriate social technology."

Allen Jedlicka suggests the following guidelines for the successful dissemination of technology--observations which are useful to keep in mind when examining how catalyst agents relate to LNL groups.

1. The users' world is the only sensible place from which to begin considering the adoption of an innovation.
2. This process includes a diagnostic phase where users' needs are translated into a statement of what their problems really are. The technology to be transferred must address these problems.

3. Self-initiation by the user creates the best motivated climate for any kind of lasting adoption of change.¹⁰

In designing social technologies for the self-actualization of the rural poor, these guidelines are practiced by the consciousness-raising methodologies of Ivan Illich and Paulo Freire, educators whose techniques have been concerned with building up the self-dignity and decision-making capacities of poor people in environments that feature large income inequalities or are socially and culturally repressive. These pedagogies stress reflective thinking as the crux of the educational program. Men and women are encouraged to view themselves as active, creative subjects with the capacity to examine critically, interact productively with, and transform their natural and social environments. Freire in particular emphasizes the notion of consciousness-raising through a deliberate self-questioning process that can produce alternative courses of social action. The search for solutions should be initiated from within a group so that their capacity to make decisions and reach a consensus for collective action is enhanced.

It is important to distinguish between approaches which build on group consciousness and those which have only the trappings of participation. Often people mistakenly believe that because a program has a strong extension component (many sites), it is participatory. Decentralization does not result in local participation unless there is sharing in planning, decision-making and control. With some traditional approaches, the implementing institution and the project become the main centers of importance, and the institution adopts a paternalistic role. The program per se becomes the focal point, rather than the development of the people for which the program was ostensibly organized to serve. The Puebla Project in Mexico illustrates this displacement. As the program was implemented at the outset the definition of project success became not so much direct improvement in the situation of subsistence farmers in the area as it was to get high adoption rates of HYV corn among households with very small plots, demonstrating that HYV technology was "neutral" to land scale. The needs and possibilities of these minifundista farmers were not examined. HYV varieties were introduced without sufficient concern for the intercropping of other

¹⁰ Allen Jedlicka, Organization for Rural Development: Risk-Taking and Appropriate Technology, New York: Praeger, 1977, p. 18.

food staples like beans or squash. Also, the new varieties required not just capital inputs, but much more labor as well. Many households could not adopt this technology because its labor demands conflicted with their need to earn income off the farm.¹¹

In contrast, a catalytic approach emphasizes the community, its people and their involvement as the focal point and basis for change. The approach is not to make decisions within the implementing agency and then use money or coercion to make local people acquiesce to what has been decided for them. The emphasis is on innovative, non-formal educational techniques that allow people to define problems, examine them, and decide a basis for problem resolution.¹² These methods give people the appropriate technical information they need to make decisions and see possible alternatives for change. At the same time, however, the methods reinforce the fact that the learners are the decision makers.

Among programs that stress self-direction and group action, there seem to be two types. One is more oriented to self-help and mutual aid, striving for a harmonious increase in assets and skills. The other type is more oriented toward confrontation with local elites, government agencies and other holders of power. The confrontation approach does not seek violence; but it does make people more aware of differentials and abuses in power, and it explores direct ways of changing domination patterns. The objective of the confrontation approach is to create greater group solidarity and capacity to act

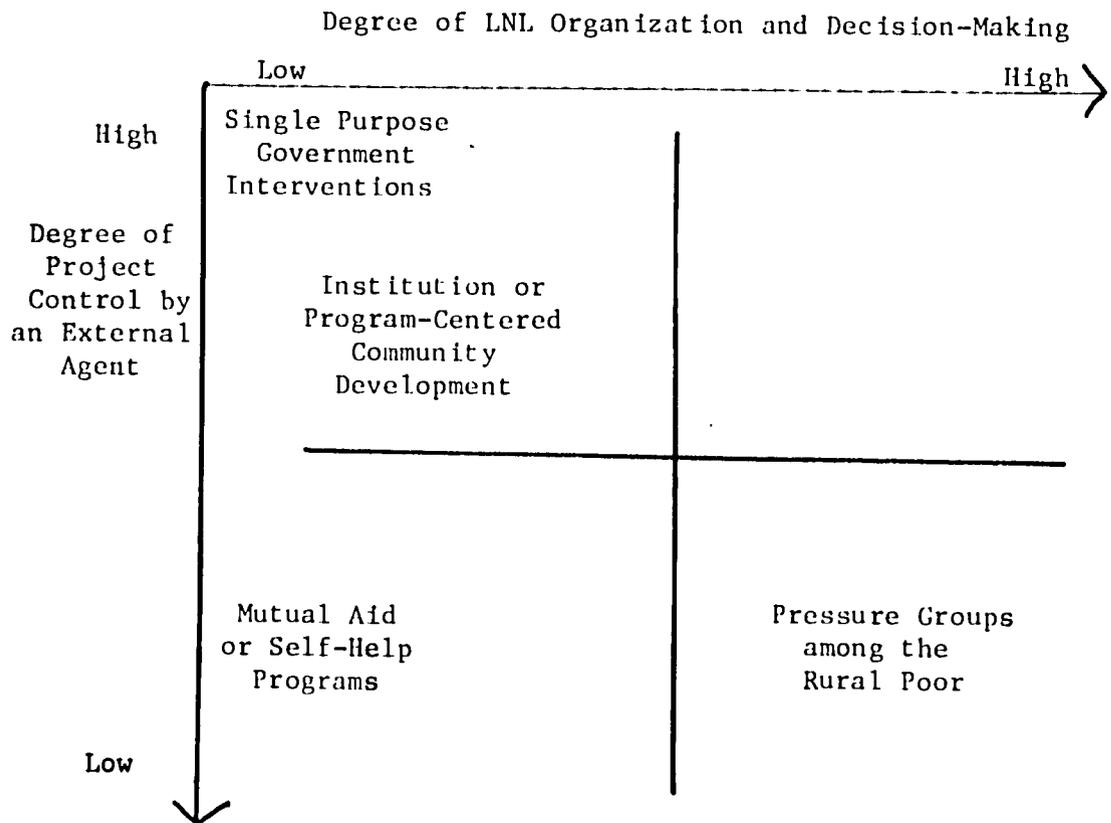
¹¹ Andrew Pearse, Social Implications of Large-Scale Introduction of New Varieties of Foodgrains, Geneva: United Nations Research Institute on Social Development, 1976, Chapter 10.

¹² As against structured classroom situations, Phillip Coombs defines non-formal education as any organized educational activity outside the school system that serves learning clientele and objectives. The scope of non-formal education is much wider than extension or literacy. It calls for linkages between education and employment, agriculture, small enterprises, local ecology, and the social structure of the community. Although governments are keenly interested in non-formal education, it frequently lies beyond the scope of any single ministry and in many cases, beyond the capacity of the central governmental system itself. Phillip Coombs, Attacking Rural Poverty, Baltimore: Johns Hopkins UP, 1974.

as an effective pressure group.¹³ Such a strategy tends to downplay activities that emphasize individual opportunities and strives for development along more egalitarian lines.

The self-help and confrontation approaches are not necessarily opposite forms of community organizing. The former may be the antecedent of the latter in the first stages of group action or when people lack a clearly focused opponent or issue of contention. The latter may, on the other hand, give people impetus for group efforts which, once authorities become more accommodating can be cooperative in nature.

To provide a framework for identifying different kinds of agents and programs that have an impact on LNL groups, the following types may be useful:



¹³

Mary R. Hollnsteiner, et al., Development from the Bottom Up: Mobilizing the Rural Poor for Self-Development, Country Report on the Philippines for FAO World Conference on Agrarian Reform and Rural Development, Manila: Institute of Philippine Culture, April, 1978, p. 22.

These are only ideal types. A project may evolve from one type to another, or may have traits of several types. We hesitate to categorize and would not do so without the belief that some type of classification is necessary to make sense out of the variety of projects which claim to be "attacking rural poverty." In the next section the cases will illustrate these types and what their impact is on socio-economic development for the poor.

PART II

CASE STUDIES OF EFFORTS TO ASSIST DEVELOPMENT AMONG THE ASSETLESS RURAL POOR

This section presents a brief outline of the following set of projects:

- (1) The Bangladesh Rural Advancement Committee (BRAC) for integrated rural development;
- (2) The Ayni Puway Project for the economic and cultural development of Quechua Indians in Bolivia;
- (3) The Social Work and Research Center for the development of low income people in semi-arid Rajasthan, India;
- (4) Self-Help Housing for low-income earthquake victims in Guatemala;
- (5) The MARSILA community organization, a pressure group functioning under martial law in the Philippines;
- (6) The Salvadorean Communal Union, a national interest group to obtain land and defend the rights of the LNL in El Salvador;
- (7) The Haitian-American Community Help Organization (HACHO), a traditional organizing approach to rural development;
- (8) The Mexican Rural Development Foundation, an approach to mobilizing private sector resources; and
- (9) Partnership for Productivity, a small enterprise development service in Upper Volta.

Only a small amount of information is summarized for each example. Each consists of an account of program activities; the nature of the catalyst agent; project accomplishments; and the problems encountered. More details will be introduced about these examples in later sections of the monograph that deal with design and implementation aspects of projects for assetless people.

1. The Bangladesh Rural Advancement Committee

BRAC began in 1972 in several thanas (sub-districts) of the Sylhet district in order to improve the economic situations of rural families, especially the poorest, provide health care, build local organizations, and expand educational opportunities. At the time of its inception, the war for liberation had left hundreds of thousands of families broken, people wounded, and thousands of homes and community buildings demolished. Floods followed, food was scarce and famine threatened. The first phase of BRAC's work was devoted to relief, mostly in helping villagers build shelters and homes. Eventually BRAC entered a second phase of integrated rural development, which it was implemented in the Sula thana.

BRAC field workers living in base camps near the villages planted demonstration gardens using modern seeds and techniques. Thirty one paramedics were trained to diagnose and treat the twelve most common diseases in the area and started making regular visits to some 220 villages. Through food-for-work programs, embankments, dikes and irrigation canals were constructed to stem the recurrent flooding.

The major problem BRAC faced was how to integrate various types of services for the most effective and participatory impact. Initially it simply started up programs (agriculture, education, health, etc.) without any relationship among them. Since there was not enough staff to go around, initial projects tended to provide only one or two of the services BRAC offered, and without adequate integration.

BRAC decided that the best way to achieve integration was to strengthen the educational component of its program and make it more relevant to other program activities. An effort was made to redesign learning programs and materials. Literacy classes became only one part of education for the villagers. Health and nutrition, agricultural practices, family planning and sanitation were also approached, considered, and discussed in light of the field workers' technical expertise and the villagers' practical knowledge of what kinds of reforms or innovations were needed and feasible.

BRAC also resolved that in its second phase it would stress the building of community organization. It did so primarily by pressuring for the construction of community center buildings (gonokendros) in each of the unions where

¹⁴This program, along with several other relatively successful rural development programs in Asia, is discussed in David Korten, "Community Organization and Rural Development: A Learning Process Approach," Public Administration Review, Vol. 5, September-October 1980 (Special Supplement).

it operated. In one sense the gonokendros symbolized a certain physical decentralization of the project into rural towns. On the other hand, when BRAC conducted an evaluation of the economic impact of its programs in the Sulla thana (Sulla being the area that had had the highest level of BRAC services over the first four years), it was discovered that the local people who had the greatest involvement in decision-making and who benefited the most from BRAC services were the larger landowners (see below). The physical construction of community center buildings really did not mean much in terms of participation for the LNL.

Contribution to BRAC Project Activities by
Land Ownership of Head of Household¹⁵

Frequency of Mention of Contribution

| Land Ownership | Participation in Planning & Management | Voluntary Service | Paid Services | Donation of Cash or in Kind |
|--------------------|--|----------------------|------------------|-----------------------------------|
| No Land | 1 | 13 | 1 | - |
| Less than 1 Acre | - | 2 | 1 | - |
| 1+ Acre to 3 Acres | 5 | 15 | 2 | - |
| 3+ Acres and Above | 16 | 21 | - | 3 |

In Phase III after 1977, BRAC decided to reorient its activities to reach the poorest of the poor more effectively. It recognized the need for cadre and began to recruit and train youth groups to undertake projects in their villages. It also began to train local paraprofessionals, especially women, in health care. Its educational program also underwent a metamorphosis from literacy courses to functional education for non-literates, to consciousness-raising about common problems and possibilities for collective action to resolve them. The educational program is being closely integrated with economic activities which stress joint savings and cooperative economic ventures among the LNL. To put into practice the lessons it learned in Sulla, BRAC started from scratch in the Manikanj thana to implement its more focused, self-directed approach for assetless people.

