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1971-15 Years-1986

# grassroots development

JOURNAL of the INTER-AMERICAN FOUNDATION



The Inter-American Foundation, a public corporation created by the United States Congress in 1969, provides direct financial support for self-help efforts initiated by poor people in Latin America and the Caribbean. The IAF makes about 200 grants a year for projects in more than 25 countries. Approximately half of its funds are appropriated by Congress, and the remainder comes from the Social Progress Trust Fund of the Inter-American Development Bank. Its budget in 1986 is approximately \$28.7 million.

*Grassroots Development* is published twice a year in English, Spanish, and Portuguese by the Inter-American Foundation. The journal reports how the poor in Latin America and the Caribbean organize and work to improve their lives. Its purpose is to explore how development assistance can more effectively contribute to self-help efforts. Articles in *Grassroots Development* draw primarily on the experience of the Inter-American Foundation and the groups that it assists. However, submissions by persons outside the Foundation are encouraged. Prospective contributors should write for "Instructions to Authors."

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Mitchell Denburg.

# grassroots development

## JOURNAL of the INTER-AMERICAN FOUNDATION

Volume 10, Number 1, 1986

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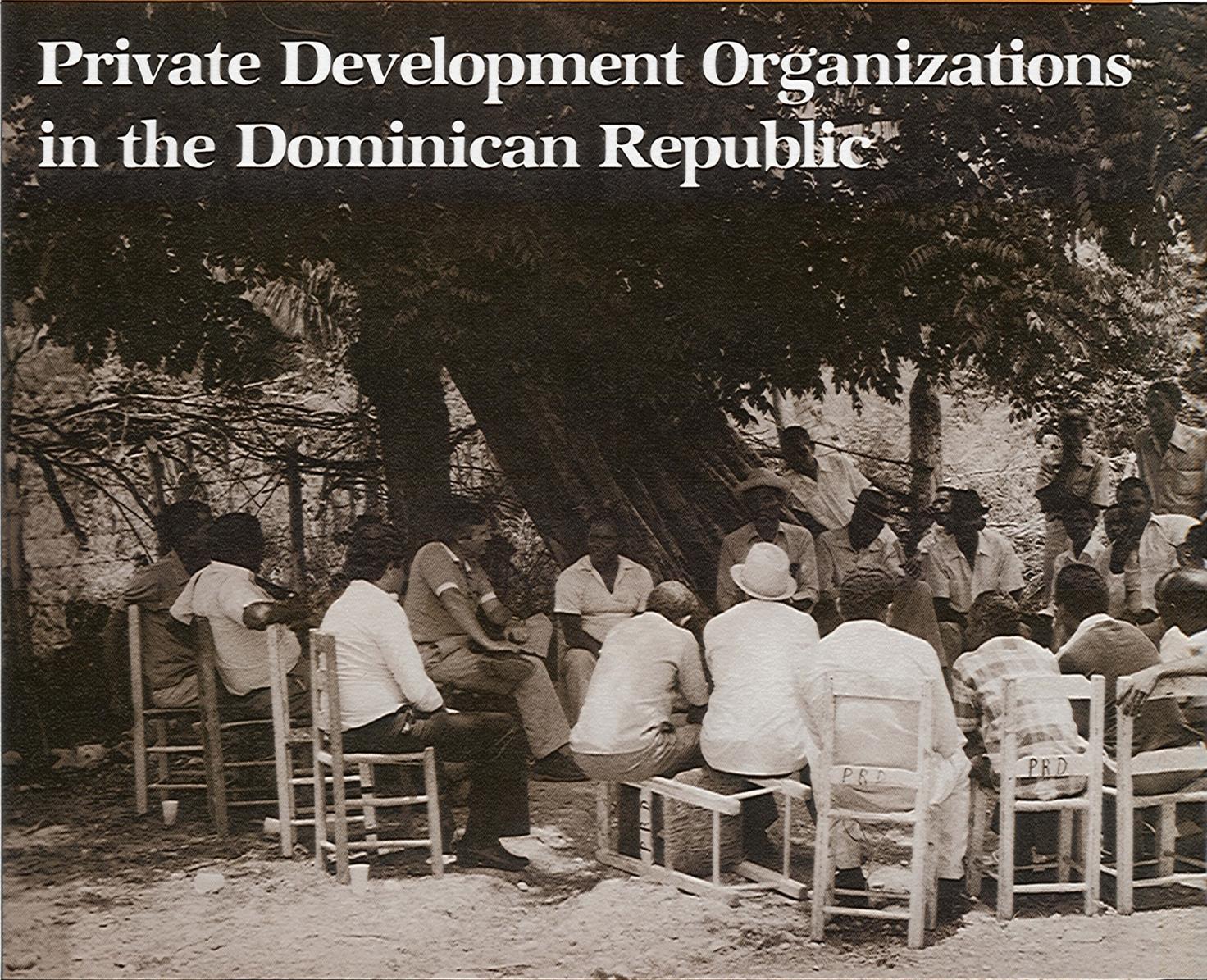
### Contents

