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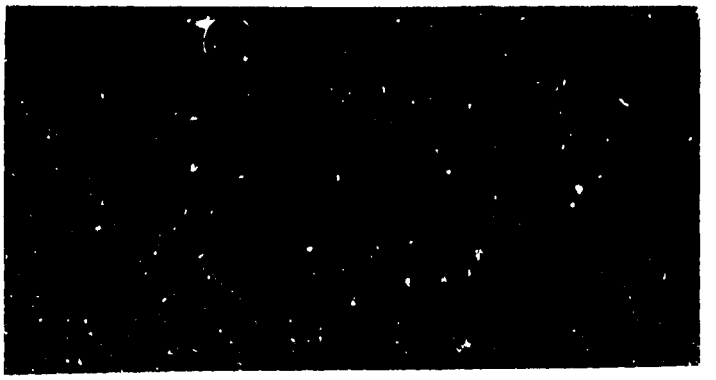

LOCAL REVENUE ADMINISTRATION PROJECT

MAXWELL SCHOOL

SYRACUSE UNIVERSITY

SYRACUSE UNIVERSITY
LOCAL REVENUE ADMINISTRATION PROJECT
QUARTERLY REPORT

Submitted
by

D. Glynn Cochrane
Project Director

July 20, 1981

Agency for International Development
Cooperative Agreement
No. AID/DSAN-CA-0198

936-5303

PROJECT ADMINISTRATION

Professor William Mangin has now become associate project director. Professor Mangin, a Latin American specialist and Professor of Anthropology, has worked in Peru for over twenty-five years.

Given budgeting constraints and uncertainties over existing and future work, a number of changes may take place at Syracuse during the last quarter.

FIELD SERVICE

Tanzania

Professor Larry Schroeder completed a two week assignment in Tanzania (report attached). His preliminary advice on local revenue issues was enthusiastically received and the Mission has cabled DS/RAD to that effect.

The likelihood is that the DAI project on which Syracuse was assisting will now have a more substantial local revenue component.

Rwanda

Professor Nicholas Gavrielides completed a month long assignment in Rwanda (report attached). He assisted with local revenue issues for a rural works project. Given the design of the project and the importance of mobilizing more resources at the local level to help sustain increased productivity and service delivery, there is now likely to be a continuing Syracuse involvement.

Peru

Professor David Robinson, Robert Kent, and Julio Gianella continued work on producing a Regional Development Plan. They were assisted on short term

TDYs by Professor William Mangin (report attached) and David Greytak.

The original urgency attached to this project was due to the need for an acceptable plan to be submitted by June 30th. This target has been met.

The Mission has requested additional assistance from Syracuse to help establish a Municipal Institute.

Upper Volta

After long delays the Upper Volta PIOT was signed, the Syracuse team received clearance, and two team members have now begun work in the field. The team leader, Robert Hall, is due to arrive in late July.

The latest Upper Volta CDSS continues to stress the importance of recurrent cost issues. The outlook for the production of a useful piece of analysis is good.

NOTES ON LRAP PUBLICATIONS, JANUARY-APRIL 1981

Continued Projects

1. Weekly publication of the LRAP REVIEWS.

A two-page, xeroxed review sheet containing critical abstracts of three publications relevant to the field of local development finance. Circulation: 50 persons, mainly within the Syracuse University community.

2. LRAP Bibliography Series.

This quarter brought three additions to the LRAP Bibliography Series. The series consists of bibliographic compilations done by LRAP Research Assistants as part of their assignment.

The latest bibliographies are: Alem Hailu's "Development in Thailand: A Bibliography With Emphasis on Local Public Administration and Local Government Finance," and Elfatih Abdellatif's "Economy, Public Administration, and Development in the Sudan: A Bibliography," and Richard

Joseph's "Budgeting in Third World Countries: An Annotated Bibliography."

New Projects

1. REVENEWS.

A monthly information sheet on LRAP happenings was begun in February and has been published each month since then. At first it was sent to a limited mailing list but that has been expanded to include the worldwide network that LRAP is developing. Currently REVENEWS is mailed to over 200 persons and institutions in the Third World and to over 100 persons and institutions in the developed countries. In conjunction with the LRAP Directory (below) that mailing list is gradually being culled to include only those who have expressed an active interest in being part of a network.

2. Directory of Experts in Local Revenue Administration.

Starting in February, LRAP has made a concerted effort to gain contributions from experts in local revenue administration around the world concerning their current position and work. Those contributions will be compiled into a printed directory and widely distributed to help improve communications and sharing of expertise and knowledge. There has been a rather steady flow of responses. The current plan is to continue to elicit contributions throughout the fall of 1981 and then do the final compiling, indexing and preparation of copy in the early part of 1982.

Field Reports

1. William Mangin submitted his Final Report for Short-Term Consultancy in Peru, March 1-April 4, 1981, to the Integrated Regional Development Project (AID 063/0178).

2. The LRAP Philippine team submitted their report on "Strengthening the Fiscal Performance of Philippine Local Government: Analysis and Recommendations." The study is one result of the LRAP work that was carried out during 1979 and 1980. The report comprises major sections contributed by each member of the Syracuse LRAP team: Roy Bahl, David Greytak, Larry Schroeder, Benjamin Diokno and Kenneth Hubbell. The report, which is over 600 pages in length, contains a 50-page executive summary at the beginning that encapsulates the findings and recommendations discussed in the body of the study.

INFORMATION AND NETWORKING

Much of the third quarter was devoted to organizing LRAP's Peru-related holdings. Peru items were entered into the LRAP database, edited, and cross-referenced where necessary. We will continue to send updated lists, with backup documents, to our Peruvian team.

We have made a good start in locating materials pertaining to the rural roads project in Bangladesh, especially revenue-related items. We have reports generated by AID and other donor agencies, and have contacted institutions around the world who are engaged in research and project work in this area (e.g., Australian Road Research Bureau).

Our office has maintained efforts to find and disseminate other reports of local revenue administration in LDCs. Some of these are forwarded to LRAP team members at their request; approximately 150 such requests were processed this quarter. Other reports, articles, monographs, etc., are brought to the attention of LRAPers according to their areas of expertise.

LRAP is now compiling a world-wide directory of local revenue specialists, to promote the interchange of ideas and experiences. Through correspondence

from author affiliations recorded in our database files, and from printed sources, we have located many potential network participants; many more have yet to be contacted.

PERSONNEL

A breakdown of effort for the period January 1st through April 30th is included in Attachment D.

EXPENDITURES

A breakdown of the project expenditures as of April 30th follows in Attachment D.

P E R S O N N E L

MONTHLY SUMMARY OF LRAP PERSON DAYS

RANK	JAN.	FEB.	MARCH	APRIL	TOTAL
FULL PROFESSOR					
Roy Bahl	17			1	18
Glynn Cochrane	22	20	22	22	86
Donald Ely	4				4
David Greytak	17		11		28
Kenneth Hubbell	22				
William Mangin	11	10	22	11	54
Jerry Miner	4	4	2		10
Dennis Rondinelli			11		11
James Vedder	19	18	19	19	75
ASSOCIATE PROFESSOR					
Nick Gavrielides	22	20	22	22	86
John Nellis	5.5	5	5.5	5.5	21
William Pooler	11	10	11	11	43
David Robinson	22	20	22	22	86
Larry Schroeder	16			3	19
ASSISTANT PROFESSOR					
Philip Boyle	22	20			42
Nilgun Gokgur	22	20	22	22	86
Julio Gianella	11	20	22	22	75
Barbara Miller	22	20	22	22	86
David Spetka	22	20	22	22	86
Stephen Strand	11	20	22	22	75
RESEARCH ASSOCIATE					
Robert Kent	22	20	22	22	86

RANK	Sept-Dec	Jan	Feb	March	April	Total
FULL PROFESSOR	403	116	52	87	53	711
ASSOCIATE PROFESSOR	286	76.5	55	60.5	63.5	541.5
ASSISTANT PROFESSOR	263	110	120	110	110	713
RESEARCH ASSOCIATE	88	22	20	22	22	174
TOTAL	1,040	324.5	247	279.5	248.5	2,139.5

2,139.5 days or 97 person months to date

E X P E N D I T U R E S

SEPTEMBER 1, 1980 - APRIL 30, 1981

ACTIVITY	SALARIES	FRINGE	OVERSEAS TRAVEL	OVERSEAS PER DIEM	DOMESTIC TRAVEL	DOMESTIC PER DIEM	IN-COUNTRY EXPENSES	OTHER DIRECT COSTS	INDIRECT COSTS	TOTAL
MALI	$ 13,155	$ 3,420	$ 4,198	$ 3,815	$ 615	$ 104		$ 300	$ 11,844	$ 37,451
MIDDLE EAST	17,232	4,480			855	1,203		1,441	12,611	37,822
PERU	94,438	20,453	22,485	15,772	1,023	543	$ 4,886	7,645	68,908	236,153
PHILIPPINES	63,782	15,010	7,368	4,984	630	241		2,883	45,246	140,144
UPPER VOLTA	50,162	12,958	933	869	4,875	7,359		2,303	32,199	111,658
NEW BUSINESS	2,247	1,124	5,614	2,267				2,226	5,794	19,272
STATE OF THE ART	18,916	4,919			947	582		3,608	14,489	43,461
INFORMATION/ NETWORKING	26,843	6,824						10,419	22,046	66,132
CONFERENCE					1,197	360		5,946	3,752	11,255
PROJECT MNGT	100,014	26,003			1,258	1,203		1,900	65,191	195,569
TOTAL	$386,789	$95,191	$40,598	$27,707	$11,400	$11,595	$4,886	$ 38,671	$282,080	$898,917

MALI ($37,451)

Faculty and Support Staff:

Personnel		Salary	Fringe	Overhead
Segall	1.05 PM	$ 3,913	$1,017	$2,465
Nellis	1.00 PM	3,112	809	1,961
Miner	.68 PM	2,951	767	1,859
Boyle	.50 PM	1,250	325	788
Hailu (RA)		1,929	502	1,215
		$13,155	$3,420	$$8,288

Overseas Travel and Per Diem:

Personnel	Travel	Per Diem	Overhead
Segall	$1,731	$1,655	$1,287
Miner	1,534	1,291	1,074
Boyle	933	869	685
	$4,198	$3,815	$3,046

Domestic Travel and Per Diem:

Personnel	Travel	Per Diem	Overhead
5 trips	$ 615	$ 104	$ 360

Other Direct Costs:

Expenditures	Overhead
$300	$ 150

MIDDLE EAST ($37,822)

Faculty and Support Staff:

Personnel	Salary	Fringe	Overhead
Gavrielides 8 PM	$13,376	$ 3,478	$ 8,426
Alfatih (RA)	3,856	1,002	2,430
	$17,232	$ 4,480	$10,856 (50%)

Overseas Travel and Per Diem:

None

Domestic Travel and Per Diem:

Personnel		Travel	Per Diem	Overhead
Gavrielides	(11)	$ 855	$ 1,203	$ 1,033 (50%)

Other Direct Costs:

Expenditures	Overhead
$1,441	$ 722 (50%)

PERU ($236,153)

Faculty and Support Staff:

Personnel	Salary	Fringe	Overhead
Robinson	$ 32,961	$ 8,569	$ 18,582
Gianella	10,210	2,655	4,889
Mangin	8,740	2,272	5,212
Kent	11,050	2,873	6,357
Rondinelli	1,793	466	858
Ely	5,000	1,300	3,150
Bromley	3,775		1,435
Garzon	3,856	1,003	2,429
Vallejo	3,856	1,003	2,429
Schumutzler	964	251	607
Reinke	233	61	147
Consultants	632		316
	$ 83,070	$ 20,453	$46,411
Incountry Ed Services	11,368		4,320
	$ 94,438	$ 20,453	$50,731

Overseas Travel and Per Diem:

Personnel		Travel	Per Diem	Overhead
Robinson	(5)	$ 7,176	$ 3,470	$ 4,045
Gianella	(1)	952	263	464
Bromley	(1)	3,178	1,469	1,766
Kent	(1)	2,291	536	1,074
Mangin	(1)	1,203	2,171	1,282
Rondinelli	(1)	550	310	327
Greytak	(1)	1,123	831	743
In-Country local travel		1,715		652
In-Country local Accom			6,717	2,552
Moving and Storage		4,298		1,633
		$22,486	$15,772	$ 14,538

Domestic Travel and Per Diem:

Personnel		Travel	Per Diem	Overhead
Robinson	(1)	$ 304	$ 174	$ 239
Kent	(2)	696	340	518
Garzon	(1)	23	29	26
		$1,023	$ 543	$ 783

Other Direct Costs:

Expenditures	Overhead
$ 7,025 @ 50%	$ 5,513
620 @ 38%	236
$7,645	$5,749

Miscellaneous:

Incountry Medical Services	$ 260	$ 99
Incountry Utilities	4,626	1,758
	$4,886	$1,857

PHILIPPINES ($140,144)

Faculty and Support Staff:

Personnel	Salary	Fringe	Overhead
Bahl	$13,900	$ 3,614	$ 8,757
Greytak	10,555	2,744	6,650
Hubbell	4,806	1,250	3,028
Schroeder	8,912	2,317	5,616
Diokno (RA)	3,856	1,003	2,429
Lamoreaux (RA)	3,856	1,003	2,429
Rajanah (RA)	3,856	1,003	2,429
McGrath (Sec)	6,063	1,576	3,820
Strbak (Lib)	1,928	500	1,215
	$57,732	$15,010	$36,374

Consultants

Yoingco	$ 4,300		$ 1,634
de Guzman	1,750		665
	$ 6,050		$ 2,299

Overseas Travel and Per Diem:

Personnel	Travel	Per Diem	Overhead
Bahl	$ 1,854	$ 1,417	$ 1,243
Hubbell	1,729	1,298	1,150
Schroeder	1,854	1,206	1,163
Greytak	1,931	1,063	1,138
	$ 7,368	$ 4,984	$ 4,694

Domestic Travel and Per Diem:

Personnel	Travel	Per Diem	Overhead
Hubbel	$ 468	$ 202	$ 355
Holland	162	39	101
	$ 630	$ 241	$ 456

Other Direct Costs:

$ 2,883			$ 1,443

UPPER VOLTA ($111,658)

Faculty and Support Staff:

Personnel	Salary	Fringe	Overhead
Boyle	$11,250	$ 2,925	$ 7,087
Gokgur	13,000	3,380	8,190
Spetka	11,919	3,099	7,506
Miner	4,708	1,224	2,966
Nellis	3,176	826	2,001
Joseph (RA)	3,856	1,003	2,429
Hailu (RA)	1,928	501	1,215
	$49,837	$12,958	$31,385
Consultant	325		163
	50,162	$12,958	$31,548

Overseas Travel and Per Diem:

Personnel	Travel	Per Diem	Overhead
Boyle	$ 933	$ 869	$ 685

Domestic Travel and Per Diem:

Personnel	Travel	Per Diem	Overhead
Boyle Nilgun Spetka Miner	(31) $4,875	$ 7,359	$ 6,117

Other Direct Costs:

Expenditures	Overhead
$ 2,303	$ 1,152

NEW BUSINESS ($19,272)

Faculty:

Personnel	Salary	Fringe	Overhead
Cochrane	$ 2,247	$ 1,124	$ 1,686

Overseas Travel and Per Diem:

Personnel	Travel	Per Diem	Overhead
Cochrane	$ 5,614	$ 2,267	$ 2,995

Domestic Travel and Per Diem:

None

Other Direct Costs:

Expenditures	Overhead
$ 2,226	$ 1,113

STATE OF THE ART ($43,461)

Faculty and Support Staff:

Personnel		Salary	Fringe	Overhead
Vedder	2.66 PM	$10,197	$ 2,651	$ 6,424
Pooler	1.50 PM	3,882	1,009	2,446
Dosa	.45 PM	1,497	389	945
Schmutzler (RA)		1,928	502	1,214
Markey (Inp)		720	187	454
Reinke (Inp)		200	52	126
Harrington (map)		492	129	310
		$18,916	$ 4,919	$11,919

Overseas Travel and Per Diem:

None

Domestic Travel and Per Diem:

Personnel		Travel	Per Diem	Overhead
Strand		$ 176	$ 16	$ 96
Vedder	(2)	358	238	298
Schmultzer		23	7	15
Pooler		182	107	145
Schroeder		208	214	211
		$ 947	$582	$765

Other Direct Costs:

Expenditures	Overhead
$ 3,608	$ 1,805

INFORMATION AND NETWORKING ($66,132)

Support Staff:

Personnel	Salary	Fringe	Overhead
Mara	$ 8,394	$ 2,182	$ 5,288
Earl	5,606	1,458	3,532
P. Cochrane	855	222	539
Raymond (RA)	3,856	1,003	2,430
Woolverton (Inp)	1,880	489	1,185
Cutter (Inp)	486	126	306
Burian (Inp)	283	74	179
Waldstein (Consultant)	600		300
D. Strand	4,883	1,270	3,077
	$26,843	$6,824	$16,836

Overseas Travel and Per Diem:

None

Domestic Travel and Per Diem:

None

Other Direct Costs:

Expenditures	Overhead
$10,419	$ 5,210

CONFERENCE ($11,255)

Domestic Travel & Per Diem:

$ 1,197	$ 360	$ 779

Other Direct Costs:

$ 5,946	$2,973

PROJECT MANAGEMENT ($195,569)

Faculty and Support Staff:

Personnel	Salary	Fringe	Overhead
Cochrane	$ 29,673	$ 7,715	$18,694
Mangin	6,797	1,767	4,282
Vedder	16,995	4,419	10,707
Pooler	6,470	1,682	4,076
Miller	13,200	3,432	8,316
D. Strand	11,993	3,118	7,556
Katz	2,226	579	1,403
Burnett	7,740	2,012	4,876
S. Strand	4,920	1,279	3,100
	$100,014	$26,003	$63,010

Overseas Travel and Per Diem:

None

Domestic Travel and Per Diem:

Personnel		Travel	Per Diem	Overhead
Cochrane	(3)	$ 768	$ 908	$ 838
Miller	(2)	192	52	122
Robinson		96	35	66
Mangin		202	208	205
		$1,258	$1,203	$1,231

Other Direct Costs:

Expenditures	Overhead
$1,900	$ 950

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MAXWELL GRADUATE SCHOOL OF CITIZENSHIP
AND PUBLIC AFFAIRS
METROPOLITAN STUDIES PROGRAM 409 MAXWELL HALL

Memorandum

TO Glynn Cochrane DATE: July 7, 1981

FROM Larry Schroeder

SUBJECT Tanzanian Trip Report

The following are some of the highlights of the interviews held in Arusha Region, Tanzania during my on-site review during the first three weeks of June, 1981. More details can be provided, if necessary.

June 1--This day was spent becoming acclimated to the Arusha Planning and Village Development Project (APVDP) and included meetings with Charlie Sweet (Project Director), Mike Sarco (Project Management Division Chief), and Allen Johnston (Director of Planning and Evaluation Division). I also spent a fair amount of time with the documents that they had collected over the past two years of the project.

Tuesday, June 2--I met with the Arusha AID person, Thomas Luche, and while we discussed the possibility of altering the scope of work, ultimately it never was changed. I also met with Mr. C.J. Mitema, Planning Officer who is the project coordinator for the APVDP Project.