¹⁵ Manzur Ahmad, BRAC: Building Human Infrastructures to Serve the Rural Poor, Essex, Conn.: International Council for Educational Development, 1977. Case Study 2.

Future challenges in both Sulla and Manikanj include how BRAC will deal with property owners as it focuses benefits and decision-making participation more exclusively on the lowest income strata; and what kind of working relationship BRAC will develop with government agencies operating in the area.

2. Ayni Ruway -- Cultural and Economic Development in Bolivia

The Ayni Ruway example is unusual, not only for the number of productive activities that have been set up and expanded in three years' time, but for the quality of decentralized local decision-making that is exercised over project activities. The motivating force behind this project is the struggle certain Indian people have been waging to preserve their indigenous values, language and culture as these come into contact with a central system that is Spanish-speaking, capitalist and has always regarded Quechua Indian people as racial inferiors. The purpose of this movement, then, is to raise peoples' self-esteem through appropriate forms of social communication; to organize Quechua communities to satisfy their needs and values; and to develop ways for their non-monetary communal institutions to deal with the larger capitalist system.¹⁶

The project began in 1974 with two communities in the Cochabamba region of Bolivia. Living in the center of a densely populated area plagued by caciquismo (exploitative economic and political middlemen) the members of these villages managed to get along through a series of strategies for political, cultural, and economic survival. But it was for them, and for the majority of indigenous communities in Bolivia today it still is, a losing battle. Increasing fragmentation of landholding produced increasing dissolution of communal forms of labor and mutual aid. Increasing dominance by profit-oriented caciques such as truck drivers, local politicians, etc., further eroded their survival strategies. In response to rural problems, many of the villages' young people were migrating to urban areas and becoming acculturated with urban values. They looked on village customs and values as being primitive and backward. This too exacerbated tensions.

¹⁶ See Kevin Healy, "Innovative Approaches to Development Participation in Rural Bolivia," Rural Development Participation Review, 1:3, Spring, 1980, pp. 15-18.

The communities that began Ayni Ruway had been the focus of numerous government programs of development which tried to implant non-Quechuan economic and social institutions. All these efforts ended in failure. The man who became the leader of Ayni Ruway was a psychologist who had done years of research and design on problems with acculturation, and who had also worked on the previous projects in the area that had failed. His experience led to the design of an economic and social development project based on the strengthening--not the abandonment--of indigenous institutions.

Communities in this area have a vertical ecology, each producing a limited range of goods appropriate to the altitude of its land-holdings. A pirwa (communal cooperative) was set up and stocked with goods member communities produced. Excess goods were sold at conventional market outlets and the cash was used to buy manufactured goods and other items not available through communal production. From two communities servicing 600 people in mid-1974, the number of cooperatives grew to 58 servicing 14,000 people by 1977. The system expanded geographically from the Cochabamba Valley to communities in the Eastern Lowlands, the Northern Altiplano, and also the urban cities such as Cochabamba and La Paz. This barter system allows the communities to specialize. One place produces ceramics; another place, basic grains; another place, citrus fruits; another place, traditional dried foods such as chuno and charqui. Urban areas began small scale production of manufactured goods like noodles, candles and soap.^{16a}

The pirwa system allowed the weavers of the Cochabamba area to obtain raw alpaca wool from the Altiplano communities further north, which they transformed into sweaters, ponchos, etc. Profits from the marketing of these products within Bolivia and internationally are divided four ways. One share goes to the artisan producers. Another is invested in product research and design and in setting up more weaving industries. A third share goes to support the extension and social communication programs of Ayni Ruway. A fourth share is used for communal public works.

^{16a} Ivo Kraljevic, "Memorandum of Standard Information on Ayni Ruway" Rosslyn, VA.: Inter-American Foundation, File BO-026, January, 1978.

In addition to the production/consumption cooperatives, 22 community centers (Ayni Wasis) have been established. These centers are the heart of this social movement. In addition to disseminating new information and maintaining the organizational infrastructure, the Ayni Wasis are centers of theatre, puppet shows, radio programs and journalism which build peoples' cultural self-esteem and help them identify kinds of collective action they wish to undertake. The Ayni Wasis are non-formal education centers and local decision-making councils combined into one, since these two processes take place simultaneously. The leaders of the Ayni Wasis are the cadre of the movement.

Although it began in Quechua-speaking communities, Ayni Ruway has incorporated Aymara communities as well. The purpose of this regional movement is not to strengthen a separatist cultural group, but to find appropriate ways of stimulating development among people who do not have individualist, profit-oriented values and institutions.

3. The Social Work and Research Center, India

The SWRC was begun in 1972 by a group of urban university graduates in the very poor, semi-arid state of Rajasthan. Starting with expertise in three areas--water, medicine and education--its purpose was to implement economic and social development activities for the lowest income people of the Silora Block of the Aymer district, Rajasthan (about 80,000 people living in 110 villages). The somewhat unusual characteristic of the SWRC is that it had no fixed plan of action, no time schedule, or rigid bureaucratic hierarchy. Its goal was to promote a "bottom-up" development process where local people would control their activities and use the SWRC as a resource center for problem solving.¹⁷

The biggest initial difficulty for the SWRC was the fragmentation of villages into separate caste groups arranged in a rough but clear pecking order of prestige and power. This made for a lack of strong, cohesive, village-wide institutions and of planning and decision making processes that could serve as structures for local development.

¹⁷Pratima Kale and Phillip H. Coombs, Social Work and Research Center: An Integrated Team Approach to Development in India, Essex, Conn. International Council for Educational Development, Case Study 3, 1978.

At the end of three years of SWRC's loose management model, both the water research and development program and the dispensary services of the SWRC had achieved substantial successes in serving large numbers of people. The SWRC had also shown its versatility by working with all levels of public agencies ranging from the block to the national level, and with domestic and international private voluntary agencies as well. But little progress had been made in forming active partnerships with local people and in developing self-help programs with them. People still came to the SWRC campus for extension, craft training or other services. It was a way of gaining the confidence of the villagers, but it was not the same thing as having 100 active community-based action groups bringing the SWRC out into the countryside and making it respond to their problems.

To accomplish the latter, the SWRC began after 1975 to move its medical programs out into the villages; to make a more focused effort to reach the poorest strata; and to change its educational programs to meet the training and leadership needs associated with this reorientation. It changed the focus of its health program from curative to preventive medicine and cooperated with a number of communities in establishing village-level health workers. The SWRC provided the training and medicines that the local paramedics were allowed to administer, but the villagers themselves paid the salary of their VW (he had to present their contribution every week before receiving medical supplies for the next week). Local midwives also received medical training.

A challenge for the SWRC has been how to relate their water development program to the LNL. A government program exists for giving semi-arid land to the harijans (the lowest caste); and the SWRC has helped them reclaim the land, find water and improve their agricultural technologies. The SWRC staff believe, however, that water and agricultural development really must be tied to animal husbandry and to the development of processing and handicraft industries for these to have some impact on the unemployment problem in this area. The SWRC has helped improve leather tanning technology to produce a product which

is finished enough so that the womens' craft cooperatives can use it. As market outlets and product designs have developed, the SWRC obtained a loan from the Bank of India and set up a revolving credit fund so that artisans could establish cottage industries in their homes.

Community health programs have not yet evolved into community action programs that cut across caste lines. Also, the linkages between water and other program activities are only beginning to grow. But they have created productive employment opportunities in the area, plus economic grouping among the lower castes which have potential to grow in the future.

4. Self-Help Housing in Guatemala

The earthquake which struck in February, 1976 directly affected 65 percent of Guatemala's population and left over 250,000 families homeless. Relief efforts of the government and other public and private agencies mounted in the wake of this disaster created some unique opportunities for the acquisition of assets and the formation of community organizations among the LNL. These assistance efforts also raised the possibility of actually damaging indigenous development initiatives.

When asked what was the greatest problem he encountered in providing assistance to countries struck by natural disasters, Nathan Grey, the assistant director of Oxfam-America, replied:

We have observed that almost immediately after a natural disaster comes a disaster of another sort, and that is the disaster of benevolence. By that I mean assistance that involves a tremendous amount of outside funds, material resources and experts which are channeled without adequate understanding of what the affected population is already doing on its own behalf, what they really need, and what they are prepared to do in the future. We have been concerned that long term self-help programs run the risk of being undermined by this form of benevolent disaster aid. ¹⁸

18

"Foreign Assistance, the Right Way...and the Wrong," Washington Watch, Vol. 6, No. 6, (March, 1978).

The attitude of some of the agencies working in Guatemala after the earthquake was characterized as the "material law of relief." The overriding criterion that determined the "effectiveness" of external assistance intervention was not its applicability to the LNL, but rather how much material aid could be delivered, how fast. For example, when asked what their most pressing need was, peasant farmers left homeless by the quake responded that the greatest urgency was not to build new homes, but to harvest the crops standing in the fields and get the lands plowed and planted before the next rains came. However, one agency, CARE, which handled the bulk of \$3 million in USAID funds during this disaster, decided by itself that what was needed was a massive, rapid program to build homes and distribute food. Guatemalan agriculture, unharmed by the quake, happened to produce a bumper crop of grains that year. The distribution of P.L. 480 surplus food on a massive scale had the effect of depressing the domestic market for basic grains and imposing further hardship on small and marginal farmers.

CARE's concern was to standardize rapidly all plans for housing and build 26,000 units in the first six months after the disaster. Blueprints called for CARE to sink houseposts of the dwellings, the roof and the framework. What was the participation of the LNL in all of this? Once CARE moved on, local people would fill in the walls. The plan was typical of a traditional, welfare-oriented approach: CARE imposed the framework and the people were to fill in around its dictated lines. In an actual instance of this, a CARE field-worker brought a bulldozer to one highland community to clear away the rubble. The townspeople objected because the rubble included materials they wanted to salvage. The CARE man considered the objections and dismissed them, calling in the local military so that no one would interfere further. He was persuaded to withdraw only when told that the rubble might contain unlocated bodies.¹⁹

19

"Guatemala After the Terremoto," The Atlantic Monthly, Vol. 238, No. 1 (July, 1976), pp. 18-21.

Another example where relief assistance failed to have a developmental impact because it ignored the felt needs of the local people occurred in the department of El Progreso. There the Government of Guatemala through the National Housing Bank (BANVI) attempted to finance and implement a self-help construction program for families whose dwellings had been damaged or destroyed by the quake (approximately 80 percent of the homes in the district). The plan was for local citizens to form into work crews and, aided by a government advisor, construct houses made of terracrete blocks (a mixture of cement and dirt). In the first 10 months after the quake, the program managed to enlist only 19 people, and by April, 1977 it was abandoned.²⁰ When questioned about their refusal to participate, people noted that government advisors arrived with plans made in Guatemala City that did not reflect local tastes. Not only were the houses architecturally different than what was normally built in the area, but local citizens were suspicious of the use of terracrete. During the earthquake, adobe structures caused the most casualties, either by crushing people or suffocating them from the dust of disintegrating bricks. People wanted houses made of cement blocks that would be quake resistant in the future. But they knew that cement block houses cost money, and El Progreso was an area with high amounts of poverty and seasonal unemployment. The local people did not want terracrete or housing loans they could not pay back. They wanted the government to help them obtain more water and to improve the agriculture so there would be a better economic base which would enable them to afford the kind of housing they wanted. This is an instance of what we mentioned previously about single-focus government programs that come down inflexibly into local areas without taking into account what people want, what they really need, and what opportunities exist in the local resource base.

One disaster relief effort that was sensitive to felt needs and local decision-making was the work of Oxfam and World Neighbors in the San Martin Jilotepeque area. These agencies had been working in

.....
20

Nell Sipe, ed., An Interdisciplinary Approach to Earthquake Redevelopment: the Case of El Progreso, Guatemala, Gainesville: Florida UP, 1977

this region for five years to improve agriculture, health, and local organization. A cooperative had been started among the small and marginal farmers which received its first big block of credit from the national agrarian bank only a few months before the quake. Now everything was jeopardized by this natural disaster. It was the concern of relief agencies not to fill the area with material aid, but to insure that developmental processes which these people already had going would not be extinguished.

