

Development Alternatives, Inc.

IRD in Colombia: Making it Work

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PREFACE

In the fall of 1980, Development Alternatives, Inc. (DAI) was offered the opportunity to visit Colombia for a week in order to study the IRD experience there (hereafter called IRD Colombia). The purpose of the trip was not to evaluate IRD Colombia, but rather to learn as much as possible about the process of implementing IRD; specifically, to describe what IRD Colombia is trying to do, the problems it has encountered, how it has attempted to resolve them, and the lessons from this experience which are relevant for DAI's ongoing research on the state of the art of implementing IRD.

This report is based on information that was generated by means of interviews, field visits to Antioquia and Cauca, and consultation with secondary materials. The research team was composed of Dr. Donald Jackson, Paul Crawford, and Dr. David Gow, all of DAI, and Dr. Humberto Rojas of OFISEL (Oficina de Investigaciones Socio-Economicas y Legales), a private development consulting company based in Bogota.

This report would have been impossible without the active collaboration and participation of many individuals in Colombia. While too numerous to list them all by name, we would particularly like to thank the following: Dr. Fabio Bernerdez, IRD national director; his predecessor Dr. Sergio Duran; Dr. Martha Duque, IRD regional director in Antioquia; and Dr. Nestor Castro, ICA director in Cauca. Finally, our thanks to Oscar Marulanda of OFISEL who arranged many of the key interviews.

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SECTION ONE

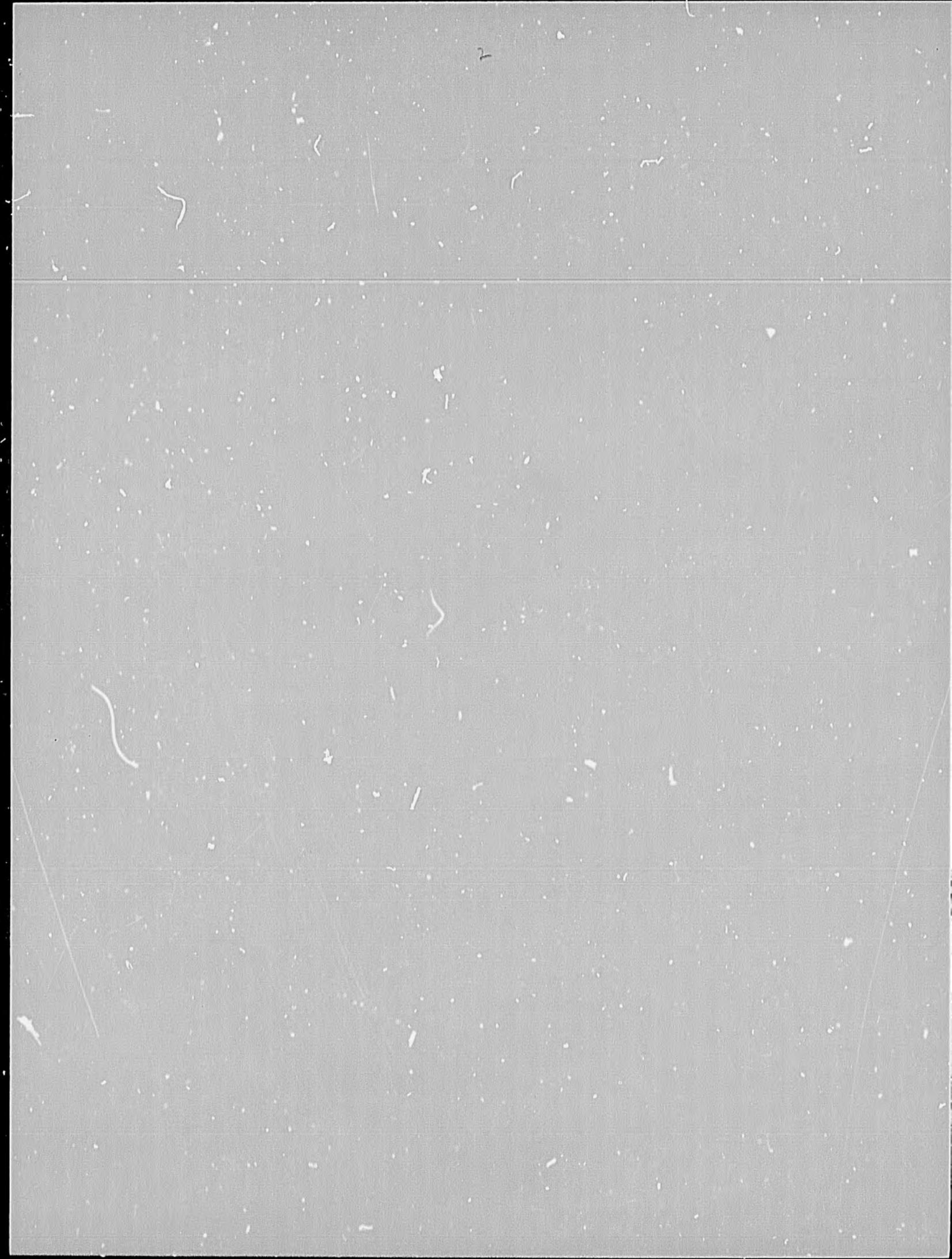
INTRODUCTION

In 1978, DAI, together with the Research Triangle Institute, was awarded a contract by the U.S. Agency for International Development's Office of Rural Development and Development Administration to provide short-term technical assistance to integrated rural development projects. This assistance is directed primarily towards helping solve the organizational and administrative problems encountered in project design and implementation. In addition, this contract also includes a research component. Corporate experience, the literature, and the knowledge of individual staff members was used to select the implementation problems to be studied. Furthermore, DAI drew on its own experience managing expatriate teams responsible for assisting in the implementation of IRD projects in Indonesia, Sudan, Tanzania, and Zaire. Ultimately, the following nine problems--seven of which are relevant to the Colombian experience-- were selected on the grounds that they are common to most IRD projects (Morss and Gow, 1981):

- Political, economic, and environmental constraints;
- Organizational placement and linkages;
- Timing;
- Beneficiary participation;
- Information systems;
- Managing and structuring technical assistance;
- Counterpart shortages;
- Differing agendas; and
- Sustaining project benefits.