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- 
- |  |   |  |                |
|--|---|--|----------------|
| <b>Building the Infrastructure for Progress: Private Development Organizations in the Dominican Republic</b> | 2 | Outside assistance coupled with organizational élan and flexibility are laying the foundation for development and democracy in the Dominican Republic. | Stephen Vetter |
|--|---|--|----------------|
- 
- |                                |    |   |  |
|--------------------------------|----|---|--|
| <b>Reaffirming the Mandate</b> | 10 | Memories and insights about the IAF's first 15 years. |  |
|--------------------------------|----|---|--|
- 
- |                               |    |                            |  |
|-------------------------------|----|----------------------------|--|
| <b>The IAF in Perspective</b> | 16 | What does the IAF do best? |  |
|-------------------------------|----|----------------------------|--|
- 
- |   |    |   |                |
|---|----|---|----------------|
| <b>After Nairobi: A Retrospective of Women's Development Organizations in Latin America</b> | 20 | The prospects for women's development organizations in Latin America after the UN Decade for Women. | Sally Yudelman |
|---|----|---|----------------|
- 
- |                                  |    |  |             |
|----------------------------------|----|--|-------------|
| <b>The Hucksters of Dominica</b> | 30 | Small traders are uniting to organize interisland commerce in the Eastern Caribbean. | John Homiak |
|----------------------------------|----|--|-------------|
- 
- |                         |    |   |                               |
|-------------------------|----|---|-------------------------------|
| <b>This Could Be Me</b> | 38 | Residents of Buenos Aires' poor neighborhoods find themselves through a marriage of social science and photography. | Photographs by Alicia D'Amico |
|-------------------------|----|---|-------------------------------|
- 
- |                          |    |  |  |
|--------------------------|----|--|--|
| <b>Development Notes</b> | 48 | Highlights of information exchanges and learning activities throughout the Hemisphere. |  |
|--------------------------|----|--|--|
- 
- |                           |    |  |  |
|---------------------------|----|--|--|
| <b>Resource Materials</b> | 50 |  |  |
|---------------------------|----|--|--|
- 
- |                   |    |  |  |
|-------------------|----|--|--|
| <b>Postscript</b> | 52 |  |  |
|-------------------|----|--|--|
-

# BUILDING THE INFRASTRUCTURE FOR PROGRESS:

## Private Development Organizations in the Dominican Republic



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1971 · 15 Years · 1986

The following special section focuses on the work of the Inter-American Foundation during its first 15 years. The lead article updates events since 1982, when Robert Mashek and Stephen Vetter concluded their monograph—*The Inter-American Foundation in the Dominican Republic: A Decade of Support for Local Development Institutions*—by cautioning that “the world recession poses a major challenge to the national institutional framework” of Dominican society. Despite unfavorable conditions, Dominican nongovernmental organizations have continued to grow and diversify. Here, Stephen Vetter draws on information from field visits, questionnaires, and previous project evaluations to show some of the reasons why.

### STEPHEN VETTER



An association meeting of campesinos who obtained credit to finance their crops.

In 1961, the figure of one man—Rafael Trujillo—dominated the Dominican political, social, and economic landscapes. Today, just 25 years later, a resilient network of private organizations has emerged and is working actively with public agencies to improve the lives and the productive capacities of the nation's poor and to lay the foundation for an enduring democracy. Over 140 legally registered groups are sponsoring a variety of efforts—from rural credit programs, to technical assistance for small businesses in the informal economy, to pre- and post-literacy campaigns, to health and housing programs. And this is only the tip of the iceberg. A 1977 study by the Secretary of Agriculture identified 1,116 informal associations of small farmers that had formed to share labor and jointly market and process their crops. Recent estimates indicate the number of unregistered grassroots associations has doubled and now includes groups of small businessmen, women, and unemployed youths.