The first out of town visit occurred on Thursday, June 4, when I spent some time at the offices of the Arumeru District. There I spoke with Joyce Stanley, the DAI person for the district, who told me about the several projects that are currently underway at the village level within the district. I also met with Mr. Tessua, the district's Planning Officer and talked about the budgeting process. Mr. Swai, Ujamaa and Cooperative Development Officer, discussed more fully several village projects including storage facilities and establishment of lorry and bus service from the villages.

On Friday, June 5, I spoke with Regional Finance Officer, Mr. Sungare, who discussed the collection of appropriation-in-aid monies for the region and later was able to provide me with 3 years' data on these collections. I also spoke with Mr. G.P. Shuma, Assistant Regional Officer of the Ujamaa and Cooperative Development Office, who also discussed the various kinds of activities undertaken by villages and the role his office plays in these efforts. Mr. K. Kombmua of the Commerce Ministry showed me the new business tax rates which are now a flat rate rather than one based upon turnover.

On June 8 I traveled to Babati in the Hanang District and was accompanied on my rounds there by Planning Officer, Mr. W.A.R. Mgalula. We first spoke with District Development Director, Mr. W.T. Kisanja and talked about

the district development projects. I also spoke with Mr. B.A.I. Batenga, the District Accountant who told me more about the liquor license fee and then with Mr. H.M.Zengwa, the District's Trades Officer who gave me the specific rates on this particular license. Mr. Stanley of the Internal Revenue Department (Ministry of Finance) gave me more information on the business license fees. He also indicated that the Village Revenue Act of 1979 is now being implemented within the district. Mr. Kaaya, the District Ujamaa and Cooperative Development Officer told more about the brewer's fee and also indicated that the accounts were not very uniform across villages.

On Monday and Tuesday I visited four villages within this District. The first was Galapo where I spoke with Village Manager, Mr. A. Migire and then to Endakiso where I spoke with Village Manager, Mr. M.E. Khaday. This Village seems to be much more prosperous and includes a 600 acre communal farm. On Tuesday, we first visited the Village of Magugu and spoke with Mr. S.S. Kimwaga, the Chairman of the Village and Village Accountant Mr. Hassan J. Mpinga. They are currently installing a new maize mill and are expanding their hotel. They also earn considerable revenue from the village brewery. Unfortunately, their accounts were nearly impossible to sort out. The final visit of that day (approximately 100 miles from Arusha) was in the Village of Mwada where I spoke with Mr. M.N. Mashinde. Since the accountant had taken the books to the National Milling Corporation, it was not possible to get much specific information.

On June 10, I visited two institutions--the Tanzanian Rural Development Bank (TRDB) and the Tanzanian Livestock Marketing Company (TLMC). At the former I spoke with Credit Supervisor, Mr. Francis Kasoyage, who gave me information concerning the kinds of terms which their institution provides villages for both production and project loans. At the TLMC I spoke with Mr. Ngowi, the Zonal Manager, who gave me information about the marketing of cattle within the region.

On Thursday, June 11 I spoke with Regional Finance Officer, Mr. Chima. We discussed the business tax and, as well, he provided me with data on tax collections, by District, in the Region. At the National Milling Corp. I spoke with Mr. Mamuya, the Branch Manager; Mr. Mpiga, Operations Manager; and Mr. Winani, the Accountant. They discussed the grain marketing and pricing procedures used by NMC (the sole legal outlet for grain in the country). This discussion convinced me that the ces is essentially a tax levied on the consumers of these grain products.

On Friday, June 12, we visited Singisi Village in Arumeru District, where I spoke with Mr. Iyawe, the Village Secretary; the Village Accountant, Mr. Charles Akyoo and Mr. Robert N. Kitomary, Chairman, Production and Marketing within the Village. They explained in great detail the procedures associated with the coffee marketing process and, as well, discussed the small scale industry (pottery) project that is also located in the Village. Finally, they also explained how the rural savings and credit scheme works in their Village.

On Saturday, June 13 I visited the Village of Usa River and spoke with Village Chairman Mr. Mike Naibala and Village Secretary, Mr. Anaeli Msuya. They told me of the several projects which they had in their Village including a shop, a maize mill and a lorry which they have ordered but have not yet obtained.

On Tuesday, June 16 Charlie Sweet had read my draft report as well as the draft executive summary. While he suggested some minor changes, the most substantive additions were to be a final section that addressed the question of implementation strategy. This will have to include a discussion of the timing of the various policies but also how the region could carry out the plan over the next year or so. Of most importance to LRAP is inclusion within that implementation plan of a research component. Not only should it contain the kinds of things that ought to be and can be done but should also include an Appendix specifying how a village finance survey could be carried out. The survey will likely be administered in Arusha by the APVDP using college students as surveyors. But the analysis component may contain the need for additional technical assistance. There should also be a training component discussed in this chapter, but the degree to which that will necessitate additional technical assistance is less definite. Mr. Sweet also wrote a letter to the Arusha AID office (attached) indicating that I had satisfied the scope of work.

On Wednesday, June 17, I spoke with Mr. Sabuni, the Regional Natural Resources Officer, concerning forestry fees. These rates are nationwide, therefore there is very little that the region can do concerning them.

Mr. Shuma, again of the Ujamaa and Cooperative Development Office, spoke with me further about the financial oversight functions of his office. He indicated that there is an audit and supervision fund which is under the registrar of Ujamaa and Cooperative Development Office in Dodoma. It has zonal officers including one in the Arusha area that includes CPAs to do the final audit on village accounts. None of the individuals associated with his office or at the village level appear to be trained in feasibility studies, however.

I then spoke with Mr. Luche again and he promised that he and his staff would comment on the draft and he seemed to be pleased with the overall effort. He did question whether or not there would be need for additional manpower from LRAP on this project. I told him that it would have been extremely helpful, especially in the interviews and, as well, to help develop ideas more fully. There would have been, however, a logistical problem because of the severe shortage of petrol and vehicles in the area so that we probably would not have been able to cover any more persons than I was able to alone.

On my final day (Saturday, June 20), I met with Regional Planning Officer, Mr. Mazalla. He had read my report or at least executive summary and seemed to react quite favorably to it. He said that the report will be passed on to the Regional Planning Committee for debate, which is really the first step in the overall policy making process.

My last discussion was with Mr. Damgaard who is a Regional Management Technician in Bookkeeping and Management for the Nordic Project for Cooperative and Rural Development. He gave me some interesting information on the training of bookkeepers that their project currently has underway. Since they have used a pilot village approach, however, it has not had a very substantive impact since only 15 to 20 villages have been involved.

By the end of the visit then I had produced a draft report and had also put together an executive summary. As well, in my discussions with Sweet, we worked out the format for the title pages so that the document would be viewed very much as a regional document. This is in keeping with the APVDP approach of trying to integrate their project within the regional planning process rather than have it simply be appended to the regional planning office. There will, nevertheless, be adequate room both on the second title page as well as in the preface for a further discussion and description of the LRAP project. When the draft is finally complete (hopefully within the next couple of weeks), it will be passed on to you and then between your office and DAI Washington decisions can be made as to how it should be produced, etc. Sweet suggested that they would need at least 40 copies of the report for their office and maybe a few extra copies of the executive summary. DAI will probably want some copies as well and, hopefully, the report will be of enough general interest to rationalize a few additional copies to be maintained here.

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SYRACUSE UNIVERSITY

LOCAL REVENUE ADMINISTRATION PROJECT

407 UNIVERSITY AVENUE : SYRACUSE, NEW YORK 13210
TELEPHONE: 315 423 2334 CABLES: FINANCESYR

MEMO TO: GLYNN COCHRANE

FROM: NICOLAS GAVRIELIDES

SUBJECT: RWANDA TRIP REPORT

DATE: JULY 20, 1981

The purpose of my trip was to collect material on the agricultural sector relevant to the preparation of a PID and PP for a rural works project. The time designated for the scope of work was two months for a TDY, followed by a two week back up.

I left New York City on Saturday, May 30, 1981, and arrived in Kigali on Tuesday, June 1st at 10 a.m.

At 2 p.m. on the day of my arrival a meeting was held at the AID office to review a draft of the PID for the Rural Works Project. Participating in the meeting were Norman Olsen, acting director and Edward Greeley, an anthropologist from REDSO. At the conclusion of the meeting, it was decided that:

1) at that stage there was not enough data to back the PID,

2) the time allowed for my TDY reduced to one month was not enough to accomplish the task,

3) they really needed a level 4 French speaking anthropologist (I am a level 2),

4) the PID assumed a major effort in institution building (local government) which, for a Rural Works Project, would be beyond the original goal. They need to:

   a) find out what kind of local government exists at the Communes at Gyero, Butaro and Nyamugali,

   b) find out the perceived needs of local government officials for development,

   c) spend a week at end of the TDY at Kigali to help write the PID,

   d) write a report on local resource mobilization in Rwanda. All this happened the day I arrived.

On Wednesday, June 3rd, a cable was sent to DS asking for help, and I called Syracuse to that effect. I continued to meet with AID staff and with Greeley.

Thursday, June 4th, AID/Kigali provided me with an assistant who spoke French, English, and Kinyrwanda. Most local officials speak very little French and farmers speak no French at all. So the issue of my level 2 French assumed less significance.

Friday, June 5th, I met with the undersecretary for Communal Development, Mr. Celestin Gahamanyi, at the Ministry of the Interior. My French was quite adequate and he promised to call the Prefect of Ruhengeri announcing my arrival on Tuesday, June 9th. In the afternoon, I met with representatives of the Catholic Relief Service and Euroaction and discussed their projects in the area where RWP would be operating.

Saturday, June 6th, meetings were held all day at the AID/Kigali office to discuss the format of the PID and what data I should be bringing back.

Sunday, June 7th, I visited Akagera National Park.