For this reason, Oxfam and World Neighbors did not undertake a massive construction project. They brought in a specialist in the design of low-cost structures which could withstand natural disaster. The people wanted to know how they could build houses using inexpensive local materials that would not collapse in future quakes. One house was built in each community to demonstrate how to position crossbeams, how to make stronger bricks, etc. From there the agreement was that every person who was shown how to build this improved house would, in turn, teach another the new techniques. External assistance that was given went mostly to the cooperative so that it could purchase basic grains from the small farmers at prices above the deflated national market.²¹

A final, more contentious approach was practiced among landless squatters in and around Guatemala City. Immediately after the quake, the President announced that all open green spaces owned by the government were available to people for temporary resettlement. The landless squatted not only on these, but on large private tracts held by land speculators. Astute squatters' colonies linked up with the more development-oriented relief agencies and were provided with brick-making machinery. This machinery gave people access to the kind of building materials they wanted without taking out loans they might never be able to repay. Half of the output of bricks was sold to pay operating expenses and half of the bricks went to build permanent structures on the land the squatters were occupying. Houses were not

21

John L. Peters, Cry Dignity, Oklahoma City: World Neighbors, 1978; and "Guatemala After the Terremoto", op. cit.

placed haphazardly. The squatters planned a defensible community and expanded around it. They knew they would face legal battles over rights to the land; but the squatters had already established a permanent community and had the brick factory to constant' expand it.

These Guatemala examples are interesting in that they point out that local people are not without preferences and needs that are separate from what happened to them in a natural disaster. Precipitous or inflexible responses on the part of paternalistic aid agencies ignore the most critical need of disaster victims: For there to be catalyst to combine local mobilization with (predominantly) local resources to replace what has been lost.

5. MARSILA: A Rural Pressure Group in the Philippines

This is a history of subsistence cultivators who squatted in the 1950's on frontier lands designated as a federal forest reserve on the island of Mindanao.²² The reserve covered 6,600 ha. and had numerous squatter communities within it. As the surrounding municipality became more populated and commercial farming interests entered the area looking to obtain land, local elites increased efforts to displace the settlers. In 1969, corrupt forest rangers extorted chickens, rice and other products from the settlers, telling them they would be evicted if they did not pay the price. In 1972 the mayor of the nearby municipality threatened to demolish the settlers' houses because the reserve area was supposedly going to be reforested. In 1974, boundary markers suddenly appeared all over the reserve. The settlers were called together by the mayor and informed that they had six months to vacate the area because the lands were needed for a Boy Scout jamboree and a watershed for the municipal center.

At this point, people of three of the barrios of the reserve appealed to a local priest for help, who in turn put them in touch with community organizers with experience in preparing low-income people to contend with power structures. (The Philippines was under strict

22

Frances Vega, "Kagawasan: A Place Won Back". In Development from the Bottom Up--Mobilizing the Rural Poor for Self-Development, op. cit. pp. 123-155.

law at this time.) The three barrios together contained about 400 families and occupied approximately 1,200 ha. of the reserve.

Within a few days of being told they had to leave, 30 MSL farmers traveled to the provincial capital to inquire about the status of the lands with federal officials. There the peasants learned that the lands were classified as a federal reserve area, and that talk about Boy Scouts and watersheds was simply a ploy by the local elites to evict them. With this information, 300 people from the barrios marched on the municipal hall to confront the mayor and inform him that he had no authority over the reserve lands.

From this first experience, the people decided to stay together and pressure the system to obtain legal rights to the land. It took them several months of barrio meetings before finally selecting a steering committee which began filing petitions with federal government agencies to obtain titles. (Fifteen months elapsed before these barrios constituted themselves a formal organization.) When the government came to survey the land, the barrio organization acted effectively once again to settle land disputes before they were elevated to the court system where the disputes would only cause more problems, outside interference and delay. Settling the boundary disputes was a significant social development experience for the barrios. It proved to the people that they could make honest and fair judgments and carry them out themselves. The fame of the MARSILA experience spread, and soon they were showing other barrios in the reserve area how to petition for titles.

The MARSILA mobilization went beyond land. A local policeman had a habit of taking things from barrio stores without paying for them. In a political environment in which almost every poor person feared a police figure, the MARSILA group set a precedent by filing a protest with the district commissioner about the officer's behavior. When a bus killed a local teacher through an act of reckless driving and the bus company refused to be responsible, the MARSILA barrios picketed the bus station until a suitable indemnification agreement was reached with the family of the deceased.

The women of the MARSILA barrios became active in issues concerning nutrition and community health. For example, when refused services by a government clinic, the women persuaded a Catholic hospital in the region to send a health team. For several weeks in advance of the visit, the women worked recording medical histories. Later, when the medical team could not visit all of the barrios that wanted to participate, the women arranged transportation and meeting points so that those who needed to see a doctor could do so. The women's organization arranged for two of its members to go away and receive paramedical training. Later these two participated in setting up a local weekly clinic and in bringing government health care service to the barrios as well. The women's group has since gone on to tackle more complex problems such as a clean water system for the area.

In four years of applying pressure, MARSILA has still not obtained legal titles to the reserve lands. During this time, however, two new sugar plantations have been started in the area; and it appears likely that without the high level of awareness and organization of the barrio people, their land would have been taken away from them. At least for now, even if the bureaucratic process is slow, the MARSILA people are determined not to be evicted from the land they consider rightfully theirs.

6. The Salvadorean Communal Union, El Salvador

El Salvador has the most serious agrarian problems of all the countries in Central America. There is no land left as a buffer between large farms and the subsistence sector. Consequently the plantation sector and the LNL have come into frequent and jostling contact with one another. Because of this situation, the Union Communal de Salvador (UCS) has been mediating agent between the LNL and the power structure. Basically it has organized the landless to rent or purchase land collectively, while at the same time it has acted as a pressure group in the national political arena to improve the legal terms on which this could be done. The UCS not only collaborated with the government in rewriting tenancy laws, but it has also brought many test cases

into the courts to strengthen the enforcement of those laws. More than a political pressure group, however, the UCS has been a private land reform agency as well. It has provided beneficiaries with production credit, a machinery pool, extension service, and organization that has a lot of grassroots enthusiasm and support. Because of its commitment to find non-violent ways of changing the agrarian structure, the UCS has received much financial support from international agencies, and the respect of the national government, and even local authorities. In terms of its political relationships, the UCS has been successful in the first ten years of its existence.²³

The UCS has two interesting characteristics. On the one hand, it is the only peasant league in all of Central America that has been genuinely accepted by the existing power structure as having the legitimate right to be a national spokesman for campesino (peasant) interests. On the other hand, the UCS faces threats to its existence which are more serious than any other large peasant organization in the region because of its internal mismanagement and financial bankruptcy.

Two factors brought on the UCS's current financial crisis. One was the willingness of international aid agencies to give the UCS millions of dollars without making it accountable for how the money was spent. The other factor was the presence of a charismatic leader, who became the caudillo (boss) of the UCS and monopolized all significant authority decisions. Perhaps this leader would have come into conflict with other UCS leaders sooner had he been spending the peasants' hard earned cash. But the money from external donors which he himself had done the negotiating for was easy money. The international agencies were partners in the creation of this bossism situation by paying grant monies to the leader personally and not to the national executive committee of the UCS.²⁴

23

Lorna Orr, The Salvadorean Communal Union: Campesino Organization for Social Change, Managua: Instituto Centroamericano de Administracion de Empresas (INCAE), Sept. 1976.

24

John Strasma, "La Union Communal Salvadorenna", unpublished evaluation, Madison, Wisconsin: 1977.

The difficulties of the UCS are the kind to be expected among non-violent agrarian reform movements in Latin America. Because of their philosophy and cause, they have a facility for attracting money from politically motivated donors who seek to support non-violent, incremental change. But money, when it comes too easily and in too great a quantity, only substitutes for creating solvent organizations that have democratic decision-making procedures and disciplined financial activities. This example is disturbing for its implication of how the internal vitality of peasant organizations can be subverted. From most points of view, such organizations play a useful role in the policy making process. What was valued and rewarded by this arrangement of foreign assistance, however, was not the development of a responsible leadership and a participatory organization. Rather, what was valued was an entrepreneurial middleman who made it easy to deal with the whole organization.

Apart from questions of appropriate behavior for external funding agencies, a second dilemma which the UCS case illustrates is over-dependence on a single leader. In this case, a lack of participation in decision-making and project control left the other UCS leaders unable to check the autocratic tendencies of their chief. He himself appears to have been a sincere leader who wanted to help the organization. The mistake came in his believing that only he had the skills and leadership ability to resolve problems, rather than resorting to institutionalized procedures for decision-making.

Because most of the UCS's debts are to external donors and the National Agrarian Bank, it appears that this bankruptcy will not cause the UCS to disappear. But one cannot say that the organization has not been hurt by its current problems. Its ability to serve the LNL depends on its financial credibility for renting land at advantageous prices, which has suffered a reduction. The top leader no longer has any control over the finances of the organization, but he still has considerable influence via his control of the UCS's Multiple Service Cooperative (the equipment pool). So the task of building a disciplined, internally democratic organization and ridding the UCS of careless management attitudes and practices will not be an easy one for the new leadership.

7. Haitian American Community Help Organization

Functioning in four isolated rural departments in northeast Haiti, HACHO is an example of paternalistic, aid-financed doles. Its brightest hours came when it executed a famine relief program in this drought stricken area to save people from starving; but it is far removed from building the "community help organizations" that its name alludes to. At a significant cost, it established an administrative structure in an underdeveloped region that did not have such an agency before. However this bureaucracy delivers services only marginally to the LNL; and it does not motivate them to get involved in taking developmental processes into their own hands or provide any real organizational structure for them to do so.

In 1966 funds were given by AID to CARE to develop self-sustaining community action programs in Haiti. HACHO's mandate broadened with time to include: 1) provision of preventive and curative medicine; 2) nutritional assistance and feeding; 3) road construction; 4) agricultural development; and 5) a variety of community development activities such as potable water, schools, latrines, and formation of community action groups, instruction in arts and crafts, etc.

As for the results this program has achieved, a 1976 evaluation revealed HACHO's medical facilities are underused. Staff physicians see an average of 14 patients a day, which compares quite unfavorably with service in government and private rural clinics of similar size in the area. Under the AID/CARE contract, drugs have to be ordered from the United States. Due to shipping delays, a drug's expiration date is frequently exceeded by the time it reaches an HACHO unit. Medical and dental equipment are also frequently not suited to actual working conditions. Too many places lack gas-driven refrigerators for vaccines that could be very useful to the local population, while expensive equipment such as multi-speed electric dental drills lay idle because the generators to power them have not been installed.²⁵

25

Carol V. Pfrommer, ed., Evaluation of the Haitian-American Community Help Organization, Phase II, Agency for International Development-Haiti, October, 1976.

HACHO's outpatient facilities are underused as well because mobile clinic visits are erratic. Vehicles break down or gasoline supplies are exhausted. People do not come because the service is so unreliable. In-patient hospital services are under used in part because of the lack of effective public outreach and education programs.

What medical personnel in the area could usefully accomplish-- a survey of critical health needs to determine priorities and eliminate disease through effective public health programs--is not done. The nutrition centers that exist feed children foreign foods that are not produced in the area. There is no preventive medical care at these centers, so healthy children may become infected by unhealthy ones while they are there. Since mothers are not fed (and, hence, do not learn anything from these centers about how to prepare more nutritionally adequate food) the only women who take time out from their workday to bring children to these centers are mothers who have no other access to food.

HACHO has constructed some valuable physical infrastructure in the region such as roads, potable water systems, schools and public latrines. On occasion, local people have given considerable amounts of their labor to build these things. But once the initial construction is completed, no funds are allocated to maintain the infrastructure, nor is there any public education to encourage people to use it properly. So, for example, public latrines are abandoned after a short period of use because they are so unsanitary that no one wants to use them.

HACHO is working with 129 community councils in the region. Surveys suggest that about one-third of these are able to some extent to mobilize resources, tackle problems arising in local HACHO projects, and do some things without HACHO assistance. In terms of initiating projects, however, the councils are primarily passive recipients of what HACHO funds permit them to do.

HACHO'S central offices are not even in the region itself, but on the other side of the country in the capital city of Port au Prince.

This not only creates administrative delays, but it does not put the people who make decisions into the actual context where they are carried out. HACHO funds some specific projects recommended by its field promoters, but it does not give grants directly to local councils to increase their implementation experience. Unfortunately, this mode of operation is not unique to HACHO, but is frequently associated with foreign-assisted programs.