The report that follows is divided into seven sections:

- History of IRD Colombia;
- IRD strategy at the national level;
- Organization and administration at the national level;
- IRD strategy at the project level;
- Organization and administration at the project level;
- Critical implementation issues; and
- Conclusions.



SECTION TWO

HISTORY OF IRD COLOMBIA

In 1975, the National Planning Department (DNP) of Colombia issued an ambitious document entitled To Close the Gap which laid out the government's development plans over the next five years. One of the components was integrated rural development (IRD)--to be directed specifically towards the small farmer sector of the rural economy which, at that time, produced 55 percent of domestic foodstuffs as well as 20 percent of the raw materials for industrial use. This sector suffered from a lack of productive resources, low levels of technology, and a lack of employment opportunities. Consequently, IRD Colombia was designed to meet the following goals (National Planning Department, 1975: 18):

- To increase agricultural productivity--and thereby raise net income--through the availability of modern inputs;
- To increase the supply of cheap foodstuffs for the urban consumer and thereby reduce inflation and the need to import food; and
- To reduce the rate of rural-urban migration.

This was not to be Colombia's first attempt at IRD. During the early seventies the Colombian Agricultural Institute (ICA) had designed and implemented several smaller IRD projects. These projects had the following four objectives (Londono and Rochin, 1975: 263):

- To increase production and productivity in the small farmer sector;
- To improve the quality of life by increasing employment opportunities, incomes, educational levels, housing, and health;
- To strengthen local organizations; and
- To coordinate the activities of several agencies to achieve an integrated regional development program.

The last objective, however, was never fully realized and there was little or no coordination with other agencies. While ICA tried to address several problems, its focus was limited to agriculture, marketing, home economics, and some community development work.

Much of the technology disseminated through these IRDs was developed and tested in the Caqueza area--the site of Colombia's best-known rural development project. Although Caqueza did not provide the model for IRD Colombia, it did provide some answers

and experiences as to how the government might design and implement a national program of IRD (Zandstra and others, 1979: 309).

SECTION THREE

IRD STRATEGY AT THE NATIONAL LEVEL

In the early 1970's a joint FAO/DNP team produced a 45-volume study which identified 60 development districts with a high population density, a large percentage of small farmers, and some potential for increasing agricultural production. From these, the DNP selected 20 for IRD activities. Within these districts, municipalities and communities were selected using the same criteria. Within communities, potential participants in the IRD project had to meet the following criteria (Department of National Planning, 1980: 3-4):

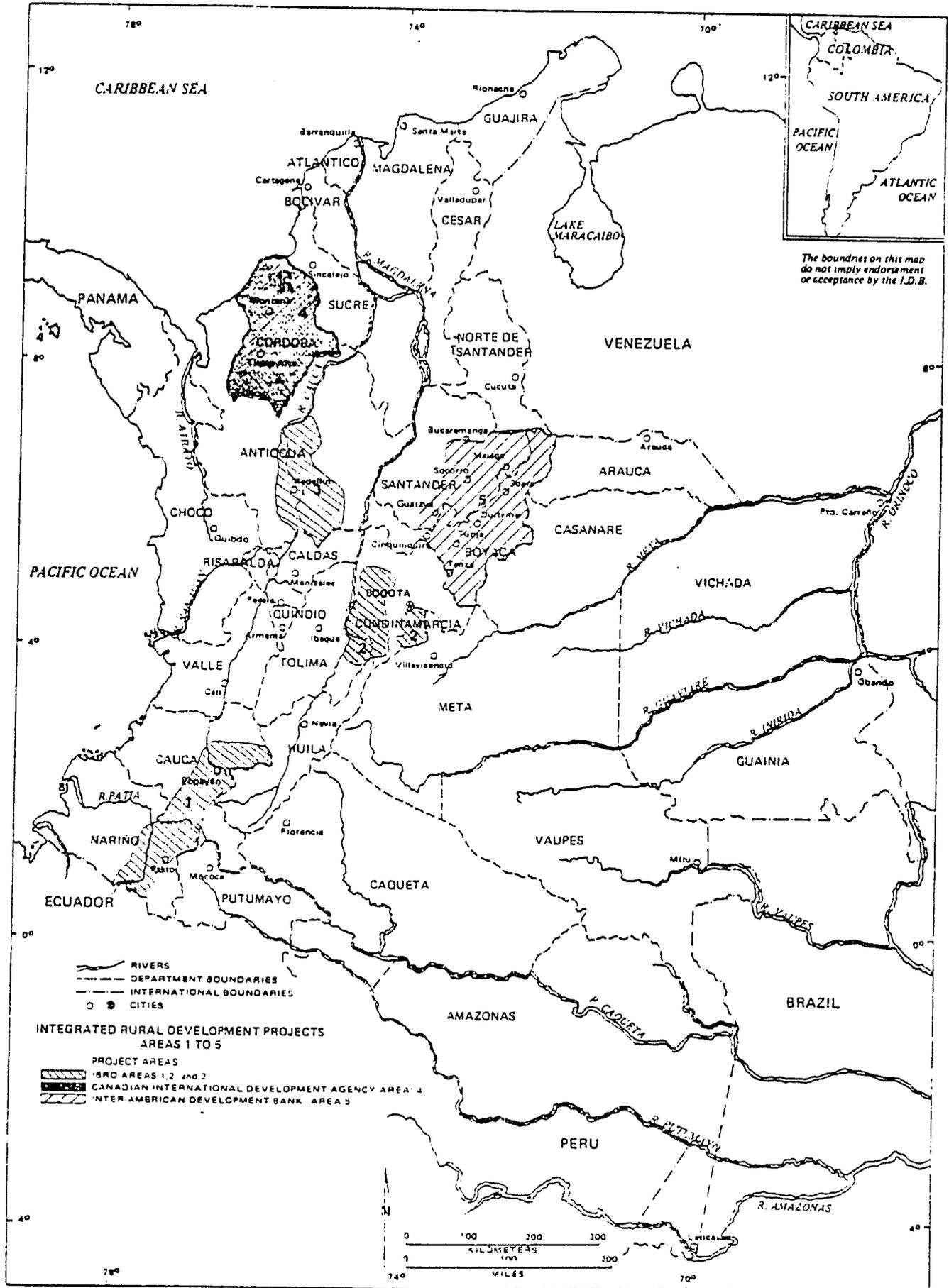
- Value of family's capital goods and assets, including land, not to exceed \$30,000;
- Total area of farm not to exceed 20 hectares; and
- 70 percent of total family income must come from agriculture.