This burgeoning growth has been fostered by the general consensus among private, church, and public agencies about the importance of developing human and organizational resources to learn new skills and increase productive activities. There is a common interest in experimenting with new ideas, a bounty

of organizations among the rural and urban poor to test them, and a willingness to share information about what does and does not work. The mass media actively promote sound development initiatives; and private development organizations, which have often introduced the most innovative programs, have maintained high levels of trust and integrity in their work. They have adopted nonpartisan agendas and maintained high standards of fiscal accountability. The end result of all these factors has been the creation of a special climate where a highly successful program of one group can ripple out and be replicated by many others, where private and public agencies can enter into formal agreements to design and implement new development methodologies together.

Since making its first in-country grant in 1971, the Inter-American Foundation has been an active partner in strengthening this network. Project grants have emphasized both *integración*, or the integration of the poor into the mainstream of society, and *desarrollo*, the development of productive capacity among the poor. Sixty-three grants—totaling \$8,889,000—have been made to private institutions, from large national service organizations to local associations of small farmers. Approximately 150,000 families or one

million people (most of them earning less than the Dominican minimum salary of \$100 per month) have benefited from these projects. There is no precise way to calculate the number of indirect beneficiaries since most of these projects were intended as models to be replicated, or are ongoing efforts such as revolving loan funds, which continue to circulate and capitalize. The impact of these grants was further magnified by development resources leveraged from the private sector. For every Foundation dollar invested in a project, the Dominican project counterpart contribution was two dollars. Because many of the projects have gone on to attract additional support from other government, private, and international agencies, approximately six dollars in new capital has been generated for every dollar originally invested by the Foundation.

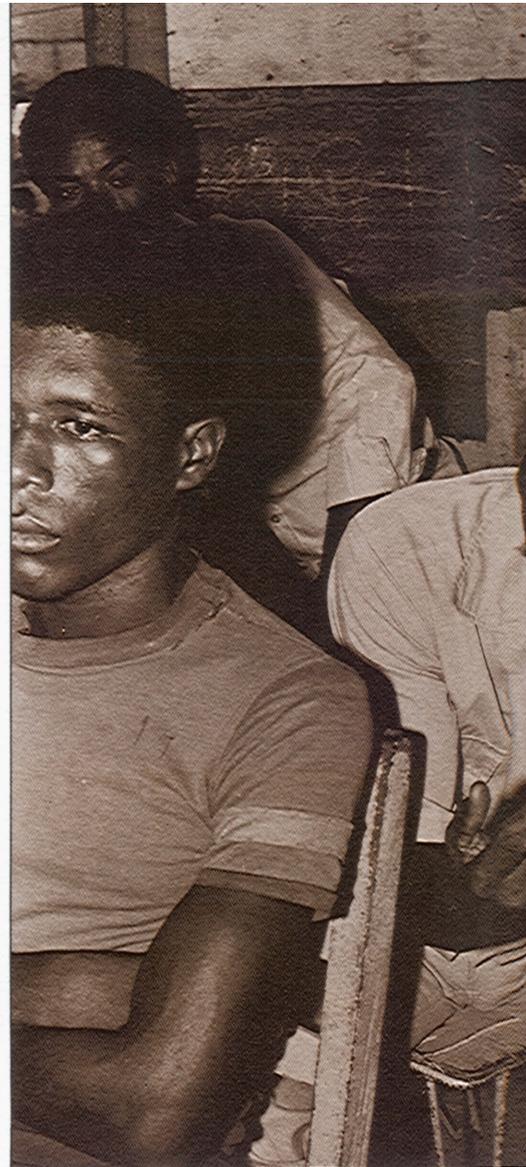
A closer examination of grants reveals four categories of support. First, approximately \$5.7 million has been targeted toward the rural poor. Of this amount, almost 70 percent (\$3.6 million) has capitalized revolving credit funds and provided technical assistance and training to improve crop production, processing, and marketing among small farmers. Second, nearly \$1.3 million has been invested in nine programs to generate jobs by providing technical assistance and credit to urban microenterprises. Third, \$1.1 million supported efforts to develop model self-help housing programs. Finally, approximately \$815,000 went to eight organizations to support vocational and nonformal educational

programs. Two smaller grants supported low-income Dominican artists and an effort to enrich the national culture by reviving and preserving a rich heritage of folk music and dance.

A broad overview of these projects initially suggests overwhelming success: 30 have completed their objectives; another 30 are in process with no serious difficulties; two encountered serious problems but met some of their objectives; one failed to get underway and was terminated. Yet the effects of that success seem diminished in the context of a national economy foundering in the worldwide recession of the early 1980s. This paradox frames a fundamental question: Why have Dominican private organizations continued to multiply and diversify despite the generally hard times? An examination of three IAF case histories provides some clues.