8. The Mexican Rural Development Foundation

The Fundacion Mexicana para el Desarrollo Rural (FMDR) is a private organization established in 1969 by businessmen and professionals. Its objectives are to provide credit through guarantees of private bank loans, technical assistance, and managerial and promotional services to peasant organizations throughout Mexico. Affiliated with the FMDR are 29 autonomous service centers operating in 16 states. In 10 years the FMDR has assisted more than 600 peasant organizations (15,000 families) by among other things, facilitating their access to more than US\$8 million of credit that otherwise they would have never received through normal banking channels. The FMDR provides the service centers with a trained staff, technical and managerial assistance, and educational and evaluation services. This is the core of the FMDR's guide lines for project designs:

- All projects should be carried out with groups.
- All projects should include immediate plans of action that yield concrete results in a short period of time.
- The same program models should be worked with repeatedly, and non-replicable experiences are to be avoided.
- Actions should be concentrated in one geographic area, and on a few activities.

What the FMDR and its centers try to promote among base level groups is not simply increased access to credit and services, but also increased solidarity and management skills so that peasants gain the social and economic means to control their own development. The way this is done is for the centers to cooperate with local groups in the design and implementation of small, relatively uncomplicated projects and then

to proceed toward projects which are more organizationally and managerially complex. The first level of projects are usually those to obtain credit to buy seeds and fertilizer. Projects and approaches become more diversified as groups progress to the second and third stages of planning and implementation capability.

One gets a better idea of how this system works by examining actual cases. One of them is SEDEMEX which works with indigenous groups in the northern part of the state of Mexico, a semi-arid region of alpine agriculture. The average landholding in this area is two hectares, and a small farmer earns a yearly average of \$315 from agriculture. The economic situation of landless peasants in this area is even worse, and their numbers have been increasing.

In addition to the endemic rural poverty of the region, the indigenous group living there, the Mazahuas, have faced special problems of social disintegration. Most males are bi-lingual and have crossed over into the "cultura campesina Mexicana"--they have to since they migrate six months out of each year for employment elsewhere. The women are left behind. Few of them speak Spanish and fewer still are literate. Yet there has been a high desire on the part of women to participate in economic advancement, and in particular to learn skills that raise family incomes.

SEDEMEX began work in this region in 1972 with 13 groups in four communities. The groups usually consisted of 15-20 small farm families; the first projects were characteristically to get credit for improved seeds and fertilizer. The peasant groups grew quickly in number and also began planning more complex micro-regional projects. As early as 1975 they were already beginning to consider projects to build a warehouse for the joint purchase of fertilizer, to set up a machine central and repair shop, and to promote small-scale rural industries. Their planning and organizing efforts continued for a year and a half while SEDEMEX sought funding for the proposed programs. By early 1977 there were approximately 70 base-level organizations. By this time SEDEMEX had financed four small rural industries to make sweaters and children's clothing. It also built a warehouse and began to promote seriously income-generating activities. More than 29 small industries had been

developed by late 1978 that gave employment to both sexes. Among the items being produced are clothing; clay jars and pots; piñatas; sponges and nylon carpets.

The growth of SEDEMEX has been rapid in the 1977-1979 period as participating peasant beneficiaries became promoters to organize other groups. Today there are more than 130 local peasant groups; 60 of them have become independent of SEDEMEX (i.e., of FMDR's financial responsibility) and have formed their own self-managed regional service center. This autonomy has been made possible not only by the increase in organization and management skills of the base groups, but by increased channels of access to public goods and services. In 1978, a government rural development program PIDER, decided to channel one million pesos through SEDEMEX for roads, fences and animal water holes. In addition, PIDER will invest 1.5 million pesos in small scale livestock enterprises in the area (pig-raising) with SEDEMEX providing technical assistance.²⁶

The linkage between PIDER and SEDEMEX is characteristic of the FMDR's goal of promoting more productive working relationships between local level peasant groups and government agencies at both the state and national levels. Among other public institutions, the FMDR has worked with PIDER and the national ministries of agrarian reform, public works, agriculture and hydraulic resources. In this particular case, linkages had to be created from the bottom up and the top down, between peasants who were suspicious of government programs and public agencies that had no local access.

The joining of these diverse parties--poor peasants, a foundation of businessmen, commercial banks and large public agencies--is a major contribution that the FMDR makes to the larger rural development process in Mexico.

²⁶*PIDER, Proyecto Integrado de Desarrollo Rural. PIDER is the largest public sector rural development program taking place in Latin America today. It is financed by the Government of Mexico and the World Bank, with a much smaller contribution also made by local sources. For more information on the approach of PIDER which complements FMDR's, see, Measuring Project Impact: Monitoring and Evaluation in the PIDER Development Project--Mexico, World Bank Staff Working Paper No. 332, June, 1979, reviewed in Rural Development Participation Review, 1:2, Winter, 1980, pp. 14-17.

9. Partnership for Productivity, Upper Volta --
A Small Enterprise Development Program

Partnership for Productivity is a small private voluntary organization whose goal is to help increase productivity among the LNL. Productivity-- in this activity in distinction to production--implies the creation of social as well as economic value. This is a challenge which PFP takes seriously with its small enterprise development program in Upper Volta.

There is no land shortage in the eastern region of Upper Volta (Eastern ORD) where PFP works, but the area is economically poor, isolated, and has a low level of commercial development. To develop income-generating opportunities, tiny "enterprises" are strengthened or created in a number of complimentary areas of the local economy--agriculture, rural processing, retail trade, transport, well digging and water hauling, artisan production. The main components of the PFP small enterprise development program have included investment capital for business start-up, management training, and technical assistance. In consultation with local citizens, PFP identifies enterprises that are needed in the area and can show reasonable potential to become economically viable. The businesses are then started or strengthened with a small loan. Credit applications for loans provide an opportunity for PFP to assist the client in planning his financial future. The credit component also makes clients, many of whom are illiterate or speak only local dialects, serious students about learning management techniques that will enable them to gain an accurate understanding of what is happening with their enterprise in regard to prices, costs, profits and capital withdrawn from the business.

The credit and management training are complimented by a small appropriate technology program. This consists of a village demonstration farm for vegetable growing, fruit tree crops, a fish pond and bee hives. Around Fada N'Gourma, local people have been assisted in draining, leveling and fencing swampy lowlands in order to cultivate year round with rice and vegetable production. To obtain water during the dry season, the project has made grants to communities to dig wells, construct a small dam, and build other self help water projects. Other technology activities include testing a variety of small motors for machines that grind, hull, press or refine local agricultural products.

The project thus far has shown visible success in building up local employment and income generating activities.²⁷ One reason for this is that many of the enterprises complement one another and spawn opportunities for new economic activities. For example, a regional transport service has been organized to move passengers and goods among area markets. A number of village stores have been started which share information on wholesale supply, pricing and consumer needs. Where needed, other kinds of retail establishments have been started such as a pharmacy, a bookstore to purchase materials for local schools; and a photography shop where people can have pictures made for government documents and other credentials. Area artisans such as tinsmiths, blacksmiths, and well diggers have been shown better techniques. As a result the demand for their services has risen as well.

Many enterprise development or rural training programs fail to have an impact because they concentrate too narrowly on one particular activity, one size of entrepreneur or one type of business. This project was designed to respond to whatever opportunities existed in the area. It purposely attempted to encompass a wide variety of activities, including subsistence agriculture and to develop a view of how to develop better linkages among all the activities of the area economy.

Another healthy sign of the project is that more than 90 percent of those who have received a loan are repaying it on schedule. This makes prospects for a successful revolving loan fund quite good. Reasons for the high repayment rate are the close follow-up and business management assistance by PFP to the loanee; a cultural setting in which there is peer pressure to be honorable about one's debts; and the recognition by local beneficiaries that they should not abuse the fund because it represents probably their only source of investment capital.

27

Galen Hull, "An Evaluation of Partnership for Productivity, Upper Volta" Jan. 1980, available through PFP/USA, 2441 18th Street NW, Washington, D.C. Also see PFP/Upper Volta Project Reports for the second half of 1978 and the first half of 1979.

There has been a desire on the part of PFP workers to build up further local organizations that can carry on the work of the project and extend it to more beneficiaries. These organizational aspects were muted in the first phase of the project because government authorities constrained PFP to the role of working only with individuals. In the two years since it started, PFP has proven that it can do good work which complements rather than threatens government development programs in the area. As a result, some of the previous restrictions on it have eased and PFP has been asked to consider extending its program to other regions of the country.

TECHNIQUES TO SUPPORT THE DEVELOPMENT OF
SELF-RELIANT PROCESSES AMONG THE RURAL POOR

In discussing why redistributive policies to date have failed to alleviate poverty in developing countries, Streeten and Burki note:

The link between government expenditures for social services and the accrual of benefits to the poor has been tenuous, and procedures to strengthen it have either not been explored in sufficient detail, or when identified, have not been implemented. The scope for alternative technologies for delivering public services remains to be explored, experimented with, and implemented.²⁸

In this section we will consider what is involved in "linkages" for delivering benefits to the assetless poor, i.e., the social technologies used by catalyst agents to motivate, inform and organize the LNL. Alternative social technologies for working with disadvantaged social sectors are not well understood, especially the ways in which their components mesh with and complement one another.

The most successful catalyst agents in the previous cases were carrying out four types of activities in a complementary manner. First, through some form of nonformal adult education, they were making people aware of common problems and teaching them tools for problem solving and group action. Second, they were changing peoples' attitudes about the way they saw themselves and their relationship to their natural and social environment. Third, they were building organizations for group action, and linkages between local people and outside institutions. Finally they were setting in motion economic processes to create new assets and skills. This section compares techniques used by catalyst agents in these various examples to accomplish the four changes just mentioned.

A. Non-formal Educational Techniques for Creating a Community Consensus

An important factor in fostering LNL group action is a cooperative relationship between the catalyst agent and local people that features

mutual respect for the information, experience and resources that each possesses. Establishing a positive relationship is a challenge, when people are at subsistence levels, but not at a point where their actual survival is threatened. Recall the case of the Social Work Research Center in India where patterns of caste and class created obstacles to cooperation among the weakest social sectors or between them and the catalyst agent. Or, there is the case of El Progreso, Guatemala where earthquake victims rejected participation in a construction program financed by the National Housing Bank. The cases here suggest that it is not necessarily the poorest people who have the highest levels of group action, but the people who perceived there was some aspect of their survival being threatened and took action to remedy it. In the MARSILA project of the Philippines, the insecure tenants perceived that outsiders were going to try to evict them. In the Ayni Ruway project of Bolivia, local people believed that their culture was being repressed, their sons and daughters were being alienated from them, and that they were losing the forms of economic and social exchange they prized so highly. Does this observation mean that catalyst agents coming down to local levels can expect cooperation from the LNL only when they are faced with some kind of crisis that threatens their survival? Not at all. It does imply, however, that in many instances the LNL lack a perception of how group action can work in their benefit and it is likely to require time and experimentation to build this up.

To promote local awareness and cohesion, agents like BRAC or the IFLE program in Ethiopia used non-formal educational techniques that included convening people to identify their most important problems, and then discussing ideas to resolve them.²⁹ For example, in one case people said their biggest problem was the lack of income earning opportunities. When questioned about what they might do to reverse this,

29

BRAC has gained widespread recognition for its methods of education among non-literate rural adults. It has a cycle of 80 lessons which raise consciousness of the villagers about their own problems, help them to analyze them and to find their own solutions. Texts are written in Bengali and simple audio-visual materials are used. Information about this can be obtained from the technical assistance agency that helped BRAC design its materials: World Education, 1414 Sixth Ave., New York, NY 10019.

participants identified specific activities such as pig-raising which were within their range of skills and resources. Further NFE lessons discussed the diseases of pigs and the health hazards and economic damage that unenclosed pigs cause. Once people were aware of issues involved in raising pigs, a local extension agent was made available to answer their questions. Later, ways of financing people to obtain pigs, to control diseases, etc. were discussed.³⁰

The SWRC in India originally thought it could reach people through education courses also. Rather than use NFE techniques specifically designed for group action (which the SWRC staff was unaware of at the time), formal education programs in literacy training were begun. After several weeks the dropout rate from literacy classes was high; and no community action resulted from the educational component of the SWRC program. At that point the catalyst agency had to take a longer winding road toward reaching local people and decentralizing the programs into the villages. It did so through offering medical services and skill training courses in handicrafts and rural processing industries. Once people were participating in these services, they became more active collectively in articulating their needs and in seeking more appropriate ways in which they and the SWRC could respond to these. This whole process was aided by the evolution of SWRC's educational program away from literacy classes and towards functional forms of training and problem-solving more appropriate to peoples' economic, health, etc. needs. The non-formal education only allows local people to recognize possibilities for group action, but it also educates the catalyst agent about felt needs and the resources local people can contribute to a development effort, as well as the terms on which they are willing to contribute them. If the non-formal education process is to enable participants to choose their own learning, it must promote certain processes not generally apparent in traditional educational approaches. According to Clark, at

30

Catherine Crone, "Research on Innovative Non-Formal Education for Women, Phase I," New York: World Education, 1977.

least three characteristics must be present:

1. The set-up [must] encourage participants to express themselves in relation to the selected problem, to share their views or interject their opinions or solutions;
2. The materials [must be] structured in such a way as to encourage an inquiry style of learning where participants examine, probe, reflect, interpret, hypothesize, check out and discover knowledge for themselves; and
3. At least some of the learning materials [must be] based on experiences, insights, information or opinions contributed by the participants themselves, including their own creative work, whether practical, graphic, or expressive in any form.³¹

The NFE process must be dynamic both for the learner and the educator. Each must share knowledge, skills and resources through sequences of dialogue and action. The hierarchy of needs that determines the nature of activities to be undertaken must be the learner's.