In practice, however, some of the poorest members of the rural population--particularly those families with three hectares or less--are excluded from IRD, because they do not have the resources to take advantage of the services offered. In 1970, there were 978,000 farms of less than 20 hectares. Of these, 252,000 produced coffee and were thereby automatically excluded from IRD Colombia. Of the remaining 725,000 between 200,000 and 300,000 are potential beneficiaries of the program (Gros and Le Bot, 1980: 44-46).

The first phase of IRD Colombia (1976-1980) was estimated to cost \$280 million--half financed by the government and the balance by international donors: \$52 million from the World Bank for Regions One, Two, and Three (Narino and Cauca, Cundinamarca, and Antioquia); \$13.5 million from the Canadian International Development Agency for Region Four (Cordoba and Sucre; and \$65 million from the Inter-American Development Bank for Region Five (Boyaca and Santander). IRD is estimated to be reaching 83,000 farmer beneficiaries in these five regions (see figure 1).

At the national level IRD Colombia includes 13 different departments and agencies. The key actor is the permanent IRD Program Management Unit located within the National Planning Department (DNP). The main leverage that IRD/DNP has over the participating agencies is budgetary. The IRD strategy for achieving integration is very simple: IRD/DNP signs an agreement with a particular agency promising to supply funding specifically for IRD activities within that agency's jurisdiction. These funds are made available over and above the agency's regular budget. If the agency does not comply with the terms of the agreement, then IRD/DNP has the authority to cut its IRD budget and reallocate these funds elsewhere.

Figure 1. IRD Regions in Colombia



Source: Inter-American Development Bank, Project Report: Colombia Integrated Rural Development (IRD), August 5, 1976.

SECTION FOUR

ORGANIZATION AND ADMINISTRATION AT THE NATIONAL LEVEL

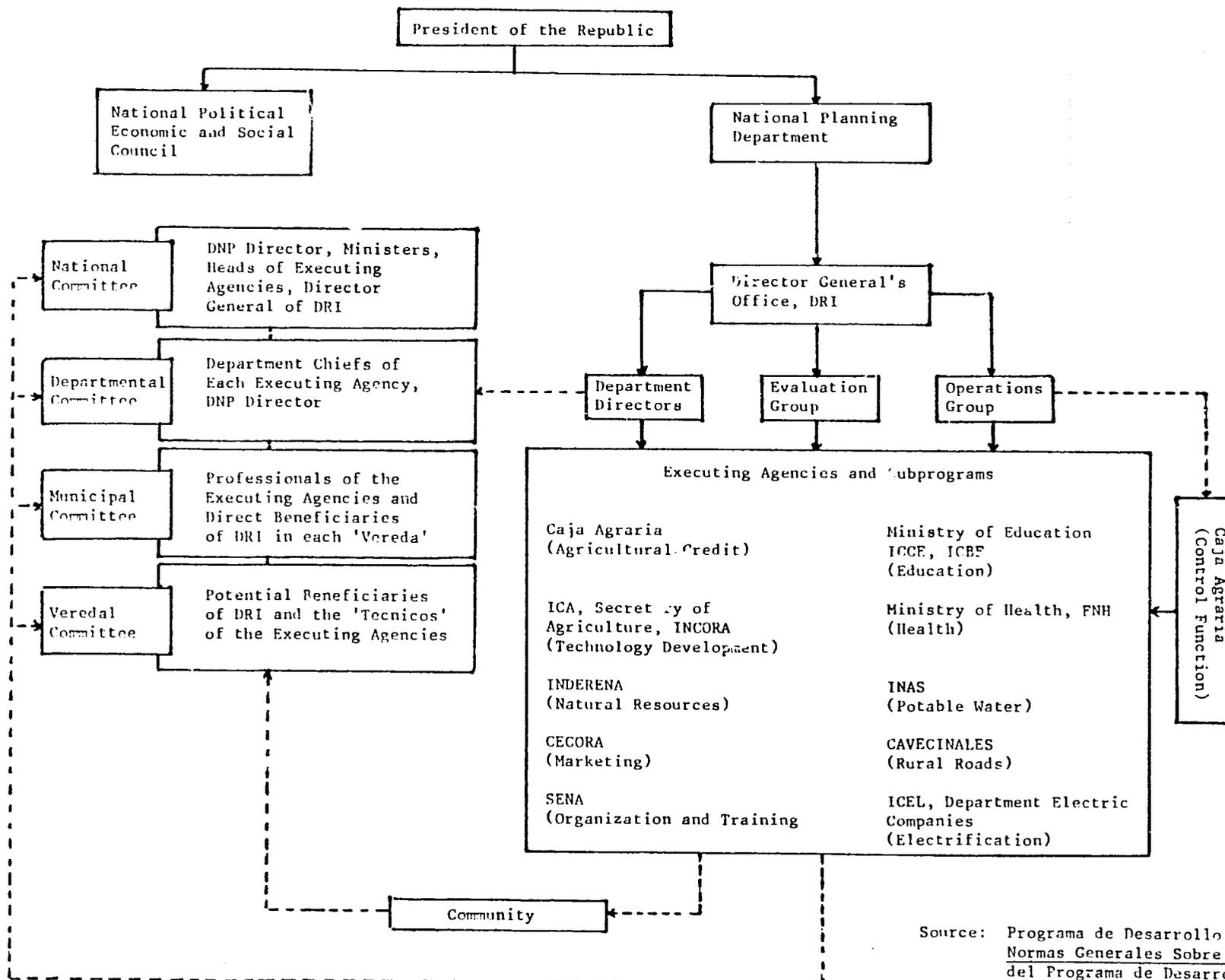
IRD/DNP is directly responsible to the president and to the National Economic and Social Policy Council (CONPES)--the national body responsible for overall development policy. In addition, IRD/DNP is also accountable to the IRD National Committee. This body is composed of the appropriate ministers and agency directors involved in IRD as well as five elected IRD beneficiaries, one from each region. The committee is chaired by the DNP director and its principal functions are the following:

- To prepare the annual IRD program and budget and present them to both CONPES and the Ministry of Finance;
- To coordinate the activities of all involved ministries and agencies; and
- To evaluate the entire program.

Within IRD/DNP there are two components--an operational unit and an evaluation unit (see figure two for IRD Colombia organizational chart). The former is responsible for the specific components of the IRD program. Thus, there is one person responsible for ICA (agricultural extension), another for the Caja Agraria (credit), and so on. These individuals have a dual role and are crucial to the effective implementation of IRD. On the one hand they are liaison officers and, on the other, troubleshooters. They operate in the following way: let us suppose that ICA has a problem in a specific project which cannot be resolved at the regional level. Then, the person responsible in IRD/DNP will be called upon--either to visit the project or to deal directly with the appropriate institution at the national level. The evaluation unit is responsible for conducting various types of studies to be discussed in more detail below.

While there are a total of 13 different agencies involved in DRI, only four of them directly oriented towards production. They include the following: Caja Agraria (credit), ICA (agricultural extension), SENA (training), and CECORA (marketing). The other agencies are involved in social services and infrastructure, e.g., Caminales (roads), ICEL (rural electrification), and Minsalud (health).

Figure 2. Organizational Table for IRD Colombia (DRI)



Source: Programa de Desarrollo Rural Integrado Normas Generales Sobre la Organization del Programa de Desarrollo Rural Integrado, January 1980.

SECTION FIVE

IRD STRATEGY AT THE PROJECT LEVEL

In each of the five IRD regions, IRD/DNP has a small team whose principal role is to coordinate the activities of the various participating line ministries and agencies. In addition, this team is responsible for advising the Departmental Committee (to be discussed in detail below), assist with the preparation of the annual implementation plan, and monitor and evaluate IRD activities. Its most important role is that of coordinator and principal link between the project and the national office. When problems cannot be resolved at this level, then the IRD regional director refers it to the national level for resolution--with some degree of success.

For example, IRD/DNP tries to keep track of the movement of funds down to the regional offices of participating agencies but has no direct authority to ensure that the money is transferred on time and in its entirety--except through informal pressure at the national level. Untimely--and sometimes insufficient--funding of the regional offices is a problem for many of the line agencies. When the leadership of a specific agency is not receptive to the pressures of IRD/DNP or lacks commitment to IRD, IRD/DNP has little leverage left--except to cut the budget. This has severely affected performance of some agencies at the regional level--particularly CECORA (marketing) and INDERENA (resource conservation).

The four-key production--oriented agencies at the project level are the Caja Agraria, SENA (organization and training of small farmer groups), ICA, and CECORA. The original IRD design called for the DNP to serve a planning and evaluation role, while the Caja Agraria was to have the responsibility for implementation and day-to-day supervision of IRD. The Caja was selected for this role because of its high level of institutional presence in the countryside, and because credit was to be the most important IRD component. However, the Caja's performance to date has been unsatisfactory. Primarily, this is because the Caja has had a great number of other responsibilities which have conflicted with IRD for the time and attention of its personnel. Its performance has been particularly weak in the data collection required by IRD/DNP for evaluating the performance of the various agencies involved and for supervising the flow of funds. As a result IRD/DNP set up its own information-gathering network--through the operations group described above--and has become more involved in the planning and disbursement procedures.

In addition, the Caja had to be convinced of the importance of lending to small farmers. Traditionally, the Caja tended to favor larger farmers. Furthermore, as a well-established, powerful government institution, many of its staff were political

appointees. Finally, Caja personnel were primarily bureaucrats, rather than "development technocrats", more interested in repayment rates than in productivity increases.

SENA is an autonomous agency of the Ministry of Labor and Social Security responsible for vocational and informal training. Under IRD, SENA is involved in the promotion of beneficiary associations, including the formation, in conjunction with CECORA, of production and marketing groups. The responsibility for training cooperative and association leaders in business administration, community development, and group credit management also rests with SENA.

SENA is also charged with providing training for both IRD beneficiaries and the personnel of participating agencies. The training of IRD beneficiaries is done with the assistance of, and according to guidelines set by, the other IRD agencies. It includes training in farm management, the efficient use of credit, and agricultural, marketing, and agro-industrial techniques. With respect to the training of IRD agency personnel, SENA is not only supposed to educate IRD personnel in the methods and objectives of the program, but also in farm planning and credit use, improvements in agricultural technology, and how to work with farming and marketing groups.