### SMALL FARMERS AND URBAN ENTREPRENEURS: THE FDD

Leading professionals and businessmen joined together almost a quarter century ago and, with support from the Pan American Development Foundation, established one of the country's first private organizations to promote rural development. Their creation—the Fundación Dominicana de Desarrollo (FDD)—successfully provided credit and technical assistance to small farmers for a decade, but outreach was limited. Realizing that something new had to be tried



Monthly meeting of microentrepreneurs' association in Santo Domingo.

to reach more people and tap larger resources from the private economy, in 1972 the FDD used the IAF's first grant (\$469,502) in the Dominican Republic to help capitalize a loan guarantee fund. The program was designed to underwrite commercial loans so that banks would expand access to credit beyond medium- and large-scale agro-industrial borrowers to include groups of small farmers for the first time.

Two hundred twenty such loans were made during the next five years, totaling \$1.9 million. Although repayment rates remained high, the banks eventually decided to drop out of the program. Comparative profit margins were low, while the risks from second-time borrowers rose when the fund was only able to underwrite loan renewals for less than



Mitchell Denburg

50 percent.

Access to credit and the concept of group borrowing, however, did not die with the banks' withdrawal. The FDD combined the resources of the guarantee fund with contributions from the business community and a number of domestic and international sources (SOLIDARIOS, USAID, and the Heifer Project International, among others) to expand its program of direct credit to the poor. Between 1972 and 1980, the Fundación's loan portfolio increased eightfold—from \$833,000 to \$6.8 million—and the rate of annual lending more than quadrupled from \$445,000 to \$2.2 million. The Agricultural Bank also eventually moved into the breach. It opened a 5 million peso line of credit for the FDD in 1980, and changed its loan policy to begin



Loading rice at ROBLEGAL's coop warehouse for transport to market.

channeling credit to groups of campesinos. Meanwhile, many of the FDD's original borrowers had demonstrated their creditworthiness and had accumulated enough assets to qualify on their own for loans from commercial institutions or the Agricultural Bank.

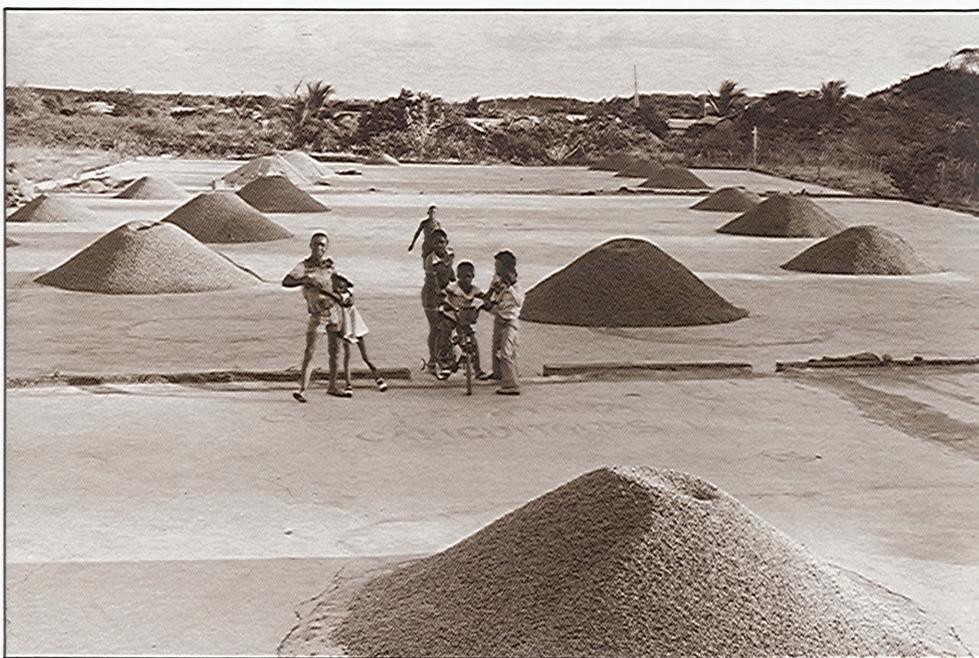
After taking stock in 1981 of its experience in routing funds to small farmers, the FDD decided to branch out and tackle the problem of urban unemployment. It worked with ACCION International to develop a novel approach to providing credit to small businesses (20 employees or less), sole proprietors, and *tricicleros* (vendors who sell their wares from three-wheeled bikes). Not only did this mark the first project in the Dominican Republic dealing with the informal sector, but it was the first time in the Hemisphere that credit was provided to small groups—*grupos solidarios*—of urban vendors. These small entrepreneurs had been seen as unreachable because of the randomness of their work and absence of any social organization.