Monday, June 8th, I visited the new resettlement--Paysanat at Rusumo.

Tuesday, June 9th, I left for the field. My first destination was Ruhengeri. After encountering problems at the U.S. Embassy that dealt with logistics, local currency, gasoline, expenses for the driver, medicine and emergency kit, we left at 3 p.m., three hours late, and arrived at night time. The Prefect said that when called by the Ministry of the Interior he could only understand that somebody was coming Tuesday. The connection was bad--it always is. There were no proper accommodations available and we spent the night in a "bush hotel".

Wednesday, June 10th, I met with the Prefect of Ruhengeri. He suggested that on Friday, June 19th, a meeting be held at Buberuka, the Subprefecture seat to which the three communes of Cyero, Butaro, and Nyamugali belong, where the RWP will be operating. This meeting to be attended by all relevant personnel to discuss RWP. He also asked us to communicate this to the subprefect and Burgomaster as we see them in the next few days.

In the afternoon we met with the director of a potato seed project sponsored by the International Potato Institute.

Thursday, June 11th through Thursday, June 18th, I made daily visits to Buberuka, Butaro, Nyamugali and Cyero. Data collected included local government organizations, local finances, local ability to identify, initiate and maintain projects, farm practices relevant to RWP, local markets, coops, opinions of lineage heads and extended family heads, minority groups (Pygmies), and visits to sites where communal labor (Umuganda) was at work on road repairs. On Wednesday, June 17th, Norman Olsen visited me in the field and had to take back the driver who came down with malaria. Meanwhile, I obtained two persons from across the border in Uganda who spoke good English and Kinyrwanda. Such persons exist in this region because English is taught in Uganda where the native language is the same. As a result, I was able to divide the work between myself and the assistant provided by AID/Kigali and thus accomplished a great deal.

Friday, June 19th, a meeting was held in Buberuka as planned, headed by the Prefect and all the staff of the three communes, where RWP was discussed all day.

Saturday and Sunday, June 20th and 21st, I spent writing and going over notes with my assistant.

Monday, June 22nd, I returned to Kigali where I learned the request for help from DS was rejected. This did not matter, for I managed to get my own help and accomplish a great deal. This was shown when, upon the completion of my debriefing by the mission staff, I was asked if I would be interested in being the Resident Advisor for the RWP, and that AID/Rwanda would like to negotiate a long term relationship with Syracuse.

My last week, June 23rd through June 30th, was spent writing the PID which was reviewed with the Ambassador on Tuesday, June 30th. I also wrote the Social Analysis for the PID and began writing my report, "Local Resource Mobilization for Development in Rwanda: Assessment, Technical Analysis and Recommendations for Rural Works Project."

The most important discovery of my work was that Rwanda has local governments, communes which are popular indigenous institutions with fiscal autonomy and a great deal of administrative autonomy. Their institutions are excellent vehicles for local level development. Proper and adequate AID interventions can develop the commune budgetary capacity, fiscal policy, and administrative potential to provide services that satisfy basic human needs and sustain economic growth.

Wednesday, July 1st, I departed Kigali.

NG/db

RURAL WORKS PROJECT

Social Analysis for Project Identification Paper

Submitted by

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July, 1981

A. Socio-Cultural Context

The three communes of Butaro (population 43,000), Cyero (population 44,000), and Nyamugali (population 36,000) are part of the subprefecture of Buberuka which consists of a total of five communes. Buberuka is part of the Prefecture of Rubengeri located in the northern part of Rwanda bordering Uganda. The population of the three communes is mainly composed of Hutu subsistence farmers and a small number of pygmy Twa who are pottery makers and landless ex-hunters and gatherers.

The terrain is mountainous. Butaro in the most northern section has volcanic soil, while Cyero and Nyamugali to the south have heavy concentrations of clay. The area has a number of large lakes with numerous waterfalls. Farming is done mostly on hill sides with field boundaries forming rudimentary terraces. Most of the hills and mountains have been cleared of forests. The valleys are marshy and were traditionally held communally for pasture. Today such marshes are being rapidly drained by manual labor and put into potato cultivation. A large swamp bordering Rwerere in the eastern section of the communes of Butaro and Cyero remains to be drained. Pygmies there fish for small catfish. Certain areas of these communes tend to specialize in sorghum, bananas, and potatoes. There is a tea plantation owned by the Rwandan government in Ryamugali.

The communes have strong patrilineages which are part of an old clan system. These lineages tend to control land and cattle. The formal political organization today is build on the indigenous social structure. Cell leaders at the bottom level of the political organization tend to be leaders of minimal lineages. Sector leaders who represent people living on several adjacent hill sides tend to be heads of patrilineages. The sector leaders called chiefs form the communal council which is headed by the Burgomaster. The burgomaster who is appointed by the President is paralleled by the Hutu paramount chief of the not so old Tutsi

fuedal system. The burgomaster is directly responsible to the subprefect. The commune has a local government bureaucracy headed by the Burgomaster. The government personnel include clerical staff, technical staff and police. The commune is fiscally autonomous, with the authority and power to raise revenue through taxes, fees and levies. Their revenue sources are based on previous feudal practices. They include the head tax, the cattle tax, and a labor tax called umuganda. In addition, one of the main sources of revenue for the communes is the market tax which reaches up to 10% of all projected revenue and 20% of actual revenue.

The nuclear family is the basic unit of production using subsistence farming techniques with manual labor. The basic tools are the hoe and machete. Families of neighboring homesteads who are usually members of the same lineage cooperate in constructing houses, harvesting, and clearing fields. Animals are not used for transport or traction. There is a division of labor by sex. Women perform most of the farm labor, domestic labor and trading. Men perform field clearing, herding and beer making. Since the number of cattle, a symbol of wealth, has been declining due to the cultivation of pasture land, men are finding themselves idle. Women and children are the main persons transporting produce, firewood and water. There is some farm surplus production for the area is dotted with active biweekly farmers markets. There are people in the are who do not own enough farm land. Others have more than they can cultivate by using family labor. As a result, there is share cropping and compensation in kind (beans) for farm labor.

Settlement is dispersed with homesteads representing extended families at times dotting the hill sides, especially in the north. Single unit homesteads are more common to the south. Integrating institutions such as markets, schools, beer huts, dispensaries, cooperatives, and government offices are also dispersed. The only settlement which has a semblance of concentration of integrating institutions is Buberuka where the subprefective is located.

B. Beneficiaries

The population of the entire three communes (123,000) will benefit when the indigenous local government infrastructure will be augmented to be able to identify, plan and implement development projects with sound budgetary principles taking into account maintenance and general recurring costs. Similarly, the entire population of the communes will benefit from the small revenue generating projects.

Improved roads will benefit the entire population. Such roads will also benefit the specific users of dispensaries (especially expectant women and small children), schools (children), markets (mostly women), and government offices. In an area characterized with dispersed settlement, roads are very significant.

The development and improvement of water systems will provide access to clean potable water. A large number of the inhabitants of eastern Cyero and Nyamugali, especially the Pygmies, use swamp water. There are schools and dispensaries without access to water. Water is trecked by women and children carrying containers on their heads.

Reforestation will benefit the entire population of the three communes. Reforestation will conserve the soil and provide firewood which is the only source of fuel for heating and cooking. Firewood, at present, is in short supply. Women and children have to travel great distances in search of firewood. Reforestation will provide lumber for building houses. Today people are obliged to use expensive and imported tin roofing instead of locally produced roofing tiles from the abundant clay deposits in the area. The preference for tin is due to the fact that such a roof requires less lumber for support. If the supply of lumber increases due to reforestation, the people could use more tile and a tile industry would be stimulated in the region. The fuel to burn the tiles will also be provided from reforestation.

Reforestation of communal land will also benefit the entire population because the local government charges a fee for every tree cut. This will add revenue

to the communal budget.

Terracing is also a soil conservation measure which will benefit the entire population. It will also benefit the owners of specific fields that will be terraced. The goal of the three communes is to terrace the entire area. Specifically women will benefit from terracing because they are the ones who work on the steep slopes hoeing, weeding and harvesting while carrying their babies on their backs. In addition, as grass will be grown on terrace edges, it will be used to feed cattle in stalls which will be cross breeds that produce more milk and manure. There is already a cooperative in Nyamugali using these methods successfully. Increased and better accounted for cattle will also increase the revenue of the commune budget through the cattle tax.

The RWP also intends to pay wages for technical, semi-technical, and unskilled labor. Women should be encouraged to earn extra money for they traditionally work in the fields. (I have observed contractors using men and women to manually load rocks on trucks). In addition, direct beneficiaries will be the specific personnel who will receive training by the project: the three burgomasters, the agronomes, forestry people, accountants, health workers and water maintenance persons.

Small revenue generating projects undertaken by the communal governments will benefit the population as a whole as well as the specific users of the services provided by such projects. For example, a grist mill will benefit women who spend time pounding grain, a ferry service (with a small outboard) will benefit women who tend to paddle dugouts and get exposed to belharsia in lakes Bulera and Luhundo; storage facilities for improved potato seed varieties will benefit potato growers. All this adds to the build up of an already existing indigenous local government system for the provision of services to its citizens that satisfy basic human needs with substantial beneficial affects for women and children.

C. Participation

The purpose of the Rural Works Project is to develop the capacity of the local governments of the three communes to implement and maintain projects and services which satisfy basic human needs. As stated earlier, the local government of the commune through its council of sector leaders is in effect parallel to the social system in existence and the basis of citizen participation in government affairs in a decentralized structure. It is commonly understood in the region that "if the people do not agree, the burgomaster cannot do anything."