While it has exceeded its goals in training IRD beneficiaries, SENA has reached only about 20 percent of its goal in training other IRD agency personnel. In part, this is because:

- The staff of the agencies are already overworked;
- Budgetary problems within the agencies hinder their participation; and
- Annual planning for this training component is inadequate.

SENA is responsible for creating the local organizations (comites veredales or Community Committees) through which DRI and the participating agencies work. The communities are selected according to the criteria described earlier. In many communities, there already is a local organization--a Junta de Accion Comunal (Community Action Board) dedicated primarily to public works and political organization. To the extent that the board is interested in broadening its concerns to include production-oriented activities, then SENA will work with it. To the extent that it is not, a new Community Committee is created whose leadership may often overlap with that of the Community Action Board. Once this committee is formed, the members collaborate with IRD officials in producing a community-level document which is, basically, an inventory of the socio-economic conditions of the area, the community's development priorities, and their course of action for accomplishing them. In essence, this is the basis for all future planning and implementation activity in the specific project areas.

The provision of credit to small farmers is the major component of IRD Colombia and the responsibility of the Caja. The provision of such credit, however, is tied to the acceptance of technical assistance from ICA. ICA's overall objective is to transfer to IRD beneficiaries the agricultural technology to enable them, using the credit provided by the Caja, to raise the production and productivity of their farms.

Under IRD, ICA is supposed to:

- Prepare farm plans on which credit from the Caja is to be disbursed; and
- Provide technical assistance to the farmers and supervise the credit that they receive.

Unfortunately, due to the high priority given to planning credit and the large amount of time it takes to complete each farm plan, up to 70 percent of the extension agents' time is consumed in planning. The time remaining is insufficient to provide the technical assistance and supervision needed to ensure the efficient use of the credit. Unfortunately, due to the importance of credit to small farmers in Colombia and the need to adequately program it, this conflict cannot be easily resolved.

ICA also has the responsibility for developing the technological packages to be promoted, based on recommendations from its research centers as well as its own on-farm testing. These packages do not involve a "modern", capital-intensive approach but rather one which attempts to improve traditional technology through minor adjustments and the alleviation of bottlenecks. To the extent possible, differentiated technological packages are designed and adapted for many of the mini-ecosystems where IRD Colombia is working.

ICA has had difficulties in maintaining adequate staffing levels. This, in turn, has led to a higher number of farmers per extension agent than is desired under the IRD program. In part, this is due to the deteriorating financial position of ICA. Its salaries are lower than those for many other line agencies, and it has had a great deal of difficulty getting its budget approved. Much of this has resulted from political infighting between ICA and the Ministry of Agriculture, a very politicized agency with budgetary control over ICA. This financial problem, together with the high priority given to the IRD Colombia program, have led to a flow of resources from other ICA programs to IRD Colombia. Consequently, the overall research effort of ICA and its effectiveness in non-IRD areas has been damaged.

CECORA is responsible for promoting and assisting marketing associations and cooperatives. Under the IRD Colombia, it is supposed to cooperate with SENA in the formation of such groups and to carry out activities designed to improve their

administration and marketing ability. In practice, however, CECORA has been very weak in terms of fulfilling its goals and responsibilities under the IRD program. This has been due to:

- A lack of commitment to IRD at the national level;
- A lack of clearly defined policies and standards within the agency itself;
- A high turnover of personnel; and
- The intrusion of politics into the operation of the agency --including the dismissal of qualified staff for political reasons.

The cooperatives' and farmers' associations created by CECORA have been rather ephemeral and economically weak. The problems in organizing such groups have resulted from:

- The size and heterogeneity of the groups involved;
- The lack of visible benefits to the members;
- Unfavorable prior experience of such groupings by small farmers;
- The lack of training in organizational capability--particularly accounting and management; and
- The lack of continuity and follow through in providing assistance.

In addition, CECORA has been charged with mounting and operating a system of information on prices and trading volumes--an activity which has just gotten underway. CECORA is not responsible for increasing the agricultural storage capacity in rural areas as a means of decreasing production losses and stabilizing prices. That responsibility lies with another agency --IDEMA. Government policy, however, has been to keep direct market intervention to a minimum. As a result, IDEMA's role has been limited--with no direct involvement in the IRD program. In some IRD areas, such as Caqueza in Cundinamarca, a lack of storage capacity and the resulting seasonal fluctuation in prices have been a serious impediment to increased agricultural production. In sum, only a fraction of the IRD beneficiaries has benefited from CECORA's activities and problems with marketing have become serious constraints to increased agricultural production in several IRD areas.

SECTION SIX

ORGANIZATION AND ADMINISTRATION AT THE PROJECT LEVEL

Organizationally, the IRD program at the project level is implemented through the participating agencies under the coordinating umbrella of the IRD regional director and representative committees at three levels. The first level is that of the vereda (or community) assembly whose members include all local residents plus a representative from the participating IRD agencies working there. Nevertheless, only those residents who meet the IRD criteria of "small farmer" can vote. The assembly elects a committee, composed of IRD beneficiaries, with the following responsibilities:

- To establish development priorities for the community;
- To coordinate the activities of the participating IRD agencies in order to maximize community input and benefit;
- To select credit beneficiaries; and
- To serve as the principal source of information for the area.

This assembly is encouraged to meet at least once every three months.

Two members are elected to the next level--that of the municipal committee--which is composed of two representatives from each of the IRD communities in the municipality plus one representative from each of the participating IRD agencies. The president is an elected IRD beneficiary. The principal functions of this committee are:

- To establish development priorities for the municipality;
- To evaluate and aggregate the priorities established by the communal assemblies;
- To integrate these communal and municipal priorities; and
- To coordinate and supervise the activities of the participating IRD agencies.