The program quickly took off. An IAF grant of \$365,000 capitalized the revolving credit fund. During the first year, the FDD staff of seven supervisors and one technical specialist disbursed and administered \$340,000 in loans to 63 microenterprises and 673 sole proprietors (such as food vendors and paper collectors), with an excellent repayment rate of 96 percent. The \$143,558 loaned to microenterprises created 253 new jobs—one for every \$567 borrowed. In addition, another 189 small businesses and over 1,000 entrepreneurs received tech-

nical assistance and training in management, sales, and accounting during the first two years of the project.

In succeeding years, the FDD again demonstrated its ability to generate new funding, adjust program design to overcome setbacks, and inspire other organizations to provide services so that new projects could be developed. In 1982, USAID helped finance an expansion of the loan fund and also covered a considerable portion of administrative costs. This inflow of resources was offset, however, by the deepening recession in the national economy during 1983–1984, when loan repayment levels slipped to 86 percent. FDD responded by slowing the pace of making new loans, and by offering more technical assistance so that small entrepreneurs could save enough through greater efficiency to survive the downswing. More recently, other organizations have formed to try and build on and improve upon the FDD experience. For example, the Association for the Development of Microenterprises (ADEMI) combines low-interest loans of varying size and duration (depending on business volume and previous credit history) with technical assistance to help small businesses grow enough to qualify for credit from the regular banking system (see Sarah W. Wines, *Grassroots Development*, Vol. 9, No. 2). The FDD has now turned over its Santo Domingo clientele to ADEMI, and negotiated a five million peso line of credit from the Central Bank to start similar credit programs in smaller cities. Six such programs are already operating.

Left to right: Coop coffee-processing financed by FICOOP loan; members of small farmers' association drying rice; coop goat project in Padre de las Casas, funded through FICOOP.



## CREDIT PROGRAMS FOR SMALL FARMERS: THE COOPERATIVE NETWORK

In conferring legal status to the cooperative movement that emerged during the early 1960s, the government made provisions that allowed a three-tiered structure to form: local groups were linked into three federations—two of small farmers, one of credit unions—that eventually established one umbrella confederation. The Dominican Confederation of Cooperatives (CODOCOOP), which now represents 165 local affiliates and some 70,000 people, has received a \$1 million grant from the IAF, the Foundation's largest in the Dominican Republic to date.

The first installment of \$500,000 was used by CODOCOOP as seed capital to start a revolving loan fund so that small farmers would have timely access to money to plant, harvest, and market their crops. Although more than \$2 million was leveraged from private Dominican banks and the fund retained a high repayment rate, CODOCOOP could not compete with large agricultural producers who had access to cheaper credit.

The search for more favorable terms of credit led the confederation to a new and unexpected solution—the creation of a

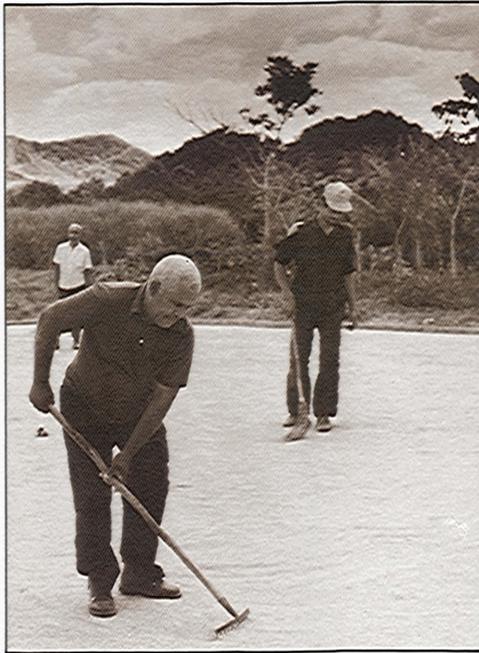
*sociedad financiera*. In Dominican law, a *financiera* has legal status similar to a commercial bank and has direct access to the Central Bank, but with several favorable concessions. It qualifies for discounted loans at 3 to 5 percent interest rates, can borrow up to 3.65 times its equity, is tax-exempt for 15 years, and has access to international development funds. Using a supplemental IAF grant of \$500,000 in 1977, CODOCOOP established the *Financiera para el Desarrollo y la Cooperación* (FICOOP), the only one of 15 such institutions in the Dominican Republic to operate on a nonprofit basis.