The institution of umuganda which will provide a large percentage of the manual labor needed for the physical implementation of the project, is also a mechanism of citizen participation from the family level up. The project will also employ skilled, semi-skilled and manual labor from the three communes. Women should be encouraged to earn cash through employment opportunities in the project that parallel their traditional roles in the division of labor. The present failure of the commune governments to maintain their water supply systems, limited as they are, might be caused by a factor that goes beyond inadequate budgetary practices. The cause might be in part due to entrusting such tasks and responsibilities to men who traditionally have nothing to do with water provision. It is the women and children who treck for water. A woman in charge of water maintenance might do a better job.

D. Feasibility

The following areas should be investigated at the PP preparation stages in order to determine the nature of the socio-cultural aspects of the RWP involvement during implementation:

1) Land tenure, land use, and conflict resolution:

Since terracing will involve the alteration of a traditional system of food production, the system of land use should be studied and understood. In addition,

since terracing will inevitably result in the obliteration of field boundaries, and since there is no cadaster or land registration system, and since initial investigation suggests that one of the major causes of conflict in the communes at the local level are fights over field boundaries and land tenure, a study of land tenure and conflict resolution relating to land matters is very important.

2) Farmer markets:

Since farmers' markets are one of the focal points of commune economic and social activities, and since these markets sometimes provide up to 10% of revenues in the commune budgets, a study should be performed in order to provide an understanding of the socio-cultural and economic factors in operation in the large network of small and large markets. The study should provide data that will help the project determine the transportation system needed to provide better access to these markets for trading increased surpluses. Also improved markets and market management will result in the increase of one of the most important revenue sources for the communes. Women are active participants in these markets. They should not be ignored.

3) Roads and Road Maintenance:

A study should be performed in order to identify the traditional attitude to road maintenance, especially through the use of umuganda. It was observed for example during a large demonstration of umuganda maintenance work in the commune of Butaro that most efforts are aimed at repairing culverts which are made of precious lumber covered with dirt. In addition, it seemed that most road deterioration is due to drainage problems related to these culverts which deteriorate fast.

4) The Operation of Local Government:

A study of the organization and operation of each of the three commune

government systems should be undertaken in order to identify areas of strengths and weaknesses before a training program should be initiated. This study would be conducted at the initial stages of project implementation while observing the reaction of commune government and the degree of actual citizen participation and its relationship to social structure and social organization as these communes attempt to implement the development goals of the RWP. Cooperatives should be studied with an emphasis of the socio-cultural reasons for their success or failure.

5) Forestry:

A study should be performed on the traditional ways of using forest resources in order to identify areas of improvement and the possible introduction of suitable tree varieties. For example, it was observed that women and children fetch firewood, while men are engaged in heavy lumbering work. If this holds true, wood suitable for burning should be planted at the foothills and wood for lumber at the hilltops. It also appeared to the investigator that the people's idea of harvesting forests is literally clearing all trees.

6) Social Structure and Social Organization:

A study should be made of the operation of the traditional kinship system especially as it relates to the control of land by kin groups and the use of patron client relationships in farm employment and farm rental. This is important in order to determine the economic impact of the RWP activities. Of great significance will be those activities that relate to the improvement of the productivity of private holdings. This will help provide measures of equitable distribution of benefits so that the poorest of the poor who are often landless do not get an unfair share. Understanding of local, traditional low key politics is essential here. These low key politics are the informal social aspects of local government.

7) Recurring Costs and Maintenance:

One of the goals of the project addresses this problem. This has been

discussed in the text of the PID.

8) The Spread Effect:

If there are to be spread effects of this project, they will be of a positive nature. A successful project will demonstrate that an indigenous local governmental institution with fiscal autonomy can be developed to provide and sustain the provision of services that satisfy basic human needs through citizen participation.

9) The Capacity Level of the Local People

This capacity is demonstrated by the existence of a local system of government with autonomous finances and traditional citizenship participation. The communes will also contribute substantially in labor through their traditional system of umuganda.

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FINAL REPORT
SHORT-TERM CONSULTANCY

MARCH 1 - APRIL 4, 1981

Prepared by

William P. Mangin
Local Revenue Administration Project

For the

INTEGRATED REGIONAL DEVELOPMENT PROJECT
(AID 063/0178)

June 1981

My scope of work for the five week period I was in Peru in March and early April 1981 was to visit several municipalities in Cajamarca and Junin, including provincial and district capitals as well as smaller units, to assess their administrative capabilities, their attitudes toward and perceptions of the new municipal law, and to make observations about possible projects and possible problems in the Proderin operation. Because of heavy rains I was unable to get to Junin, but I did cover a large area of the sierra and part of the coast of Cajamarca. I also talked with government officials and Cajamarquinos in Lima. I covered some the matters in my preliminary report which I am expanding and appending here.

It is not surprising that I found great variation among the municipalities in relation to their capabilities and their sophistication about projects, local finance, recurrent costs and the new law. Generally speaking, the provincial mayors were alert and aggressive, ready to work with, but suspicious of, national government projects. As I pointed out, I found the mayors of Celendin and Cutervo particularly sharp and eager to go on new projects. The district mayors were more varied, some quite well prepared, some not so well. Some districts seemed remarkably prosperous and well organized, some seemed quite poor and disorganized. Political considerations were uppermost in people's minds and all, without exception, were very much aware of a possible differential treatment because they were either Aprista or Accion Popular. It was generally felt that Proderin was Accion Popular and would favor the municipalities where that party had won the recent elections. Early visits and preliminary discussions of possible projects seemed to indicate that such was the case, but subsequent developments in Cajamarca may have changed the situation.

There are no secrets in local finance and decentralization. The

possibilities are limited and many things have been tried in different places, some even in Peru. There are limited possibilities in taxation and transfers of funds from central governments. In the end, the decisions about what specific steps to take are political decisions and are outside the scope of technical assistance, but we can present some suggestions based on our experience, and can respond to specific questions and suggest some possible consequences of alternative projects.

Cajamarca has many possibilities in agriculture and Junin has some, but in the long run migration, urbanization and feeding urban populations will have to be considered, along with the provision of off-farm employment in the two departments. The population is increasing rapidly in both places and, although service delivery has improved in the past twenty years, there is reason to think that the population is growing faster than the ability of the state to provide services. A marketing system that serves a local, decentralized area is probably not as desirable from the point of view of the central government, as one that is set up to provide food for Lima and the coast and to ease the food import problem. The policy making climate has to take that into consideration even though the main emphasis of the Proderin project is decentralization and serving the local areas. A good compromise position is that anything that strengthens and stabilizes local areas such as Junin and Cajamarca is automatically good for Lima and the central government.

For the immediate future, agricultural projects are probably the most important, along with water conservation and the provision of drinkable water. Practically every municipality I visited had agricultural and water projects proposed or, in many cases, underway. Many lacked money and equipment for difficult sections of irrigation canals and feeder roads. Most had experience with organizing local labor to work on tasks and had done so. I would suggest

that those projects be looked at first. Completing a few good projects would be a tremendous confidence builder. Most of the officials were very much aware of the mountains of folders on engineer's desks in government offices, and most were very skeptical that any fair procedure was going to be instituted. A sign of movement on the part of Proderin could lead to increased activity in the towns themselves.

I suggested to local councils that a demonstration on their part that they could meet recurrent maintenance and personnel costs would be a criterion for capital investment in projects and most seemed to think that was reasonable and possible in relation to irrigation projects and roads. They did not see much possibility that they could pay for heavy machinery and expensive investments because their sources of revenue are so limited. The mines pay no local taxes. The water projects for the coast pay nothing to Cajamarca. The roads built for heavy trucks (e.g. the Jequetepeque construction) get ruined and the trucks aren't charged. A similar series of complaints emerged from the meetings but the willingness to work on projects and to accept responsibility for maintenance was more widespread in the towns than among the governmental and Proderin officials, who seemed more interested in getting some projects around for people to see. This may result from long experience with towns not doing what they promised as well as from political pressure to get some visible public works going, but my impression is that there has not been much concern with recurrent expenditure in Peru on the part of the government or international donors. It is messier and more complicated than capital construction. The mayors were aware of the abandoned projects all over the departments and, as I have noted in Peru (and other places) they and people from the local population were considerably more realistic about the nature of project development than most of the trained engineers. It would be a bit unfair and exaggerated, but one could almost say that the people in the small towns and the countryside

feel that they have to "handle" the engineers because they have been deformed by their education and their government service. The "local wisdom" angle can, of course, be romanticized and overvalued, but it seems to me that it should be explored more than it has been in Peru.

The sources of revenue mentioned most often were property taxes, central government grants (presently block grants of one million soles a year), charges on agricultural and mine shipments, user charges for water and electricity (and TV), subsidized rice and sugar, and the coming food stamps that no one understands and many don't want. The property taxes have not been raised in many years and are hardly worth collecting in the towns. The big haciendas no longer pay any tax since they have become coops. The mayors are not sure what their legal powers are to raise taxes and are not convinced that they could collect them. There is money but no real plans to mobilize it. Some municipalities are very poor but most seemed to have some resources and some willingness to take some risks in spite of the high degree of distrust of the ministries and the national government.

Proderin will have to decide whether to give something to everybody, work only with right policital groups, give to the richest, give to the poorest, give along the main roads, try for multiplier effect, try something new, or try some combination. Decisions will also have to be made as to regional changes that might improve development possibilities. The National Planning Institute office under Borges has begun some sub-regional groupings for certain kinds of projects and some of the mayors are aware of this. The way projects will fit under the new municipal law (and its already myriad changes), and how municipalities will be effected by the possible new Municipal Development Institute will also have to be considered in project selection. I wish I could do more than point these things out, but I have no idea what the new situation will be and I can only say that these considerations will be important

and that, at least, the provincial mayors are very much aware of all the actors and many of the possibilities.

What follows now are three sections on possible innovative areas to explore, and an expanded report on my observations in specific municipalities.