The third level is the departmental committee, headed by the IRD regional director and composed of the heads of the participating IRD agencies as well as two elected representatives from each of the IRD municipalities. The principal responsibilities of this committee include the following:

- To place the IRD program within the context of the regional development strategy;
- To analyze the programming criteria for each of the participating IRD agencies;
- To review and revise the budgets of the respective agencies according to the priorities established at the municipal level;
- To coordinate and supervise the activities of the participating agencies; and
- To analyze and resolve any problems presented by the lower-level committees.

SECTION SEVEN

CRITICAL IMPLEMENTATION ISSUES

POLITICAL, ECONOMIC, AND ENVIRONMENTAL CONSTRAINTS

Much of the effectiveness of IRD Colombia is a result of the unique position within the government of the National Planning Department. The DNP was powerful before the IRD Program ever started. In order to understand how it achieved its present position, a brief diversion into recent political history is called for. For sixteen years Colombia was governed by a National Front which began in 1958 when the two traditional parties--Conservative and Liberal--agreed to alternate the presidency and share the government equally. This guaranteed distribution of power, on an equal basis, meant that political conflict became less meaningful and that political modernization--in the form of a more technocratic state--materialized (Cepeda-Ulloa and Mitchell, 1980: 23). During this period the supply of highly qualified technicians expanded rapidly and political affiliation became somewhat less important for entry into the government bureaucracy.

Under the presidency of Carlos Lleras (1966-1970), national planning was assigned much greater importance and prestige than before and technical criteria appear to have become more important in the recruitment of planning staff (Berry, 1980: 297-299). Consequently, the government was able to adopt a "development ideology" that transcended the more traditional political labels and stereotypes:

The growing technocratic presence in the national bureaucracy probably led to less personalistic modes of decision making. Increasingly, interest groups had to deal with government on a more technical basis. The technocrats' expertise in specific areas gives them a certain independence from pressure groups (Berry and Solaun, 1980: 447).

While the DNP's influence decreased during the period 1970-1974, it grew again in the following four years--the crucial period when IRD Colombia was in the process of being planned and implemented. Under the present administration, the indications are that the current president, in marked contrast to his predecessor, is antitechnocrat. What this entails for the future of IRD Colombia remains to be seen. However, it should be emphasized that, until recently, IRD/DNP has remained above party politics and thereby somewhat immune from the political infighting and patronage of some of the other ministries. In another sense, of course, it is political since it has managed to maintain its

relative advantage through two politically different administrations. In this respect, Colombia underlies the importance of both a national policy favoring IRD and the political will to implement it.

The explicit objectives of IRD were laid down by the government as were the criteria for qualifying for the program. In practice, this meant that the poorest of the rural poor--those with three hectares of land or less--were effectively excluded. IRD was never viewed as a mechanism for helping these people nor for transferring wealth from one sector of society to another. Beneficiaries were carefully selected--those with sufficient production potential in the first place. In fact, one could well argue that IRD Colombia effectively increases its chances of "success" by choosing to work with those small farmers most able to benefit from its services.

ORGANIZATIONAL PLACEMENT AND LINKAGES

Organizational placement involves the determination of both the level of intervention and the institutional host for the IRD effort. It is important, because it determines who the subsequent decision makers in the IRD project will be, how many of them there are, and what they decide upon. It affects a project's success by determining budgetary procedures, and thus incentives, management control, and the complexity of the decision-making process. In essence, organizational placement determines the pattern of organizational linkages between various participating agencies in an IRD project. An organizational linkage is any activity undertaken during implementation which requires the coordination of two or more agencies. The success of the participating agencies at carrying out this coordination is the crux of the organizational linkage question (Morss and Gow, 1981: 37).

Much of the success of IRD Colombia results from its placement within a well-established national agency, in this case the DNP. In addition, the fact that IRD/DNP has budgetary control over IRD activities provides a strong basis for achieving effective linkages with cooperating agencies. These linkages have been strengthened through the creation of small IRD/DNP teams at the regional level which--over and above their planning responsibilities--are also responsible for ensuring that the resources assigned to IRD are actually reaching the local level. While the IRD regional director does not have final control over the IRD budget at this level, he or she does have considerable authority over budget allocations and, where necessary, budget reallocations.

One basic question that arises is whether the coordination in IRD is of secondary importance. Is IRD simply a financial tool for persuading line ministries to concentrate their resources on reaching a specific target group? In trying to operationalize the program, IRD Colombia has pursued two distinct, but inter-related strategies:

- Geographical concentration: having the line agencies focus on a specific target group within a specific geographical area.
- Coordination: having various agencies work together on joint projects toward intermediate objectives.

With the first strategy, IRD has been fairly successful. The availability of additional resources has served as a "carrot" to direct the efforts of participating agencies. The IRD "stick" is the threat of withdrawing the "carrot". This financial mechanism has ensured that the resources go to the target groups identified.

The second strategy is a natural outgrowth of the first. In the production component of IRD, there are essentially three organizational linkages;

- For the provision and supervision of credit: ICA, the Caja, and CECORA;
- For training: primarily SENA;
- For promotion and assistance to farmers' organizations: SENA, ICA, and CECORA.

As discussed earlier, IRD Colombia has effectively managed to redirect the Caja's lending policies towards the small farmer and coordinate Caja activities with those of ICA. The research demonstrated what several other commentators had already pointed out: that SENA has been very successful in both training and providing assistance to small farmer organizations. Where coordination has not lived up to expectations is with CECORA--an agency bedeviled by internal political problems. Ideally, IRD/DNP should have attempted to strengthen the capability of CECORA but, given the political constraints, this was impossible.