B. Motivating a Commitment for Change

Another important emphasis of self-reliant strategies, one which distinguishes them from programs that concentrate on pure welfare provision or economic growth, is a concern with the total human being--not just his material needs, but his psychological and cultural needs as well. This focus is a particularly important one for working with target groups that are heavily dominated by other racial, caste or ethnic groups in the society. In some situations race may not be an important factor in establishing social hierarchy. But in other cases such as among Indian and mestizo cultures in the Latin American region, people subjected to severe political and cultural domination need affirmation of their dignity and self-worth as an encouragement for change. As one representative of a catalyst

31

Noreen Clark, Education for Development and Rural Women, New York: World Education, 1979.

agency working with the Aymara Indians in the Bolivian Altiplano stated it:

Our hypothesis is that cultural alienation is the basic conditioning factor of underdevelopment. Alienation manifests itself in many faces: shame and self-depreciation, admiration for everything foreign; inferiority complex; belief that progress consists of forms of life of imperialist countries; fatalism; retreat into passivity; spirit of begging, etc. It is seeing oneself through the depreciating eyes of others....That is what we hope to change.³²

At times self esteem can be built up by channeling economic opportunities directly to selected target groups. In other instances, it may be unproductive to create distinctions within a community, techniques other than economic resources are needed. For example, a goal of the Ayni Ruway was to encourage people to esteem the Quechua language and customs. Textbooks were written to give instruction in the Quechua language (the first of their kind among the people). Local folklore and music were recorded. Local values such as a disdain for individual profit-making and economic inequalities were incorporated into the design of decision-making structures and processes of economic development of the group.

A distinguishing aspect of Ayni Ruway was its strong regional network for social communication. The catalyst agent had an ideology about reversing cultural alienation; and so it designed theatre, radio programs, newspapers, murals and prints, and exchanges among different ecological zones and cultural areas of the project. It taxed one-quarter of the profits earned by the rural industries of the project to support this communications network, so that the affirmation of common values would become an intense, on-going process.

A noteworthy feature of Ayni Ruway was the low cost of its social communications technology. Radio was an inexpensive way to maintain

32

Kathy Desmond, Three Examples of Self-Reliant Community Action in Latin America, 1976. This is available through the Overseas Development Council, Washington, D.C. For examples of cultural development projects, see: "Cultural Expression and Social Change," Annual Report of the Inter-American Foundation, 1977, Rosslyn, VA., pp. 29-30.

communities in frequent contact with one another when they were not connected by road systems. Each community center had a radio. People gathered at prearranged times to hear news of other member towns, information about new agricultural technologies, etc. Theatre, painting, cultural exchanges, and folk music recorded on inexpensive cassettes were other low cost, enjoyable ways to build social solidarity.

The factor most responsible for Ayni Ruway's success was the astonishing skill with which it adopted social technologies to local customs and tastes. It should be recalled that the way Ayni Ruway accomplished this was by starting with a small pilot project--two communities--in order to discover appropriate ways for doing this. Once the two communities organized a cooperative based on barter to their satisfaction, then their representative started going to other communities to expand it. Thus the project sites multiplied on the basis of successful adaptation to the social environment.³³

³³ Ayni Ruway's success should be a lesson to chasten overly ambitious agencies who seek to multiply project sites before they have found successful usually simple social technologies to achieve the impact they desire within the task environment. Many examples have been written up where projects did not follow this practice of learning from a small, well adapted pilot project. One is the Chilalo project in Ethiopia that sought as one of its major goals to create more benefits for tenants and nearly landless farmers. The introduction of improved agricultural technologies with little regard for social stratification soon led to a marked worsening in the conditions of the weakest socio-economic sectors. See John Cohen, "The Effects of Green Revolution Strategies on Tenants and Small Scale Land Owners in the Chilalo Region of Ethiopia," Journal of Developing Areas, (April, 1975) pp. 335-358.

Investigating nine programs to organize small farmers in Ecuador and Honduras, Judith Tendler also found a strong positive relationship between the simplicity of the initial undertaking and its success. See Judith Tendler, Inter-Country Evaluation of Small Farmer Organizations, Washington, AID, 1976.

Those who are accustomed to expecting immediate, quantifiable returns may question sponsoring cultural activities and improved social communication as a productive development investment. But people do not engage in sustained self-help activities if they have no group consciousness. They will not accept sacrifice if they do not value the group. They will not enforce internal standards of equity and fair play without having a high degree of social cohesion and mutual respect. Cultural activities are often the cement that give them this.

C. Building Organizational Structures for Group Action

In addition to having well adopted social technology, organizational infrastructure must exist to shape and sustain group action. Appropriate organizations might take the form of local government units, but they could just as well be agrarian leagues, lending societies, women's clubs, occupational associations or even functionally-based structures such as community health care organizations. Some of these organizations may be formally registered with public authorities, but some function without governmental registration. What matters is not the superficial structure of the organization, but what happens within it.

In a similar manner, the building of numerous local structures--physical or organizational--should not be confused with creating a viable process of community decision-making. That is the lesson from both BRAC's Sulla Project and HACHO. Recall that in Sulla, BRAC emphasized the construction of community centers, hoping that the presence of these buildings would stimulate collective organization. They did not. Similarly, it serves no developmental purpose to establish local governments or councils if these bodies have no resources (authority, money, status) or voice in project management.

Consider the example of HACHO. Sampling 21 of approximately 129 community councils of the project, an evaluation team found that only 35% of the councils had ability to tackle problems independently of HACHO. Since HACHO was the only source of aid in the area, councils realistically never refused it but the result was that the outside agency ended up making all the decisions about project activities.

In some instances, projects were implemented that were out of touch with local people's desires or needs. Its worst effect has been to create a critical dependency on the implementing agency. Some councils existed only for the purpose of collecting and distributing food supplies of food-for-work. Sometimes this was done in a way that advanced community goals, but on other occasions it benefited mostly the individuals managing the local FFW programs.

Even for those community councils that showed implementation capability, many problems still existed to frustrate their participation in project decision-making and control. Although local councils had banded into confederations in two districts of the target region, these confederations had no real authority when dealing with HACHO and little or no money. Some of their problems stemmed from HACHO's refusal to make grants to these local bodies; but many of the difficulties stemmed from the way the entire project was designed. Because there were no improvements in agriculture, artisan industries of fishing, there was no productive base to create new assets that could reduce dependence on the external donor. HACHO had no programs to foster group action. So there were a number of flaws that did not allow it to achieve developmental impact beyond a welfare project.

What are some characteristics that might be used to judge the quality of decision-making participation? One is that local units have the authority and the ability to initiate projects. A second is that they have financial resources. A third is that small producers or low income citizens serve on the working committees of the organization. A fourth requisite is that there is a consultative process going on within local units and between local units and their parent organizational structure. Finally, for genuine shared decision-making, projects have to be relatively free of serious dependence, either on external funding, or dominant leaders or on catalyst agents themselves.

A catalyst agent can affect the vitality of local organizations by encouraging responsible, responsive membership. It may recommend that local people contribute some of their own time or resources as a condition of membership. Or it may encourage people to take group actions

by holding out extension of its own services as an inducement. The SWRC would not accept a community into its village health program until the community itself had formed a consensus about selecting and financing a local paramedic from among its ranks.

Some catalyst agents prefer to have almost no involvement at all in the formation of local leadership or in the structuring of local groups. In the case of MASILA in the Philippines, leaders emerged naturally during the mobilization process. After three or four mobilizations, working relations developed that allowed people to test one another's leadership skills and commitment and to develop confidence in their leaders and their group. Analyzing the formation of rural pressure groups, Mary Hollnsteiner observes:

Setting up a formal organization before people are ready for it almost inevitably results in a hierarchically structured organization with rank and file members sitting back and letting the educated, better-off leaders take the initiative and make decisions. The membership's involvement remains minimal and uninspired. Yet formal organization is an important part of the confrontation-organization approach. But it is encouraged only when the group feels strong enough and united after a series of actions, and when the issues being tackled are now more complex, requiring a structural organization among leaders. By this time, members are ready for organization: they are aware of issues, have self-confidence and experience in group decision-making; and have identified the leaders that best fulfill their expectations.³⁴

Hollnsteiner's point is a good one about accommodating the formation of structured LNL organizations to the pace at which members are prepared to cooperate together, make group decisions and have faith in their leaders.

D. Creating Employment and Generating Income

Developing processes which create assets and establishing LNL control over these processes is the most vital form of participation to achieve. Without viable economic processes, projects cannot afford to finance other valuable components in organization, health, education, recreational activities, etc. The production components

34

M. Hollnsteiner, Development from the Bottom Up, op. cit., p.26

are also the major determinant of whether a project becomes welfarism, or an activity with the potential for self-sustainment and spread effects. A factor heavily influencing success in this area is the degree to which production components are integrated with other components of a project. To give an illustration, let us look at the operationalization of BRAC's agricultural program in Bangladesh.

A challenge for the BRAC agricultural program was to assist the development of the landless and near-landless (approximately 85% of the local workforce). A complicating problem in assisting them were monsoon floods that permitted only a short growing season. Thus BRAC had to develop a reliable input supply system so that enough food would be produced during this short period. To do this, BRAC grouped local farmers into "blocks," each working approximately 20 hectares. Farmers decided on a common agricultural plan and BRAC provided extension service, rice seeds, credit and rental of tillers and pumps. Even some landless were formed into blocks. BRAC rented the land for them, and they received food for work during the leveling and other operations that were necessary to put it into production. BRAC also distributed free vegetable seeds so that sandy areas not sown to rice could be used to produce additional food.

Despite its efforts, however, BRAC in the first three years did not achieve the economic impact with the LNL it desired because the agricultural and horticultural programs were not integrated with other project components: 1.) Programs for the landless had limited impact because cadre were not trained to mobilize the landless on FFW sites to prepare land effectively 2.) People received no instruction on the nutritional value and preparation of vegetables 3.) No connection between latrines and compost was made. When it was discovered that most of BRAC's services were benefiting the larger landowners, the development of better integrative linkages among project activities became one of BRAC's primary strategies for focusing the poverty orientation of the program more effectively. Integration is necessary for vocational training courses and other programs to promote small enterprises or cottage industries. Coombs has noted that the major weaknesses of most skills training programs in rural areas was that project designers gave

too little attention to the kinds of skills that were really needed in the specific situation, focusing too narrowly on training activities and not enough on the relationships the skills must have to other factors in the local environment in order to be effective. He suggested the following guidelines for integrating skills of handicraft or rural enterprise/industry programs with the project environment:

1. The skills to be taught and the place and scheduling of such activities must be carefully fitted to the convenience, felt needs and motivations of the target audience and to their environmental circumstances. The best way to achieve this--a way too seldom followed--is to consult at length with potential trainees and listen to their views before making program decisions.
2. The skills taught and practices recommended must not only be technically sound, but physically and economically feasible for them to apply in their particular circumstances.
3. The methods of training must fit the vocabulary and learning styles of the audience. Classroom type lectures are likely to fail. The discussion method, practical demonstrations, and trial-and-error practice exercises by the participants themselves are more likely to succeed. 35

Coomb's suggestions are no more than common business management and educational sense. The reason one does not find them implemented is that many projects are not serious about income generating activities. The LNL, especially poor rural women, are harmed considerably by this welfare approach to development. Consider the following two examples.