Indians and Municipal Development:

The word "Indian" has many definitions in Peru. Here I will use it to refer to rural mountain dwelling Peruvians who live in "traditional communities," and are more or less distinguishable from the "modern" population by a combination of dress, social relationships and, in the case of Junin and parts of Cajamarca (e.g. Porcon), being primary or secondary speakers of Quechua. The percentage of Indians is not known by anyone since the definitional criteria are different for different counters, but it is probably safe to calculate it at more than half of the population of Junin and the sierra of Cajamarca. One of the distinguishing characteristics of the Indian population that is shared with the poor Mestizo population is a lack of opportunity to participate in the making of decisions that effect their economic, social and political lives. A great resource is squandered by the dominant groups in the society since Indians have mastered agriculture and marketing relations in a difficult ecological and political setting for several centuries.

In my trip report I mention that a common attitude on the part of mayors and government officials is that, "We know our Indian (or caserio) people, we know what they want, and we will take care of them." The social situation in the mountains has opened up in recent years and such statements are better intentioned than they might have been previously, but they are patronizing and usually wrong. The most casual interviews or conversations with poor rural people, particularly Indians, reveals a great cynicism about and distrust of government officials and considerable disillusion with projects proposed by and

started and abandoned by outsiders. This is combined with a long tradition of dependence and expectations of someday finding a good patron who will solve the problems. It makes a difficult situation for Proderin type projects. People seem quite sophisticated about the hyprocrisy involved in "trickle down" projects but at the same time they seem to have over optimistic ideas about their own abilities to organize and meet recurrent costs on projects they initiate themselves. (In fairness, that is a statement based on little evidence in practice, since they have had few opportunities to undertake such projects).

From my experience last June and this March in Cajamarca and Junin, and comparing that experience with previous experiences in Peru, I don't see any major change in the attitudes of officials toward Indians. They are much less abusive than in the past (that's good), but paternalism and political pressure still make it very difficult for real consultation. Officialdom in Peru, elected and non-elected, is hierarchical. Each social group is administered to by the next highest group, including foreigners in the top groups, and it is a hard mind set to break. Proderin has a chance to break the pattern some, but the pressure to get something done is great. The project has been delayed and the governments of Peru and the U.S. want to see some concrete (no pun intended) results immediately. That is inevitable and some concrete should be poured immediately, but in the long run a much more important kind of project process should also be undertaken. This should be a process that involves people in the more remote areas and it will take time. Surveys and questionnaires may have to be used, but they should not be used until someone spends some time in some selected areas of Junin and Cajamarca observing and talking to see what is going on and to set the stage for a productive use of surveys.

In project selection many criteria have to be used but the benefits of finally including Indians in some of the goodies from the central government

would be quite revolutionary and probably highly integrative in the two departments. Even something like a new road opening an isolated place instead of a road (Loma del Indio) shortening the trip to Cajamarca for some already prosperous municipalities would be a good beginning. In my experience in Ancash we found that internally organized labor in Indian communities was far more likely to turn out for road maintenance than labor promised by local officials, even when the "labor" was the same individuals. Some efforts should be made to build in special advantages for municipalities that demonstrate that they can consult and work with instead of dictate to and exhort the Indian population. Even if it results in delay and failure in many cases, the process could be beneficial and it couldn't be a lot worse than the present methods of making decisions.

Women and Markets:

An obvious fact of life in Peru is the importance of women in markets and small businesses. In spite of this obvious fact, international development agencies deal exclusively with men in projects concerned with marketing and small business. The probable reason is that 95% of the agency representatives are men and 99% of the Peruvian governmental officials they deal with are men. It seems to me that Proderin has a good opportunity to break this cycle because of the relatively small scale nature of the project and the flexibility only available to a new agency.

In Cajamarca as well as Junin the elected officials and the ministry engineers are men, as are the Proderin people for the most part, but since no set patterns have yet developed, Proderin could open up communication with market women (who are often organized on a formal basis) and women running small drugstores, food stores, restaurants, garages, etc., and thereby tap an important resource previously ignored. They could be consulted not only on their

direct knowledge of market operations and local private sector financing, but on their general views of governmental operations in regard to project selection, taxation and service delivery since they are involved in these matters as much as men.

The same situation prevails in other parts of Indian Latin America, West Africa, the Caribbean, and perhaps other parts of the world, and has been pointed out on many occasions. In high level governmental contacts the recognition of the major role played by women in daily commerce is not likely, but in the case of Proderin, operating in two departments in a supposedly innovative way, it should be possible to take advantage of the superior knowledge of women in the areas of marketing and small business and to include women in the new process of municipal development.

Voluntary Associations and Development:

There is a recent interest on the part of the Ford Foundation and the World Bank to explore the possibility of using existing voluntary associations in development. It is a sensible idea and is particularly feasible in Peru. The term "voluntary association" encompasses kinship, religious, regional, special interest, etc., organizations. The leadership is chosen locally and varies in effectiveness, even as the official leadership of the governmental organizations varies. Generally, they are much more responsive to the membership than governmental units, and many of them have shown an ability to adapt to new functions. I have worked extensively with regional associations (mostly mountain migrants to Lima) and found them to be most effective. They are able to combine their own self-interest with an interest in helping their home communities. They deliver services and they act as advocates for their home districts in various ministries in Lima. The latter function is well developed in Cajamarca and Junin clubs. The members range in age, sex, occupation and

political identification, and the level of sophistication and training is often high.

Migrants from the sierra of Cajamarca to Chiclayo and Trujillo also have organizations that could be used. The exact role in development could be worked out with the clubs. Advocacy alone is a crucial service they can perform. Fund raising for specific public works is fairly common (plaza improvement, fountains, statues, etc.) and this sort of thing could take some of the load off Proderin and allow concentration on more useful but less physically visible projects. Organization of work groups by neighborhood, parish or kinship group is common in Junin and much of the Indian sierra. That fact could be built on in project selection and the commitment to maintenance costs. In the distribution of food stamps and the sale of price-controlled rice, voluntary associations probably inspire more trust than the governmental agencies. It could be a time consuming and complicated task, but I think it is well worth exploring. If nothing else, looking into it would give Proderin personnel an idea of the complexity of grass roots organization in the project area.

EXPANDED REPORT ON CAJAMARCA VISIT

The following section of the report is based on 16 days in Cajamarca and 10 days in Lima in March and April, 1981. The bulk of the material comes from interviews with mayors and other municipal officials, conversations with other people in Cajamarca and Lima, and direct observations. A questionnaire was used as a general guide in the interviews with mayors. I was asked by AID to concentrate on the political and administrative capacity of the mayors, the local revenue situation, and the possible functions of the proposed information office with promotors of the program. I was also asked to find out about their knowledge of PRODERIN and the new municipal law, and their

suggestions for our proposed training program for mayors.

This section has three sub-sections: a trip report, a section based on the above mentioned topics, and some general observations.

I. 1. Trip Report

I spent several days in Cajamarca and I talked with the mayor and other officials, as well as with ministry people and other citizens. I drove to San Marcos visiting towns and not a single mayor was around. In the next few days I saw all the mayors I had missed in Cajamarca, except for the mayor of San Marcos, who is in a hospital in Trujillo. I met a municipal agent from Carhuaquero (near Chetilla) and drove to Porcón (the only Quechua area of Cajamarca) and talked to municipal agents there.

We drove to Celendín and met with the mayor and some district mayors. We then visited some districts and spent the night in Celendín.

I then made a three-day trip through the central sierra visiting Hualgayoc, Bambamarca, Chota, Lajas, Cochabamba, Cutervo and Catache. Then I travelled out of Chiclayo to La Florida (San Miguel), Espinal (Santa Cruz) and Chilete (Contumazá).

Places

CAJAMARCA - Mayor (APRA), Secretary-Treasurer Asst.

Jesús - Mayor (APRA)
Llancanora - Mayor (APRA)
San Juan - Mayor (APRA)
Namora - Mayor and Counsellor (APRA)
Magdalena - Mayor (APRA)
Ichocán - Mayor and Accountant (APRA)
San Marcos - Secretary (Mayor in hospital in Trujillo)
Porcón Bajo - Municipal Agent
Porcón Alto - Municipal Agent
Caruakero - Municipal Agent

CELENDIN - Mayor and various officials - Independent

José Galvez - Mayor (AP)
Sucre - Mayor (AP)
Jose Chavez - Mayor (APRA)
Sorcenaco - Mayor (APRA)

HUALGAYOC - Bambamarca Provincial Capital (AP)

Hualgayoc - Mayor and Council (AP)

CHOTA - Treasurer (fight over mayor - APRA out, AP in)

Lajas - Mayor (APRA)
Cochabamba - Contador

CUTERVO - Mayor and Councilman (AP)

Luis Rivera Vasquez
Santiago Delgado

SAN MIGUEL - No province

La Florida - Mayor (APRA)

SANTA CRUZ - No provincial

Catache
Espinal - no officials

CONTUMAZA - No provincial

Chilete - Main road to Cajamarca - Mayor

I. 2. Interviews

Cesar Silva, mayor of Jesús, Cajamarca province. Silva is an active and well known Aprista politician, mayor of Jesús, a rich dairy district a few kilometers from the city of Cajamarca, and a resident of the city. He spoke freely and later introduced me to other mayors. My conversation with him the first day I was in Cajamarca caused some consternation to Vargas and Mass. Mass was alarmed enough to ask me for details and to tell me not to pay any attention to "el loco Silva." Jesus has about 6,000 people in the town and another 12 to 14,000 in the outlying district. They have one full time

secretary for the civil register, paid by the provincial council, and a part time librarian, a part time motor operator for the electricity, and a part time inspector of markets. "They are all practically unpaid."