The payoffs were immediate. Since 1978, FICOOP has loaned over \$12 million to rural cooperatives for crop production, multiple service centers, food processing facilities, and marketing operations. According to a 1980 study by Jeff Dorsey of the University of Wisconsin's Land Tenure Center, 22,000 small farm families had already benefited from such loans. During this same time period, FICOOP covered its own overhead, and raised enough revenue to finance educational and community development projects, technical assistance programs, and CODOCOOP's operating budget.

As the Dominican recession deepened in 1982, however, FICOOP experienced serious financial and organizational problems. The Central Bank tightened

terms of credit and called in past obligations. To maintain solvency, FICOOP was forced to restrict its lending policy, sell some assets, and refinance loans. With assistance from the Central Bank and funding from international donors, it restructured its operations. Staff agronomists screened new project loans for technical feasibility and provided direct assistance in project implementation. A collections department was set up to process repayments, replacing the past practice of billing through the federations. Access to credit was widened to include small farmers other than cooperatives, and funding priority was shifted to agro-processing projects. Noting these changes, FICOOP also changed its name to the Banco de Desarrollo y la Producción (BADEPRO).

By 1985, FICOOP/BADEPRO seemed to have weathered the crisis in the national economy, unlike many other financieras and banks that offered rural credit and failed. Why? Undoubtedly its ability to work successfully with the Central Bank and international development agencies was important, but so was its ability to effectively use the national network of cooperatives to channel credit to small farmers. FICOOP/BADEPRO continues to be one of the few nongovernmental, nonprofit credit institutions that can sustain itself through locally generated resources.



## RECONSTRUCTION AND SELF-HELP HOUSING: CII-VIVIENDA

The hurricanes of 1979 brought new urgency to the chronic shortage of adequate housing in the Dominican Republic. As the cleanups got underway, representatives of several public and private organizations met informally to share ideas and plan a new line of attack. They decided to form the Inter-Institutional Housing Council (CII-VIVIENDA) to maximize the benefits of reconstruction by using the rebuilding process to develop new methodologies for providing low-cost housing to the nation's poor.

In 1981, the Foundation supported two self-help housing projects sponsored by members of CII-VIVIENDA. The first grantee, the Fundación San José (FSJ), had been formed in 1979 by a group of architects, engineers, and businessmen anxious to make a dent in the nation's housing problem. The IAF grant of \$170,000 was matched by the Dominican Businessmen's Association and was used to construct 40 dwellings in Haina, a port city 45 minutes from Santo Domingo. Technical assistance was provided by a former manager of the Salvadoran housing foundation FUNDASAL.

The second grant of \$280,000 was made to the Fundación para el Desa-

rollo Comunitario (FUDECO). FUDECO worked in collaboration with the Instituto Nacional de la Vivienda (INVI) to construct a rural settlement in the village of La Ciénaga in the municipality of Barahona. The project included the building of 70 houses, a school, a community center, a market and the development of productive activities such as poultry farming, vegetable gardening, and small animal husbandry.

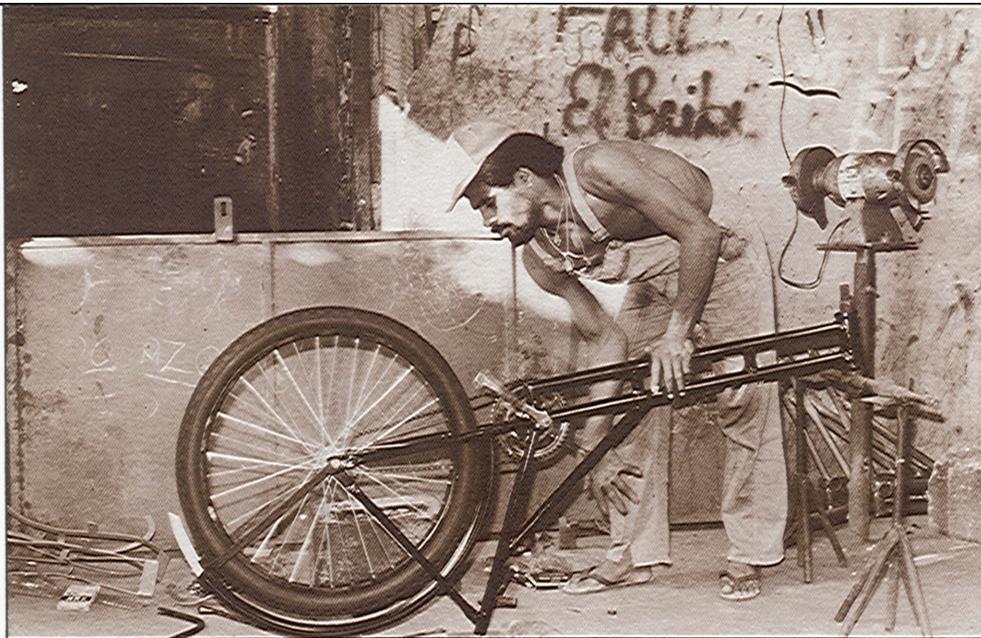
The two projects were complementary. FSJ concentrated on developing guidelines for managing high levels of voluntary labor. FUDECO focused on finding locally available, sturdy yet inexpensive construction materials that could be easily used by inexperienced builders. Both projects met their general objectives, although the level of counterpart support from the participating communities was less than anticipated.