In one case, HACHO project management decided to implement 14 domestic economy centers for women and girls. Project managers did not ask the participants what skills they needed or would like to learn. Rather, the program consisted of training in sewing, embroidery, cooking, hygiene, child care and other "domestic arts." Items produced at these centers were usually too crude to market and unlikely to become even supplementary sources of income. Nor did HACHO authorities pay much attention to improving the quality of products or to finding markets

in which to sell them. Lacking any say in what kinds of training should be given, finding the lessons too mathematical, and seeing too little applicability in the courses, attendance declined steadily and became very irregular.

In contrast to HACHO, the skills training and rural industry programs of the Social Work and Research Center in Rajasthan, India were fairly well adapted to the local environment from the start. The SWRC understood the area's potential and designed programs that were arranged to suit the convenience of the participants from the start. When women came to a crafts production center on the SWRC campus, the SWRC established a pre-school nursery next door where children of participating mothers were fed and cared for. Because the target group was comprised of economically destitute women, the SWRC placed emphasis on producing products that had sale-ability and on finding markets for them. Technologies for making the products (clothing, craft items, printed block textiles) were not complex; but the SWRC hired a consultant experienced with market demands who advised on colors, designs, styles, etc. The SWRC arranged exhibitions of products in Delhi and Bombay. A free-lance middleman was paid a commission to sell to smaller shops and buyers in urban areas; and a crafts marketing center in Delhi was given a commission to sell to larger buyers.

For the more enterprising women who wanted to set off on their own (although still using the SWRC's marketing services), a large loan was obtained from the Bank of India which the SWRC in turn dispersed in much smaller sums for the purchase of equipment and raw materials. This enabled women artisans to return to their villages and spread the program.

The SWRC linked its handicraft industry to the occupational skills of two lower castes in the area that tanned hides and made leathercraft goods. Although the leather goods were colorfully embroidered and would have sold well, they had a major defect. Because of improper tanning, the leather goods would develop mold and fungi in a few months. To remedy this, the SWRC consulted the Gujarat Central Leather Research Institute about low-cost, effective methods of curing hides. A way

was found to improve the local process; and at that point the tanners and the SWRC contracted with a well known commercial firm to establish a tannery and footwear factory. The new leather factory will not only create employment for the tanner castes but will also supply local artisans with raw materials at prices they could not have afforded otherwise.³⁶

The handicraft industry, if approached correctly, has considerable potential to generate income and employment for the poor. Lucrative markets exist, both domestically and in high income countries. Unfortunately, too few handicrafts or income generating projects are designed on the basis of informed analysis of market demand, and creative adaptation of local artisan skills to it. Another problem that plagues handicraft-type projects is the lack of linkages to markets. Too little attention is paid to identifying marketing intermediaries and urban outlets.

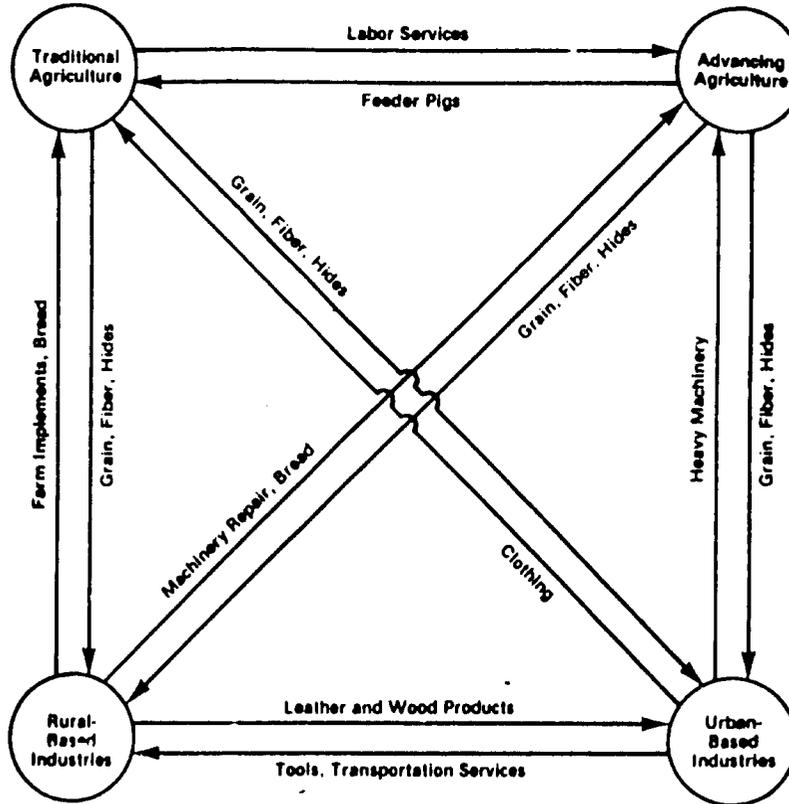
A few basic tenets of business start-up are that prospective entrepreneurs do simple research about what is needed, what is wanted, and what customers are willing and able to pay for. The answers to these questions are necessary to formulate a plan for going into business--a plan that will allow for informed decision-making about the right line of products, the right services to accompany the products, the way to procure inputs and distribute outputs, etc. When enterprises fail, they often do so because they leap immediately into production with little or no planning about what is necessary to maintain economically viable operations over the longer run.

Another feature of successful income generating projects among the LNL is the extent to which they see opportunities for new or expanded economic activities. These could be spinoff industries such as the leather tanning factory of the SWRC project, or they could be services.

³⁶

P. Kale and P. Coombs, Social Work and Research Center, op. cit.

The diagram below is not all encompassing, but it conveys an idea of the many possibilities that exist for entering into the network of economic exchange on more favorable and dynamic terms.



Thinking about the characteristics of an appropriate employment strategy for the LNL, one is that workplaces have to be created in the rural areas where people are now, not in large metropolitan cities. Another is that workplaces have to be cheap enough so that they can be created in large numbers without calling for an unattainable level of capital formation. A third characteristic is that production methods employed be relatively simple so that demands for high skills are minimized, not only in production processes themselves, but also in matters of organization, financing, raw material supply,

accounting, marketing, etc. Finally, production should be from mainly local materials and should if possible have a local use. In order to promote income generating activities among the LNL, one has to look for even the most rudimentary productive activities that exist on the periphery and be prepared to promote them and make them productive.

A final aspect of establishing viable economic processes is financing. One alternative system for providing credit to the poor is the use of revolving loan funds. This allows organized groups of low income people to make loans, set interest rates, etc., according to social as well as economic goals. Use of lending organizations lowers the cost of having to deal with each loan recipient on a separate basis and makes it possible to serve increasing numbers of people with such a fund. Steven and Douglas Hellinger, studying successful revolving funds in Latin America, found that they had several characteristics in common. Successful programs were built on internally democratic beneficiary groups and representative structures. The programs were quite decentralized in decision-making and control in such a way that this high amount of local initiative and responsibility reduced overall program costs. Third, the successful funds did not dispense credit alone--promotional, motivational, organizational, educational and technical programs were also involved to enable the beneficiaries to use the credit wisely. The limitations of revolving credit funds were connected to these same three factors. To the extent that loan organizations were centralized, unrepresentative, and did not educate their members, loans were not repaid to the fund and/or it did not expand further.³⁷

Evidence from multiple sources, including the cases presented here, suggests that techniques for promoting development process among the LNL are most successful when they take a holistic, integrated approach rather than adopting a single focus or having many components with

37

Alternative Programs of Credit and Integrated Services in Latin America, a report prepared by the Development Group for Alternative Policies, Inc. for the Inter-American Foundation, Washington, D.C., 1979.

little coordination among them. While it is true that the productive components of a project are the most important ones for generating resources, it is equally true that the social components influence the quality of local participation in benefits, decision-making and project control.

PART IV

EVALUATING THE DEVELOPMENTAL IMPACT OF ANTI-POVERTY PROJECTS

Throughout this analysis, we have stressed that the way to reach the assetless poor is to create alternative institutions that involve the lowest income groups, encourage meaningful participatory processes and engage them in viable economic projects. If it works correctly, rural development is a process that gives people greater control over their natural and social environments, accompanied by a wider distribution of benefits resulting from such control. Some of these processes include:

1. Improvements in the information, goods, services and connections to other problem-solving resources available to the weakest socio-economic sectors.
2. Social gains which improve the way the LNL view themselves and their environment, and improve the way they are looked at by other groups.
3. Organizations and participatory processes which allow the LNL to share equitably in benefits, decision-making and project control.
4. Viable economic processes that are self-expansionary and not decapitalizing.

A project's anti-poverty effectiveness can be enhanced if evaluation is based on such development process rather than on narrow concepts and the collection simply of numbers. Evaluation is developmental to the extent that its foremost purpose is to give information and analysis on management and impact to those directly involved in a project rather than to rate performance for outsiders. Finally, good evaluation requires patience--time to understand why a project is or is not achieving an impact from the point of view of program concepts, constraints and the way in which services are delivered. Impact is not necessarily an easy thing to see, let alone

analyze or measure. It cannot be served up on demand in one or a few days' time like a neat wedge of pie on a plate. Hence to do a good evaluation there is a need to adapt developmental concepts to the local situation and to take enough time to understand well the local context and possibilities for doing things within it. Indeed, it must be understood that accomplishing difficult but worthwhile improvements for the poor is likely to take a number of years before evaluations will show substantial gains.

Because this analysis stresses the need for local participation, some may ask how this affects evaluation and monitoring. Local beneficiaries, project personnel, and other residents of the area always have an important role to play in evaluation. However, as they are enmeshed in the day-to-day project activities, there is a need to organize information periodically and to analyze it in a way that allows one to assess any changes. The major determinants of developmental evaluation are the points mentioned above, not whether the person or persons who analyze and present information are locals or outsiders. In fact, what is often in short supply in LNL projects are people who can observe practices and think them through systematically. Having this kind of technical input, if it is done in an appropriate manner, is compatible with local participation in decision-making and project control.

Although evaluation criteria must be thoroughly adopted to local contextual factors, the need to look at projects according to developmental principles rather than predetermined numbers cannot be minimized. Numbers only indicate the presence or absence of material things; but they say little about whether they are being used in ways that solve problems for the poor and empower them. The Inter-American Foundation uses some of the following concepts in its project evaluations:

ACCOUNTABILITY --whether a project has both formal and informal means for allowing project participants to influence both the content and direction of activities, with reasonable expectations of compliance by those who manage or direct the program.

DEPENDENCY RELATIONSHIPS--degree to which program activity depends on the tolerance or good will of an individual or institution whose lack of knowledge or interest, or hostility could really weaken or threaten the project's success.

CRITICAL REFLECTIVE CAPABILITIES--ability of project participants to assess the consequences of past and future actions; to understand and analyze the risk, implications, costs and benefits of competing problem-solving approaches.

MOMENTUM--extent to which a project is part of an on-going process which did not begin only as a reaction to outside funding or assistance. It reflects growing and realistic expectations of project participants based on self confidence achieved by overcoming obstacles.

DISTRIBUTIVE JUSTICE--the degree of fairness and equality in sharing goods, income, knowledge and services among local people.

CHOICE OF TECHNOLOGY--the degree of local peoples' control over the selection of technology and its management. Is the technology labor or capital intensive? Do the local users understand the financial, managerial and social implications of that technology? Do local users own, operate, repair and control the technology, or are they dependent on costly and hard-to-obtain technical and managerial assistance from outsiders?

SOCIAL GAINS--whether there is an increase in leverage and collective bargaining strength; improved self-image; improved recognition of the legitimacy of beneficiaries' causes and demands in the eyes of others; more shared values and beliefs; increased discipline and willingness to take risks; and more creative perceptions about how beneficiaries can work innovatively with others to improve their station through longer range planning.

PARTICIPATION--by local people in benefits, decision-making and project control.³⁸

Of these, the last two concepts are particularly important and merit further discussion.

Evaluating Social Gains

Some of the social and cultural processes which are important to establishing a more potent position for the individual and the group include:

--Status: An improved self-image, increased self-esteem, and a positive sense of identity. This may come about by celebrating one's cultural

38

The ideas presented in this section have been considerably influenced by discussions with and writings of staff of the Inter-American Foundation, an agency that has made a serious effort to evaluate whether the projects it funded succeeded in promoting structural change in favor of disadvantaged social sectors. See, They Know How...An Experiment in Development Assistance, Rosslyn, VA: Inter-American Foundation, 1977., and In Partnership with People, Rosslyn, VA: Charles Reilly and Thomas Ramey.

values and practices, or by reviving and publicly esteeming traditional forms of mutual aid. It is important, however, that LNL view their increase in status as deriving from their collective activities, and not by lowering the status of someone else.