TIMING

The implementation of IRD Colombia was slow to get underway. The decision to undertake it was officially made, and the international funds requested, late in 1975. It was not until late 1977, however, that momentum picked up and signs of activity

became visible at the local level. Part of the reason for this delay was the long planning process that was necessary to develop the project, and the time necessary for the solicitation and negotiation of international funds. Further, the Colombian agency personnel who were going to implement the IRD program had to learn the regulations and procedures that would govern not only the operation of IRD, but donor lending policies as well.

Though it would probably be difficult to shorten this negotiation and planning process, the implications of this slow start at the micro-level should be considered. Many of the future beneficiaries of IRD Colombia came to believe that it was just another unkept government promise. This, in turn, adversely affected the credibility of line agency personnel who were already working in the future IRD areas, and who had been instrumental in spreading the word that the IRD Program was coming.

Project start-up was also delayed by other factors. Government of Colombia budgetary laws and procurement regulations, combined with donor disbursement procedures, have also been a constraint. The World Bank, for example, only disburses against statements of expenditures prepared by the Ministry of Finance. However, the delay between the time the expenditure is incurred and the arrival of the funds in the agency's treasury has averaged ten months. Since the funds made available from the ministry at the beginning of each quarter only cover the government's counterpart funds and not the 100 percent of planned expenditure, serious cash flow problems have resulted, especially at the field office level.

In the case of the IDB, the initiation of a revolving fund has decreased the seriousness of this problem, while CIDA has been willing to make disbursements in advance of expenditures mostly for material procurement. The tight procurement laws in Colombia have been a further source of concern, seriously delaying the delivery of vehicles obtained from international sources.

Another problem was the donor requirement that IRD personnel be in place before donor funds could be disbursed. This resulted in a very rapid increase in the number of personnel in the field offices at the beginning of the program. For example, ICA district office directors, who were usually agronomists rather than administrators, were confronted by a flood of new extension agents, with little time to plan what they were going to do. Moreover, once this manpower team was in place, there was still a considerable delay before the arrival of the international counterpart funds to help support them.

PARTICIPATION

The indications are that participation by IRD beneficiaries, particularly in planning, is increasing. Initially, it was thought that IRD/DNP would consolidate the plans provided by the line agencies and pass them down through the regional, municipal, and community levels of recommendations and approval by the beneficiaries. In practice, however, the planning initiatives have come from the communities themselves and have been channeled upwards through the various levels for discussion.

The reasons for this increasingly effective participation appear to be the following:

- The effectiveness of SENA training;
- The nature of the target population;
- The revitalization of existing organizations;
- Two-way information flow: and
- Beneficiary control over budgetary allocations.

SENA training and formation of small farmer organizations have been effective partly because of the quality of its personnel and partly because of the methods employed, particularly the willingness of SENA to proceed slowly, to be flexible, and to learn from its mistakes. In addition, the embryonic or revitalized local organizations received continuous support from technicians, usually from SENA working in conjunction with technicians from other involved agencies, particularly ICA. Furthermore, potential beneficiaries were encouraged to participate in the planning process from the very beginning, a process in which they are represented all the way up to the national level.

By choosing to work only with those small farmers with sufficient production potential in the first place, IRD Colombia increased the chances that potential beneficiaries would, in fact, participate by taking advantage of the services offered. A recent DAI study demonstrated that a favorable physical environment tends to attract intervention in the form of development projects and is a significant factor in overall project impact (Gow and Morss, 1981: 15).

Divergent views are expressed in the literature concerning whether intervention strategies should work through existing, indigenous organizations or create new ones. However, the most important criterion for selection of existing organizations is their amenability to change, that is, the extent to which the

organization is willing to reorient its activities to tasks other than those for which it was formed. To the extent possible, IRD in Colombia has tried to work with existing organizations, particularly the Community Action Boards. If a board is interested in broadening its concerns to include production-oriented activities and is willing to work in a relatively apolitical manner, then the IRD Program will support it. If a board is uninterested, or obviously oriented towards a particular political party, then a new Community Committee is created whose leadership may often overlap with that of the board.

The indications are that there is a relatively effective two-way information flow between project staff and project beneficiaries. Through the various committees, beneficiaries are encouraged to question, prod, and complain whenever promised IRD activities are not forthcoming. Thus, beneficiaries do have a forum for voicing their complaints. The effectiveness of such accountability appears to vary somewhat from region to region.

Effective participation, in the final essence, implies some control over resources. In a most direct way, such control is the end product of participation in the decision-making process. Put another way, such decision-making participation is meaningless unless it implies some control over resources. With the evolution of IRD Colombia, the indications are that beneficiaries have played an increasingly important role in planning development IRD activities and in allocating the budgetary resources to implement them at the local level. Beneficiaries do not control the budget at the regional level, but they do have some say in how the budget is allocated. Hence, their participation in the planning exercise is relatively meaningful.

INFORMATION SYSTEMS

Not surprisingly with a national program of this size, there are several "information systems." In the interest of brevity, these can be divided into formal and informal systems. The first formal information system falls under the Caja. As the agency responsible--at least in theory--for monitoring IRD, Caja produces annual reports on each of the IRD regions. These reports concentrate exclusively on "target performance" and no attempt is made to measure the impact achieved by meeting these targets in terms of direct and indirect benefits, benefit distribution, and benefit continuation. Such reports presumably serve the interests of the government and the international donors but tell the reader very little about the substance of IRD.

The second formal information system is the responsibility of the IRD evaluation unit. Within IRD/DNP in Bogota, there is an evaluation team responsible for measuring the impact of IRD. Unfortunately, the methodology selected--that of the sample

survey--has been far too complex for the task at hand. It took a consulting firm a year to design the methodology and an additional five months to test the proposed questionnaire. Both methodology and questionnaire were found to be too complex and had to be further modified during the sample survey. To date, the team has applied the questionnaire in four of the five IRD regions. Processing the data may take anything from six months to a year. The results from one IRD region, Cordoba/Sucre, are presently available but doubts have been expressed concerning their reliability--hence, they are not referred to here.