The national housing institute (INVI) later adapted a number of the methodologies and technologies developed by FSJ and FUDECO and incorporated these lessons in plans to construct 1,200 new homes in 9 different communities. This second phase of refining self-help housing technologies, however, has been severely squeezed by a shortage of government housing funds during the recent recession. Construction has begun in three communities, and the members of CII-VIVIENDA continue to collect and

analyze information from other projects to insure that mistakes will not have to be repeated as Dominican society continues its attempts to solve the ever-pressing housing shortage.

## STRENGTHENING THE INFRASTRUCTURE FOR DEVELOPMENT

One reason private development organizations have continued to grow is their ability to reorganize themselves to take on new tasks. The FDD, for instance, used its experience in providing credit to small farmers to design credit programs for urban microentrepreneurs. With that program successfully underway in Santo Domingo, the Fundación has shifted its attention to new projects in the smaller cities of the interior. Similarly, FUDECO has moved from its original work in self-help housing to developing appropriate production technologies for small farmers and semi-urban dwellers. Although FICOOP/BADEPRO has seemingly narrowed its range of services, it displayed considerable organizational flexibility in restructuring its operations to keep an innovative idea alive and has widened access to credit for small farmers who are members of informal local associations.



Bike being assembled in Asociación de Grupos Solidarios' workshop.

This expansion in services would not have been possible without attracting new development capital to cover added costs. FUDECO's staff, for instance, doubled from 28 employees in 1980 to 60 in 1985, while its budget almost quadrupled from \$142,000 to \$559,000. Simultaneously, IAF funding dropped from 52 to 9 percent of FUDECO's income. Over 90 percent of the 1984-1985 budget was financed by the Dominican private sector and through loans and grants from Canadian, German, Norwegian, and U.S. agencies other than the Foundation. FICOOP/BADEPRO has followed a similar path. From 1977 to 1982, the IAF was its sole international donor. By 1985, the financiera relied on Foundation funding for only 3.9 percent of its budget: 49 percent was covered by operational revenue; 36.2 percent by international loans and grants from the Inter-American Development Bank, USAID, the Caribbean Basin Initiative, and FMO (a Dutch agency); and 14.8 percent by local investors. As previously noted, the FDD has been able to expand its programs by opening lines of credit with the Dominican Agricultural Bank and Central Bank.

Most importantly, established private development organizations continue to spawn new groups. This expansion is both centrifugal and centripetal. The first pattern takes on two forms, both illustrated by the FDD. The emergence of ADEMI, which superseded the Fundación's microenterprise program in Santo Domingo, is one example of how a new organization forms to offer more-specialized services that build on and ad-

vance another group's prior success.

The Asociación de Grupos Solidarios Dominicanos exemplifies a second kind of spinoff at the local level, this time among beneficiaries who have learned to manage their own affairs. The Asociación was created by 32 groups of *tricycleiros*, representing approximately 190 members, who have received credit from the FDD and who banded together to advance their interests and expand the range of available benefits. For instance, Solidarios has become a conduit for manufacturing and selling bikes to members. The prospective buyer deposits 70 cents per week (usually for 3 months) in a savings program to pay for necessary raw materials and parts. The bike is assembled in the Asociación's workshop and given to the member. After making payments of \$4 per week for nearly a year, the member receives an ownership title. The benefits of this purchase are considerable. Each new buyer has acquired a fixed asset and no longer has to lease a bike from intermediaries at costs of up to \$1.50 per day. This sum can then be used for other family expenses or investments. For example, a number of wives have used the money to establish small fruit or vegetable stands. Solidarios' other services to members include medical insurance, legal representation, and training. Recently, the association successfully lobbied the government to reduce the cost of licenses, which had exceeded that of taxis.