- Creative perceptions of the environment and increased willingness to take risks: This includes becoming future-oriented, which allows for investment that can reasonably be expected to earn longer-range benefits. The LNL are more willing to pool labor, information, capital and other resources, and to accept risks collectively.
- Discipline: A self-imposed standard to accept and conscientiously to complete individual and collective work. In a good project, peer pressure becomes the main means of effectively supervising and enforcing work responsibilities.
- Legitimation: The beneficiaries' cause is being recognized as valid and their demands as just and reasonable. Their institutions are accepted, as in the case of being able to initiate legal actions over tenancy rights, labor contracts, etc. Another example would be the ability to make public authorities enforce fair marketing practices in regard to weights, grading, use of public storage facilities, etc.
- Access: Greater opportunities to obtain on favorable terms whatever resources (credit, skills, information) which LNL beneficiaries seek. Ability to negotiate a loan or to deal with governmental agencies to obtain public goods and services are two examples.
- Choices: The ability of LNL beneficiaries to make decisions of some magnitude by choosing among attainable options. If, for instance, a project assists a peasant federation to purchase land as well as rent it, a significant option has been created.
- Leverage: Beneficiaries' collective bargaining strength can obtain resources they need from a system that traditionally has ignored them. An example of this would be the ability to remove exploitative middlemen, or deal on significantly improved terms with them.

These social gains manifest themselves partly in the form of additional changes, and partly through changed relationships to means of production. Some of the latter may include people to land; people to money; people to law; people to work; and people to people.³⁹

³⁹ For further examples of these changed relationships, see They Know How, op. cit., Chap. XIV. One PVO with interesting experience in designing strategies and tactics to promote social gains is the Institute for Cultural Affairs, Chicago, Illinois. ICA works in low income neighborhoods in the United States and various countries for the Third World.

Evaluating Participation

Many statements have been written about the need for participation, but there are surprisingly few practical guidelines for evaluating it. The Inter American Foundation advocates the use of "Vital Signs" which they define as "diagnostic tools to identify the right people, doing the right things, for the right reasons, at the right place and time."

For example, some of the low or negative signs of distributive justice (participation in benefits) which the IAF encountered were projects that increase employment and income for a few without real gains in relative power or influence; projects in which the emphasis is placed on individual beneficiaries without concern for the group of which they are a part; projects where the selection of beneficiaries is done in a manner that fosters jealousy and creates divisions within the community; and projects where the distribution of benefits is widely considered to be unfair. The quality of distributive justice is often closely related to the quality of participation in decision-making.

Some of the IAF indicators of the latter include channels for allowing local people to influence problem identification, leadership selection, policy priorities, operations, allocations of resources and benefits and choice of technologies. Another indicator of participation in decision-making is the presence of norms or mechanisms for enforcing accountability between group leaders and those who select them. More creative aspects of this process include organizational structures where beneficiaries can, on a regular basis, take initiative and make their opinions and desires known to project management.

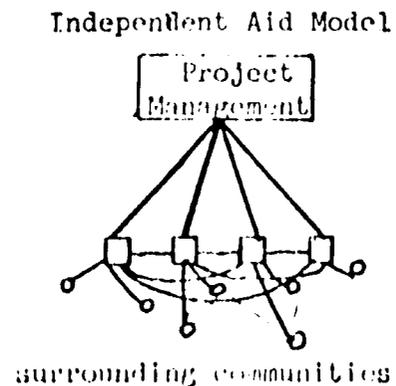
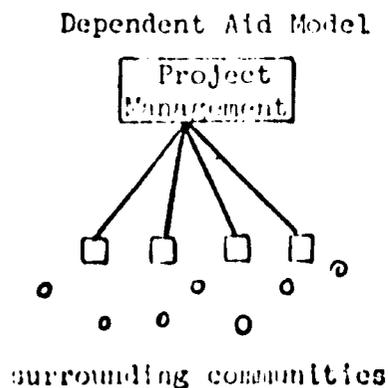
A limitation of these kinds of vital signs, however, is that they are a static way of looking at participation at only one point in time. What we need to find is a way to give projects their due credit as they change from less participatory to more participatory processes. In a discussion of community participation in the planning of human settlements, Mary Hollnsteiner recognized distinct degrees of participation which are identified and defined in the table that follows. The Hollnsteiner framework also points out various actors (managers as well as beneficiaries) whose roles can change to make processes more participatory.

Modes of people's participation in the planning

and management of human settlements

| Identity of participants | Locus of power | Functions | Assessment in terms of direct exercise of power by the people |
|--|---|--|---|
| 1 "Solid citizen" educated group appointed by outside authorities | Planners and local elites | Legitimizes outside-planned programmes through endorsement and implementation via local elites | People are minimally involved, if at all, in decision making |
| 2 Appointed local leaders in the government bureaucracy | Planners and local elites | Legitimizes outside-planned programmes through endorsement and implementation via local elites; facilitates implementation of outside programmes, since local elites have authority from above | People are minimally involved in decision making, although the official character of leaders' authority encourages people to join in programme activities as followers or recipients of the benefits entailed |
| 3 Planners in ex post facto consultation with people's groups | Planners: people to a slight degree | Legitimizes outside-planned programmes by having people feel they have a say in matters affecting them; allows some feedback from people on their views about plans | People's involvement in discussion of plans after they have been formulated allows few genuine options; participation exists but only in token fashion |
| 4 Planners in consultation with people's groups from the beginning of plan formulation | Planners and people, but planners have more authority than the people | Allows a meeting of minds and views between planners and people; gives people a more realistic understanding of planning process and need to establish priorities | People's involvement in the formulation of plans and in the manner of their implementation gives them a significant share in decision making; however, planners still control the process |
| 5 People have one or two minority representatives on a decision-making board | Planners-administrators and people, but planners-administrators have major decision-making power as the majority membership | Legitimizes the concept of people's formally having a voice in local affairs through direct participation and representative vote; also legitimizes boards with outside elite in control | People's participation is significant because they share in decision making by having an official vote on a local governing board |
| 6 People have the majority representation on a decision-making board | People and planners-administrators, but people have major decision-making power as the majority membership | Legitimizes the concept of people's having the dominant voice in local affairs through direct participation, control of votes, selection of technicians-planners to assist them as advocates | People have attained full participation in controlling the actions of the official decision-making body |

Opinions vary as to what accomplishes (or fails to accomplish) the third and most complex form of LNL participation: control over project activities. Some theorists would argue that the reason participation in project control fails to come about is because of the introduction of foreign models of development--e.g. foreign technologies, foreign forms of organization, foreign values, etc.⁴¹ Another way in which foreign aid may foster dependence is by isolating project sites from one another and making them depend on project management alone, rather than creating linkages among sites and/or surrounding communities.



Reflecting on its project experiences, the Inter-American Foundation found that the sources of dependence could be varied and multiple. It identified four major types of dependency relationships:

1. Simple Dependency: reliance on others for good will or resources that can be withdrawn
2. Critical Dependency: reliance on others (including donors) for critical access or resources that are likely to be withdrawn
3. Personal Dependency: reliance upon one key person within the organization
4. Specific Dependencies: e.g., on government funding, foreign funding, the Church, etc.

⁴¹For a discussion of dependency in aid projects, see Waldo A. Cesar, "Toward a New Aid Policy: Reevaluation of the Gurupi Project and Its Implications for Foreign Assistance," Rio de Janeiro: CEMPLA (Study, Planning and Research Center), 1974.

Of 94 projects the IAF surveyed (approximately one-third of the contactual agreements they funded between 1971 and 1976), the following proportions of dependency relationships were found to exist:

| Source of Dependency | Percentage Of Presence |
|------------------------------|---------------------------|
| Dependency in general | 64% |
| Critical dependency | 28% |
| Personal dependency | 48% |
| <u>Specific Dependencies</u> | |
| Governments | 57% |
| Formal elites | 44% |
| Church | 34% |
| Market forces | 40% |

Since a policy of the IAF is to foster self-reliant processes, it tends to fund groups that exhibit signs of entrepreneurship, organization, and decision-making capability that are healthier than most. In view of this policy, for the IAF to find that two-thirds of the projects it assisted had dependency problems is testimony to the difficulty in creating project control in the hands of local participants.

One reason for dependency which the IAF does not stress, but which others have identified as a major source of dependency is outside funding. Studying rural workers' organizations, the ILO found that an important characteristic of participatory rural unions was that they depended on their own resources and were independent of patronage. This points out the close relationship between independence and the economic development processes affecting the target group. The project must be capable of changing the relationship of the rural poor to means of production. It must have processes whereby local people are willing to contribute their own resources to sustain the project. Also, if the project involves credit, real rates of interest must be charged, and members must have the responsibility to repay the credit.⁴²

42

International Labor Office, Structure and Functions of Rural Workers' Organizations, Geneva, 1978, p. 9.

Part V

THE ROLE OF INTERNATIONAL AID AGENCIES IN PROMOTING THE SELF-RELIANT DEVELOPMENT OF THE ASSETLESS POOR

A main contention of this paper is that strategies must be found to form LNL clienteles from the bottom up so that the most disadvantaged social sectors can acquire the organization and skills necessary to promote their own development. Such a "bottom up" strategy is an important complement to building up the organizational infrastructure of the national government system. It would serve to make middle and local-level administrators more knowledgeable about and responsive to local resources and felt needs.

A strategy of using small, innovative catalyst agencies is also an effective way for development assistance to reach the poor. We agree with Thomas Hempel that:

Experience has shown that the poorest majority are sufficiently disenfranchised in most cases as to be largely excluded from the benefits provided in their name unless a project is small, direct and carefully aimed at the problems and opportunities identified by the disadvantaged target group. Ergo, the larger the program, the less likelihood of significant benefits affecting the future of the poorest of the poor.⁴³

One can hardly disagree with Hempel's argument that small projects designed to take into account the aspirations and problems of the LNL have the greatest possibility of success. Questions arise over the linkages between international aid agencies and the smaller catalyst agencies working at the local level. How can such linkages be developed more productively?

Problems of Major Aid Agencies in Working with Catalyst Agents for the Poor

This question of linkages revolves around why major bilateral and multilateral assistance agencies find it difficult to deal with small, non-governmental catalyst agents and vice versa. In part the procedures

43

Testimony of Thomas Hempel, Foreign Assistance Appropriations for 1979, Part IV, Washington: US Government, #25-297-0.

and attitudes of the major bilateral and multilateral assistance agencies make it difficult for PVOs to deal with them. A commonly acknowledged weakness of the foreign aid system is the two to three year process of project preparation, screening and approval that precedes the release of funds to implement a project. The complexity of the system works in favor of larger institutions which have other tasks and knowledge about fundraising, legal contracts, etc. Attitudes and norms of behavior in large aid agencies can also pose a problem. Sometimes the attitude of aid officials toward small, non-governmental organizations is a negative one: they are dismissed as too inconsequential to affect national institutions, either directly or by program example. Even where this overt bias does not exist, innovative, non-governmental programs can be defeated by having to pass through too many bureaucratic channels in large donor agencies. A routine in an aid bureaucracy is not to expedite proposals, but to raise questions, to check to see that long lists of legal requirements are fulfilled, etc. Such regulatory bureaucratic behavior can stifle an innovative design or cause critical delays that prompt others to give up hope for a shared-funding arrangement. Of course there are risks inherent in the planning and funding negotiations of any development project--all creativity involves risk-taking. But the risk to a small PVO (and their subsequent ability to absorb obstruction and delay) is significantly greater than large institutions.

A policy implication of the above is that the major aid agencies will have to make special efforts to accommodate their procedures to small catalyst agents. Above and beyond funding PVOs, the major aid agencies could assign personnel in each of their field missions to help small indigenous organizations make aid proposals. There are some staff members who do this at present in USAID missions, but there are not nearly enough; and the political will of the large aid agencies to work with non-governmental organizations needs to be stronger.

Conclusion: Need For More Creative Colitions Between Public and Private Development Efforts

It would be unfair to claim that all the problems lay on the donor side of the situation. They do not.