The caserios have a municipal agent, a teniente gobernador and one or two regidores, now called colaboradores. He has been to all of them. He works on lights, roads, going to agencies such as Codej, etc. One of the current problems is political distribution of rice and flour and sugar. He is afraid food stamps would be the same. He is planning, with his council, to raise the property tax, but they have no power to raise the business tax. One of the big losses is the SAIS Jose Carlos Mariategui. It is large and rich and pays no taxes. If they could get a fair tax from them they could do a lot in Jesús. He thinks Mass is an honorable man by not going around promising the world the way some would do. But he, Silva, is skeptical. He is not sold on the new law. He thinks there were some good things in the military government's law (such as paying alcaldes) but no one gave it a chance. He is also skeptical about a municipal development institute in Lima. He sees it as just more of the same. He is articulate and smart and well connected in Cajamarca.

Leoncio Linares Salazar. Linares is the mayor of the district of Llancanora, Cajamarca province. Llancanora borders the City and is a prosperous looking district. Jesús has Chetilla, a Quechua, "backward" area, but Llancanora is all Spanish speaking. Linares lives in a comfortable house in the city of Cajamarca, near the plaza. He is about 65, white, educated a bit more than secondary school (Silva is a lawyer). He is an Aprista and has been elected twice before. There are no employees in Llancanora, all the council members serve free. I told him we had talked to some young men in the town and they were reluctant to say much, but did say they worked for the municipality. (I talked to him the next day in the city). He said they were his relatives

and they worked out of good will. Cattle, corn, wheat, barley and potatoes are the main crops here as in other parts of Cajamarca. They have flat, well watered land and are close to the city and the main road so they have advantages. Their main problem is irrigation and they have been working on one canal for a year. They have the platform done and need money and tools to finish. Cooperacino Popular called a meeting of the possible beneficiaries but hardly anyone came because they had nothing to offer. It also fell through for political reasons, Llancanora is Aprista, Coop Pop is Belaundista. He spoke of the times that they had applied to various agencies, and of the mountains of folders on engineer's desks. "Will Proderin be the same?" He did get a bank loan to buy a typewriter for the municipality. Small things are better than none. There is a small property tax. "Medium sized owners like to pay directly to the provincial office in the city, small holders pay to the municipality." There used to be a small "rustic" tax but it passed to the department. They could handle maintenance costs. They presently maintain a 15 kilometer canal that goes through difficult terrain because they all benefit from it. He thinks that if they had a decent budget they could manage their own affairs. Promotores would only be good if there was trust, not like Sinamos. Why a municipal development insitute, what they need is autonomy.

Sergio Villar Romero, Namora, Cajamarca province. Namora is somewhat poorer than Llancanora and Jesús and the mayor is less smooth, but no less intelligent. He is 39 years old, Aprista, and this is his first time as mayor. The main function of the mayor is "to sign documents." I suppose that is also the same for the president and the pope. He thinks population is 8 or 9,000, but it could be 20,000. They have been trying to get a Namora to Chilicata canal since 1945. They have finished 5 kilometers and want 7 more. It would open up a productive area, best land, their dream. They have worked with Pablo Sanchez of the university on water and tree planting projects and

the large forested area one passes between Cajamarca and San Marcos is in their district and is a result of their work. He is closer to his caserion leaders than the other mayors. He knew them by name and knew how far they were away. They do seem closer than some, the furthest being three hours on foot.

Luis Espulizin Tapia, Ichocan, province of Cajamarca. Ichocan is near San Marcos. He is about 50, was appointed mayor once, ran and lost in 1963, and was just elected. He said he was practically an independent, but he was elected on a party ticket. I didn't press it, but I think it was APRA. He has had three years of theological education and is now studying medicine by mail. There are 20,000 people in Ichocan, 32 caserios, furthest one a two day walk down by the Maranon. They raise many crops and have big dairy operation in Condebamba. Food distribution is a scandal and should be under control of mayors. Local taxes are not enough to both with. Market has fallen so badly with the drought that they don't charge anything. The property tax is paid in Cajamarca and, although they are supposed to get 50% back they never see anything. They have a record of paying electric charges and could handle funds if they had the chance. At present they have no electricity because they had to send their motor to Chiclayo to be fixed. He and his council members agreed emphatically that irrigation was their main problem. They say they could put thousands of acres into production from one river that never dries up, but they need money for difficult access in one canyon, and they need reservoirs.

They need a branch of the bank of the nation in the community. They got quite excited about the idea of promotores and were solidly against anything like Sinamos. They said they needed training in anything they could get, especially finance management. They wanted to one coming in threatening them with what would happen if they didn't obey the letter of the law. They thought a municipal development institute would be magnificent if it defended

the interests of small municipalities.

In talking to other mayors in Cajamarca province I found that the problems were similar. In San Juan and Magdalena, between the city and the coast, there were slightly different concerns, but basically the same. I did talk to some caserio leaders from Procón Bajo, Procón Alto and Caruakero. They were not too clear on why they had become municipal agents and had not been consulted on any decisions. They were more Indian than anyone I saw on the trip further away. They had stories of abuses by whites and mestizos that sounded much more like Junin and other parts of the Peruvian sierra. In Porcón Bajo some white man had come in and sold off their main plaza to another white man. Their contention is that neither one has any right to it, but the courts are listening to the other two litigants.

Renan Clodomiro Sanchez Izquierdo, mayor of the province of Celendin. Sanchez is a most impressive mayor. When we arrived he had assembled council members and mayors from around the province and there were twenty or so people sitting there waiting for me to give a speech. The engineers from Proderin who were to have arrived ahead of us were not there so I explained Proderin and asked them questions. They stood in turn, in military fashion, giving their full names and their district names, practically saluting. I tried to make it less formal, and by the time we went through a long meeting and a two hour lunch things had relaxed. I found out through the chauffeur that the Proderin people were lunching in another restaurant and were not planning to come to the mayor's meeting. I went over and said that since we had sent word by radio and phone that they would be there, maybe they should drop by. Palacios and Guzman went over and talked and, fortunately, said about what I had said.

Engineer Diaz was with them. He is "capacitator cuatro", whatever that is, and a "doctor." He is also from Celendin and they plan to station

him there more or less permanently. He is pleasant. The mayor is well liked by the other district mayors, even those of other parties. The district mayors were Apristas and Accion Populistas, the provincial mayor is independent, but "of the left" whatever that means. He had opaque dark glasses and ran a lively but mainly sober lunch at the Restaurant Jalisco. I emphasize that because it was about the first such lunch I have been to where there was no pressure to drink alcohol.

In the afternoon we saw the municipalities of Sucre and Jose Galvez. Both are Accion Popular. Sucre is rich, has revenues from common pasture land and other sources and has notable public works including a modern school, a hospital (unstaffed) and an enormous church. Jose Galvez, a few kilometers (maybe 2) away seemed much poorer. One of the projects proposed by Proderin is a road called Loma del Indio which will help these two towns, but will not open up much that is new.

We stayed in a reasonable hotel and stopped in a few towns on the way back the next day. Celendin is close to the Maranon but the road was blocked by the rains so we didn't get that far.

Heraclio Huaman Trigoso, mayor of Hualgayoc, district of the province of Hualgayoc. The capital of Hualgayoc is Bambamarca. Odria moved the capital to punish Hualgayoc for being Aprista. I talked with the mayor and his Sindico de Rentas, Amador Macetas Flores. It is a stark, cold, high mining town with a fairly impressive bull ring. There are productive mines all around, including a large, ugly, polluting one adjoining the city, but they pay no taxes locally. When approached they say they pay heavy national taxes and the town should ask Lima. The mayor is an ex policeman with many friends in the area. People asked him to run and he won by a large number. He ran as Accion Popular but he is not political, just anti-Aprista. He was one of many who said there could be no realistic property tax as long as the auto-evaluation system was

in effect. They need a lot of things but one of the pressing needs is drinkable water for the town. There are about 3,000 in the town and another 14,000 around in caserios. They have some contact with San Migeul, and necessarily, with Cajamarca, but their main connection outside, in spite of the distance, is with Chiclayo through Chota. They want sewers and they want a hydroelectric plant. He seemed capable and ready to work with Proderin. He thinks government should help. He said the Apristas contested his election but gave up when they saw his support. But he is willing to work with all the people of whatever party.

Wilson Salazar, mayor of province of Hualgayoc in Bambamarca. Accion popular. Talked with Agustin Hirogo Rodrigo, accountant. Road is terrible, washed out, unmarked. Luckily we picked up good rider. Same story about mines not helping, just pollute river and pay a few people to work. Their trucks tear up the roads. It was foggy and slippery but a lot of people on the road walking or on horses. The rondas campesinas are strong in this area ("Here we call ourselves small assemblies"). They were organized to combat rustlers and became political for a number of reasons. Bambamarca is a big market town and was very busy late in the afternoon. The dairy industry is well organized and milk put out along the road is collected and paid for. There is also a fairly substantial amount of cocaine paste made throughout the area around the Maranon and that may account for some of the prosperity.

Abel Carbajal Perez, mayor of province of Chota. Chota is an important town and the center of a large region. They have had political troubles including a fist fight between the mayor and an Aprista who had actually been elected mayor. The Aprista was the aggressor, according to several sources in Chota (not necessarily unbiased) and so the government replaced him with the defeated Accion Popular candidate (Carbajal). The prime minister flew up to Chota to swear in a number of AP mayors elected in this central part of

Cajamarca. Chota has the reputation of being a violent area where many of the men are armed with machetes and, in fact, two men were killed in a nearby town the night we spent in Chota. There are many police around and it has a frontier look. It also has comfortable hotels and fair restaurants. The market was busy the next morning and there is evidence of commercial activity and projects around.