Likewise, the reliability of the data from another IRD study, which demonstrates a 62 percent increase in productivity over the period 1975-1979, also leaves much to be desired--given the small sample size and the fact that the baseline figures are estimations (Lopez, 1980: 11). For these reasons and others, no rigorous information is available on the economic impact of IRD.

There are two components to the informal information system, both of which have been touched upon earlier in the text. First, the operational unit within IRD/DNP is responsible for monitoring the specific components of the IRD program. This is done most effectively by relying on information generated informally--primarily through frequent use of the phone and regular trips to the field. Second, by encouraging participation IRD Colombia has created a relatively effective two-way information flow between project staff and project beneficiaries. While beneficiaries do have a forum for voicing their complaints, the effectiveness of such accountability appears to vary somewhat from region to region.

DIFFERING AGENDAS

The key players, both institutions and individuals, at every stage of the project cycle--identification, design, implementation, and evaluation--are likely to have differing purposes or agendas in mind. In many IRD projects these differing agendas, which neither singly nor collectively place the highest priority on achieving project goals, have led to serious project implementation problems. With the notable exception of CECORA, IRD Colombia has successfully avoided many of these problems.

A common experience for any development researcher is to come upon projects whose success appears to depend upon the wits, dynamism, and charisma of one individual--the Lawrence of Arabia Syndrome. In its earlier years, the first IRD director was known affectionately as "El Tarzan del DRI"--perhaps in recognition of some of the barriers that had to be overcome in making the program operational. One aspect of IRD that immediately strikes the observer is the extent to which the program has been able to

attract and keep well-trained, well-motivated professionals who are, apparently, above the call of political patronage often practiced in the government institutions.³

The Colombians call this type of professional behavior mi'stica, and it appears to be motivated by the following factors:

- Some control over participating agencies;
- Security of employment;
- The opportunity to implement one's ideas;
- The opportunity to complain and be heard; and
- The chance to work in a relatively "loose bureaucracy."

However, IRD Program's highly motivated staff cannot be explained solely in terms of such "reasonable" incentives. The first IRD director, who himself epitomizes the professional with mi'stica, was responsible for attracting many of the present personnel. How did he choose them? "Olfato" (a keen sense of smell) was his reply.

SUSTAINING PROJECT BENEFITS

One of the rationales for an IRD project is the provision of a critical mass of human and capital investment so that development will become self-sustaining. Therefore, development resources are concentrated in a specific area, or on a specific target group, necessarily to the detriment of other areas or socioeconomic groups in the country. Theoretically, this is justifiable if the area or target group has been selected according to some criteria consistent with national development goals.

In the case of Colombia, it was hoped that the critical mass of investment in the districts selected for IRD would lead to self-sustaining development. In any event, these districts would be brought up to a level of socioeconomic welfare above the national average. It is expected that IRD II, beginning in 1982, will involve a second "tier" of 14 districts that were not involved in IRD I. However, given limited resources, will the increased flow of resources to IRD II mean that investment in IRD I districts will have to be curtailed?

The investment by the Government of Colombia and the international donors in the first phase of the IRD project has amounted to around \$280 million. This sum can be divided into

three basic components: credit, non-recurrent costs, and recurrent costs. First, almost 50 percent of the investment in the IRD program has gone to create a revolving credit fund for extending loans to small farmers. This fund will continue to exist after the termination of the first phase of IRD Colombia (assuming, of course, that the interest rates charged to the borrowers cover the cost of extending the loans, and the rate of loan repayment remains high). A second component of the investment is that being used to provide social and physical infrastructure and to cover other non-recurrent expenditures. Once a road, hospital, or sewer line is constructed, it need only be maintained or staffed. The remaining portion, perhaps 30 percent of the total investment, involves recurrent costs, the largest of which is that for increased staffing to manage and supervise the program. For example, ICA staff in some IRD areas have increased four-fold, and other agencies have experienced comparable staffing increases. Unless these recurring expenditures are continued, a sizable part of the benefits obtained under the first phase of IRD Colombia may be lost. It is the ability of Colombia's IRD program to shoulder the burden of increased recurrent costs that will determine the sustainability and expansion of IRD in Colombia.

INTERNATIONALLY

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SECTION EIGHT

CONCLUSIONS

This report was written on the basis of a weeks stay in Colombia. It tries to strike a balance between intelligent journalism and critical "rural development tourism". According to Chambers (1980:18), practitioners of this latter activity:

...depart loaded with research papers, technical evaluations, and annual reports which they probably will never read. They leave with a sense of guilt at the unworthy scepticism which prompted probing questions, and with memories of some of those who are better-off in the special project, and of the charisma of the exceptional leader or manager who has created it. They write their journey reports, evaluations and articles on the basis of these impressions. For their part, the project staff have reinforced through repetition the beliefs which sustain their morale. Thus, projects take off into the realm of self-sustaining myth.

Care has been taken to preserve some impartially so that IRD Colombia does not appear as either a showcase or a disaster. For example, no reference has been made to the one outside evaluation presently available--that conducted by CIDA in one of the IRD Colombia regions (Canadian International Development Agency, 1980). While the evaluation is damning, there is little indication that the particular region is in any way typical of IRD Colombia. Likewise, no attempt has been made to judge the "success" of the program. Rather, emphasis has been placed on the process of implementing IRD--on some of the organizational and administrative factors that project planners, managers, and staff often ignore at their peril.

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NOTES

- 1 Owing to time constraints, the research team concentrated specifically on the production components of IRD.
- 2 These and related problems have been discussed in earlier DAI work, see Development Alternatives, Inc., 1978: vol. 1, pp. 55-73.

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