A large variety of private agencies exist in the development sphere. Some are profit-oriented contractors exchanging services for a fee with little or no thought of promoting local organization or transferring of skills. Even when development assistance is channelled through large international PVOs, this is still no guarantee of promoting the development of the asset-less poor. Not all PVOs have a developmental philosophy in the sense we have used it in this paper; some tend to be traditional welfare agencies.⁴⁴

Looking from the vantage point of small catalyst agents in Third World countries, the major problem in channeling development assistance to them is the lack of indigenous institutions of this sort.

These genuinely developmental PVOs that do exist often are significantly lacking in technical skills. To run a program they must have some skills in budgeting; accounting and financial management; hiring; training and managing personnel; procuring and maintaining equipment, etc. If a program depends on donor contributions, it needs to know how to design and write proposals, negotiate contracts, furnish evaluation and monitoring information, etc.

The small indigenous institutions also need to develop further their capacities to analyze things systematically; to think of a decision in terms of available options, etc. Despite access to the lowest income strata, and a developmental philosophy, a catalyst agent can fail to make headway among the poor if it is too deficient in these programming skills.

It is not enough simply to urge greater involvement of local people in their own development efforts; practical institutional arrangements must be identified and promoted to carry this out. One promising

⁴⁴For a critical treatment of a welfare-oriented program, see Eugene Linden, The Alms Race, (New York: Praeger, 1977) which analyzes the performance of a CARE program in Lesotho.

solution to overcome the lack of indigenous catalyst agents and their limited technical skills is networking.

An example of this is Solidarios, the network of private sector development foundations in the Latin American region. Solidarios includes private sector development foundations in Argentina, Bolivia, Colombia, the Dominican Republic, Ecuador, Guatemala, Haiti, Honduras, Mexico, Nicaragua and Trinidad and Tobago. Networks are able to do longer range planning and analysis of project designs that smaller PVOs cannot do individually.

This general principle can be applied to uniting all of the catalyst agents working within a country as well. In large countries such as India, many of the private sector development agencies do hold regular meetings to exchange ideas and experiences. However, smaller countries such as Honduras, the Philippines or Kenya could genuinely benefit by uniting PVOs in some arrangement to regularly exchange ideas and experiences.

Other innovative arrangements which address themselves to linkage problems between major development assistance agencies and smaller catalyst agents are two organizations, Private Agencies Collaborating Together (PACT) and Coordination in Development (CODEL). These could be referred to both as "super-networks" to establish more communication and cooperation among smaller catalyst agents and also as intermediaries to represent them. CODEL is a network among religious-based PVOs that are involved in development activities in all parts of the Third World.⁴⁵ PACT is a more diverse network. It includes US organizations with technical specialities such as AITEC (credit and management training of micro-entrepreneurs) and World Education (non-formal education) and can link these more technical agencies with other members like the Solidarios network, or with American PVOs that implement development projects such as the Community Development Foundation.⁴⁶

⁴⁵ Coordination in Development, Annual Report, 1977, New York.

⁴⁶

Private Agencies Collaborating Together, Inc., PACT, New York: 1977.

PACT and CODEL fulfill a dual function for their member organizations. On the one hand, they build up the competence of smaller agencies in accounting, project design, funding negotiations, etc. On the other hand, they themselves are available to serve as conduits for resources to catalysts in Third World countries when a direct linkage between these smaller agencies and large bilateral or multilateral institutions is not feasible. This last function should not be regarded lightly. For example, when several small catalyst agents belonging to CODEL were asked about funding, they responded that their organizations were unlikely to seek or accept funds directly from a bilateral aid agency like AID. The reasons they gave ranged from reluctance to be identified as a project sponsored directly by the government of a major world power; to the amount of work necessary to meet AID proposal requirements; to subsequent reporting obligations.⁴⁷

In addition to networks, another thing that would strengthen catalyst agents are indigenous consulting firms that can do feasibility studies according to technical, economic and social considerations. As it stands now in most Third World countries, this kind of capability usually resides only with government agencies. Non-profit groups with good ideas find it difficult to develop them because there is no one in the private sector to do feasibility studies. International aid agencies could make grants to build up such services. Governments could use public investment corporations to give such institutions needed financial backing.

Many would argue that the burden for change rests as much with the large donors or governments receiving proposals as it does with the smaller organizations making them. Robert Chambers writes:

The danger remains that the trend of demands for information by bilateral and multilateral donors will develop into a galloping elephantiasis which will paralyze administrators, reduce aid to the poorest and perpetuate dependence on foreign expertise.

47

Robert R. Nathan Associates, Inc., An Evaluation of Coordination in Development, Inc. (CODEL), Washington, D.C. 1978. p. 89.

This trend can be moderated by the decentralization of resources and authority down to the lowest levels; and by procedures to simplify project design (use of poverty rankings, checklists, descriptions of costs and benefits, etc.). Another measure is a determined drive to counteract the bias of urban elite lifestyles by requiring that the staff of bilateral and multilateral donors be systematically exposed to and encouraged to learn about rural living. This could mean that each donor official be required to spend at least two weeks of every year living in a village, and not making the easier, more congenial visits of a rural development tourist.⁴⁸

Chambers is right that it would help considerably to simplify donor design requirements for small projects, and that one of the reasons for the growing information demand may be an urban elite bias which puts the managers and technocrats receiving the proposals out of touch with the realities and lifestyles of the rural poor. So there is a need for "non-formal education" for this managerial class as well.

The idea of at least a two-week stay in a rural village may be a good one. Officials' exposure with development efforts is usually limited to a few hours or a day, certainly not enough to understand local peoples' outlooks, aspirations and lifestyles. In addition to getting official staff into villages, other approaches might be to organize training seminars with sociologists and anthropologists who can analyze the life situation of the poor or psychologists who can help staff understand the roots of their own attitudes. Further efforts would be to conduct sessions in group dynamics, role playing, conflict and cooperation simulation and other exercises for behavioral change; panel discussions by more articulate poor rural people who can communicate their living circumstances and the rationality of their outlook; and tours of community projects that have successful experience in local participation and self-reliance.⁴⁹ The point of such training is to remove the conviction that the urban elite specialist always knows best and to inculcate a "service" rather than a control orientation among staff.

48

Robert Chambers, "Simple Is Practical: Approaches and Realities of Project Selection for Poverty Focused Rural Development," Sussex, Institute of Development Studies, 1977.

49

Hollnsteiner, "People Power: Community Participation in the Planning of Human Settlements," *op. cit.*, pp. 31-32.

Even if we increase the training of indigenous catalyst agents and re-educate the managerial elite, greater commitment is required at the highest levels if bilateral and multilateral assistance agencies to involve non-governmental organizations in all major capital programs. There is much to be gained from such a relationship.

Many PVOs have functioned to complement government programs by making poor people aware of the public goods and services available to them, and by organizing them so they could have more input into project design and more productive relationships with government agencies. On occasion, innovative PVO projects have also served as models for larger public development programs.

To conclude, the goal of promoting the self-reliant development of the LNL will be difficult to attain, not only because their numbers are vast, but because the institutions for assisting disadvantaged social sectors are themselves so underdeveloped. International aid agencies wishing to "reach the poorest of the poor" can do so by helping to build up these institutions that work directly with the LNL. In fact, the social benefits of this kind of institution building may be greater than if bilateral or multilateral aid agencies attempted to transfer resources directly to the assetless poor.⁵⁰ Without increasing the capacity of the LNL for decision-making and group action, the resource transfers of foreign aid projects too often end up in the local elites, only reinforcing patterns of stratification rather than changing them.

50

For example, recent Congressional testimony about IRBD projects for disadvantaged social sectors concluded: "The World Bank appears to have had most success with its efforts to increase production, raise income and expand the employment of the poor. It has given less attention to the newer focus on meeting basic needs directly, and it has given almost no attention...to the issue of organizing the poor for self-reliant development (emphasis added)." Refer to: Congressional Hearings before the House Subcommittee on Appropriations, An Assessment of the Effectiveness of the World Bank and the Inter-American Development Bank in Aiding the Poor, Foreign Assistance Appropriations for 1979, Part V, Washington: US Government, #25-297-0, p. 214.

LANDLESSNESS AND NEAR-LANDLESSNESS SERIES

- 1 LANDLESSNESS AND NEAR-LANDLESSNESS IN DEVELOPING COUNTRIES; Milton J. Esman (71 pp.) \$3.50
 - 2 LANDLESS PEASANTS AND RURAL POVERTY IN SELECTED ASIAN COUNTRIES; David A. Rosenberg and Jean C. Rosenberg (108 pp.) \$4.00
 - 3 LANDLESS PEASANTS AND RURAL POVERTY IN INDONESIA AND THE PHILIPPINES; David A. Rosenberg and Jean C. Rosenberg (133 pp.) \$4.00
 - 4 LANDLESSNESS AND RURAL POVERTY IN LATIN AMERICA: CONDITIONS, TRENDS AND POLICIES AFFECTING INCOME AND EMPLOYMENT; Cheryl Lassen (187 pp.) \$4.50
 - 5 DISTRIBUTION OF LAND, EMPLOYMENT AND INCOME IN RURAL EGYPT; Iliya Harik, with Susan Randolph (166 pp.) \$4.50
 - 6 REACHING THE ASSETLESS POOR: PROJECTS AND STRATEGIES FOR THEIR SELF-RELIANT DEVELOPMENT; Cheryl Lassen \$4.00
- Concept Paper: PARAPROFESSIONALS IN RURAL DEVELOPMENT; Royal D. Colle, Milton J. Esman, Ellen Taylor, Peter Berman (105 pp.) \$3.50

MONOGRAPH SERIES

- 1 MAKING GREEN REVOLUTION: THE POLITICS OF AGRICULTURAL DEVELOPMENT IN CHINA; Benedict Stavis (287 pp.) \$5.00
- 2 RURAL DEVELOPMENT PARTICIPATION: CONCEPTS AND MEASURES FOR PROJECT DESIGN, IMPLEMENTATION AND EVALUATION; John M. Cohen and Norman T. Uphoff (317 pp.) \$5.00
- 3 FEASIBILITY AND APPLICATION OF RURAL DEVELOPMENT PARTICIPATION: A STATE OF THE ART PAPER; Norman T. Uphoff, John Cohen and Arthur A. Goldsmith (338 pp.) \$5.50

OCCASIONAL PAPER SERIES

- 1 VANCHAYATI RAJ, RURAL DEVELOPMENT AND THE POLITICAL ECONOMY OF VILLAGE INDIA; Norman K. Nicholson (61 pp.) \$2.50
- 2 THE POLITICAL ECONOMY OF PEASANT FAMILY FARMING: SOME ANTHROPOLOGICAL PERSPECTIVES ON RATIONALITY AND ADAPTATION; Davydd Greenwood (96 pp.) \$3.50
- 3 SMALL FARMER CREDIT--CULTURAL AND SOCIAL FACTORS AFFECTING SMALL FARMER PARTICIPATION IN FORMAL CREDIT PROGRAMS; Cynthia Gillette and Norman Uphoff; THE POLITICAL ECONOMY OF DISTRIBUTING AGRICULTURAL CREDIT AND BENEFITS; Harry W. Blair (57 pp.) \$2.50
- 4 TRAINING AND RESEARCH FOR EXTENDED RURAL DEVELOPMENT IN ASIA; R.D.C. Working Group on Training and Research (119 pp.) \$2.50
- 6 REVOLUTION AND LAND REFORM IN ETHIOPIA: PEASANT ASSOCIATIONS LOCAL GOVERNMENT AND RURAL DEVELOPMENT; John M. Cohen, Arthur A. Goldsmith and John W. Mellor (127 pp.) \$3.50
- 7 THE ESTABLISHMENT OF CATTLE RANCHING ASSOCIATIONS IN TANZANIA; Glenn Hess (57 pp.) \$3.50
- 8 WOMEN AND PARTICIPATION IN RURAL DEVELOPMENT: A FRAMEWORK FOR PROJECT DESIGN AND POLICY-ORIENTED RESEARCH; Kathleen Staudt (77 pp.) \$3.50
- 9 COMMUNITY-LEVEL RESEARCH, LOCAL-REGIONAL-GOVERNMENTAL INTERACTIONS, AND DEVELOPMENT PLANNING: STRATEGY AND METHODOLOGY FOR BASELINE STUDIES; Davydd Greenwood (70 pp.) \$3.50
- 10 DEVELOPMENT OF LIVESTOCK, AGRICULTURE AND WATER SUPPLIES IN BOTSWANA BEFORE INDEPENDENCE: A SHORT HISTORY AND POLICY ANALYSIS; Emery Poe (56 pp.) \$3.50