Segundo Trinidad Guevara Perez, mayor of Lajas, Chota. Lajas was humming with activity. It is an almost tropical section of the Chota valley and the potato harvest has been very productive. There were hundreds of horses being unloaded and the potatoes transloaded on to trucks for shipment to Chiclayo. Guevara runs a drugstore and I talked with him and some of his council and a secretary who was very well informed on municipal procedures. They do not collect anything on the potato business. They do keep very detailed budget records that we could look at and copy, but not take away. They did not want arrogant promotores who are not good with farmers, but good people would be useful. They don't think they get a fair deal from province or from Cajamarca,

We drove to Cochabamba and talked with an official there. It is a busy place. It is the main stopover before the spectacular ride across the mountains to Chiclayo. There is a tunnel being dug near Chota that will rechannel a river and it looks like an enormous project, lights all night, etc. There are many interesting looking possibilities and actual activities that I did not have time to explore. I think a retracing of this trip in a less hurried fashion would be worthwhile.

Luis Guillermo Rivera Vasquez, mayor of province of Cutervo. We drove on a seemingly endless, terrible but beautiful road from Cochabamba up to Cutervo. We expected to find a backward town (the chauffeur had never been there either) and were surprised to come upon a modern, attractive town with a big, impressive church and a well-kept, large bull ring. We arrived during a

demonstration by thousands of members of rondas campesinas. They were shouting, carrying signs, playing musical instruments and drinking. There were a few police around but not heavily armed. The rondas were celebrating their action of a year ago when they burned down the headquarters and barracks of the investigative police when they discovered they were in league with cattle rustlers. The mayor addressed them and they cheered him. Later when we passed groups of them, mostly quite drunk, they were friendly when they saw the mayor. Mayor and council are Accion Popular and had been promised a visit by Proderin in early April (no such visit was made). They have what seemed to me to be very good ideas about some feasible projects and I was more impressed with them than with any of the others. They are doing a good job on providing services and could do more with some help. They know what they need and it isn't much. The loan of two tractors for a year could finish a San Andres-Socota road that would open a rich area. The restaurants and the hotel in Cutervo are much better than Chota, Bambamarca and Celendin. We talked with a number of people and they seemed hopeful and generally favorable toward the mayor and the national government. I thought it was the best place to work that I saw in Cajamarca.

Armando Segura Perez, mayor of La Florida, San Miguel, Cajamarca. We drove on the worst road of the trip, through mud and water, to a beautiful jungle-like valley on the coast. It is in San Miguel but it is connected by road to Chiclayo. The town is ugly and hot. The mayor was apparently elected in a fraudulent election and the real controller was in Chiclayo for the day. Many there agreed that he was just a figure head for the man who was in Chiclayo and he was suspicious of us and a bit hostile at first. The chauffeur had been a policeman in the town for years and was known as an Accion Popular man. The mayor is an Aprista. He became friendly enough after a time and bought us lunch. We passed "the boss" on the way back and he had heard we had

gone to La Florida. We let him worry and didn't tell him much. It is a rich area when there is water. Coffee, bananas, rice, etc. grow there and it is an easier ride to Chiclayo when it doesn't rain.

One of their main problems is that San Miguel and Cajamarca are so far away and so hard to get to. It would be more logical for them to be in Lambayeque with connections to Chiclayo. Most of the same applies to Espinal, Santa Cruz, on the same road.

II. 1. The Mayors

The mayors I talked to were all men. The oldest was 70, the youngest was 25. Most were between 45 and 55. Twelve of the 22 had been mayor before, either appointed or elected. The provincial mayors were all professionals, mostly lawyers. The district mayors were store owners or farmers. All were identified with either APRA or Accion Popular, except the mayor of Celendin, who is an independent.

Most of them seemed bright and alert and aware of what kinds of things their understaffed and underfunded municipalities could do. The two or three who seemed a bit inarticulate had council members with them who talked for them. Only one, the young mayor of La Florida, San Miguel, was really incompetent and he was seen by the townspeople as a front for an older man, an Aprista from Chiclayo, who was the "real" mayor of the town.

I was pleasantly surprised at the abilities of the mayors to discuss the political, economic, budgetary and social problems of their provinces and districts and with their familiarity with the provisions of the new constitution in regard to municipalities.

Some municipalities had no employees but most had at least one to keep the civil registry. They had all had experience in handling funds and many districts have a branch of a bank in town.

Politics was an important consideration in most of the interviews and all were aware of the APRA-AP split in Cajamarca. In one town, Chota, there had been a physical attack on a defeated candidate by the winner (APRA) and the government replaced him with the defeated candidate (AP). The Apristas do not think they will get a fair deal from PRODERIN.

II. 2. Local Revenue

Local revenues were almost universally described as "una miseria" but, in fact, after the ritual of saying how poor the province or district was, it turns out that there is considerable variation. They all have money from the civil registry and store licenses. Some collect property taxes and in some districts they are paid directly in the provincial capital. They all end up in the provincial capital and 50% is supposed to be returned. Most said that it wasn't returned but that the provincial mayors office, using money from Lima, made up their deficits.

Each district is now to get a half million soles twice a year. Some had received the first payment, some had not. It is for "obras" but most said you can't do too much with a million soles.

The taxes on markets, sales, truck loading, common pasture, and, in a few cases, on business property, varied and some places such as Sucre, Celendin and Celendin itself, and Cochabamba and Lajas in Chota, and Cutervo had respectable revenues. They were not sure if they were allowed to raise the property tax (which is ridiculously low with people paying 10 soles and 50 soles a year).

They are all accustomed to user charges for irrigation canals, water and electricity and all have had experience contributing community labor to road building and project maintenance. A number of mayors mentioned that voluntary labor was easier to provide if there was food available to the workers.

Some used accountants to prepare their budgets, some did not. The mayors relied on their own accountants for the day to day bookkeeping. In the provinces they are paid employees. In the districts some are paid and some are volunteers from the council.

II. 3. Information Office

All the mayors agreed that it was important to have an effective information and promotion arm. They all agreed that the kind of people chosen would make all the difference. They agreed also on what they did not want. They did not want promotors who resembled, in any way, those of SINAMOS. "No authoritarian, menacing, arrogant, political young men from Lima and the coast telling everybody what to do." They discussed the necessary balance between technical knowledge and cultural understanding and wanted both, but often came down on the side of understanding. They didn't always want someone from the area, but someone who could talk with the people.

Simple manuals and use of the radio were two suggestions that sounded reasonable to me. They are all aware of the flying visit in the pickup truck spreading dust and little else, but it is also impossible to station someone in every district.

II. 4. Knowledge of PRODERIN and New Municipal Law

There was general awareness of the new law coming out but no one had seen it since it came out during my trip. In Cajamarca province, there was widespread knowledge of PRODERIN and in other places they often said "No" but turned out to know something about it. It is seen as an arm of Accion Popular and the APRISTA view (apparently a correct one) is that all of the employees are from the AP party and they also think (I hope incorrectly) that all of the projects will benefit towns where AP won the election.

There was general knowledge, especially in Cajamarca province, that U.S. money was involved and that was seen as hopeful for a fairer distribution than might otherwise be expected. CODEC is seen in a more or less favorable light. Mass is known as an AP member, as are the other engineers.

II. 5. Training Program

They agreed that there should be such a program and that it should include, above all, a summary of the appropriate laws that would tell them what they could do as mayors. They also mentioned training in accounting, public administration, and how to work with CODEC, PRODERIN and the ministries. Most of them see the ministries as arrogant and non-responsive acting without any local consultants.

When I brought it up, most agreed that it would be good to have the promotors at the training program.

They also were aware that some mayors were at a very different "level" than others and that we might need different tracks. I am not so sure of that.

III. General Comments and Questions

On the whole I was impressed with the competence of the mayors and the potential wealth of the area. The rain has made a difference and it is at its most prosperous right now but it just cries out for irrigation and water conservation projects, feeder roads to farm and dairy areas, and water and sewer projects.

There is a dual economy in the region and many of the farmers are Indians, even though they do not speak Quechua in most of Cajamarca. There is a paternalistic attitude from Lima to Cajamarca, Cajamarca to the provinces, the provinces to the districts, and the districts to the caserios. No one mentioned it as important to deal with in the training, but I think it is the

most important thing to deal with in the program. The rondas compesinos had a rally in Cutervo when I was there, celebrating their burning of the PIP police barracks and building last year and there is general resentment of Indians toward mestizos and whites who hold the money and power. I would suggest that PRODERIN solicit requests for projects directly from caserios and from rondas.

Chiclayo is clearly the principal city of Cajamarca even though it is in Lambayeque. It is the main commercial and cultural center and it is more accessible for all but two provinces. Some districts of Santa Cruz and San Miguel are within two or three hours of Chiclayo and one or two days travel on horse or two or three by car from their own provincial capitals. These are mainly coastal towns with sierra capitals. I am not sure that anything can be done about this, but it is important to know in looking at Cajamarca.

The large water projects in Carhuaquero, Jequetepeque and other places are using Cajamarca water to benefit coastal departments and compete directly with Cajamarca jungle products, particularly rice. Some equitable arrangement should be made, such as a water tax or additional public works to diver water for Cajamarca irrigation and power.

The mines in Hualgayoc are rich, productive, and terribly polluting. There is no control on the pollution and no local revenue benefit.

There is a striking lack of basic information at PRODERIN. There is not even a map of Cajamarca, to say nothing of a road map. No one seemed to be able to come up with a list of districts or the names of the newly elected mayors. INP has some information and the two offices would do well to work together.

PRODERIN is also very white, very male, and mostly people whose families live outside Cajamarca. That will probably change.

On the whole I was impressed with the possibilities of municipal development in Cajamarca.

In Lima I found several regional clubs that give considerable financial and cultural support to their home districts and whose members serve as local advocates in Lima at various government offices for things sought by home towns in Cajamarca. There are similar organizations in Chiclayo, Chepen and Trujillo. They should be considered when possible in development plans.