The second pattern of expansion is centripetal. That is, Dominican private development groups are increasing their

ties with each other to pursue common objectives and share related experiences. The self-help housing initiatives of CII-VIVIENDA are one example. The creation of the Centro Dominicano de Organizaciones de Interés Social (CEDOIS) is yet another. Twenty nonprofit development and social service organizations formed this consortium in 1983 to increase their role as partners in building a democratic and pluralistic Dominican Republic. A Foundation grant and matching counterpart funds are being used to develop technical assistance and training programs to streamline each group's administrative capabilities and to make the needs and possibilities of private development organizations known to other sectors of society. CEDOIS is, to my knowledge, the only such representative body of private agencies that has originated from the initiative of its own members and that professionally staffs its operations from membership contributions.

## PRIMING THE PUMP

The network of private development groups that has emerged during the past 25 years has had a profound effect on Dominican society. Programs from other countries have been adapted to local settings, and new ideas have been tested that provide innovative models for other groups in other lands. The overhead costs of administering these programs remain low, and international funding has supported their expansion and replication. The Dominican government has used its resources and changed its policies to take advantage of many of these new insights and implement them on a larger scale. And the process of organizing new groups, coordinating their efforts, and opening channels of communication among the various sectors of society continues apace.

The IAF feels a special responsibility in responding to these trends. In the surveys and interviews obtained for this report, people in the field stressed, again and again, the importance of the Foundation "priming the pump," of its willingness to support new ideas. Financing is available, domestically and internationally, for programs that have already shown they can work. Risk capital for testing new ideas and organizing new initiatives remains scarce.

In looking toward the future, a num-

ber of steps can be taken to build on the lessons of past success and to nurture new and promising trends. First, and most obviously, the Foundation can continue to assist established national and regional institutions to experiment in new and innovative areas of work. Second, longer term institutional support can be provided to new organizations that have project ideas with merit and also have good prospects of eventually securing local and international support. Third, the Foundation can encourage the rapidly expanding process of organization that is now reaching the remotest sectors of Dominican society by strengthening its in-country support system to provide prompt and effective

assistance to informal associations of small farmers and producers. Fourth, credit proposals that explore collaborative ways of leveraging local funds for small farmers and businessmen through loan guarantees, loan insurance, or other innovative means should receive special consideration as effective tools for increasing the pool of locally available resources. Finally, several new women's and young people's programs have gotten off to promising starts. Those efforts can be supported and expanded so that their largely untapped productive capacities can further accelerate the process of national development.

This review of the past 15 years of IAF activity in the Dominican Republic coin-

cides with the fifteenth anniversary of the Foundation. One cannot easily overlook the foresight of the Congressional founders of the IAF who saw the need to assist private and community organizations in Latin America and the Caribbean that were trying to lay the groundwork for the many large and small acts required in building enduring democracies. The realization that a way had to be found to support these groups, outside the short-term foreign policy interests of the U.S. and without inflaming partisan conflicts in other countries, was one of those rare instances of "the right idea at the right time." The Foundation has grown and learned much from its work with Dominican grantees, and as they grow and new groups step forward, we stand ready to help them expand and strengthen the infrastructure for development in their society.

STEPHEN VETTER is the Vice President of Programs at the Inter-American Foundation. He has served as the IAF representative to the Dominican Republic, Jamaica, and Brazil. His earlier book, *The Inter-American Foundation in the Dominican Republic: A Decade of Support for Local Development Organizations, 1971-1981*, a bilingual edition, was co-authored with Robert Mashek and can be obtained by writing to the Foundation.

"Approximately one million people have directly benefited from projects and there are many other beneficiaries from project spinoffs."



On March 15, 1986, the IAF celebrated its fifteenth anniversary. Many of its founders, past and present officers and members of the board, Senators, Representatives, and friends of the Foundation gathered on Capitol Hill and at the U.S. Department of State to share experiences from their years of collaboration. The following excerpts highlight their comments.

## REAFFIRMING THE MANDATE

*1971 · 15 Years · 1986*



**T**he Inter-American Foundation means many things to many people. Yet, it is that very diversity that may be the greatest contribution the Foundation has made to development. The IAF is something unique. It's both an innovator and a risk taker. And it has shown our neighbors to the south that the United States is a pluralistic society where there is room for a government agency like this one.

CONGRESSMAN  
ROBERT LAGOMARSINO

**T**his is the Inter-American Foundation and we speak two languages. We're very good at it. And if we weren't, we'd be in trouble because we couldn't do our job.

CONGRESSMAN ROBERT GARCIA

**T**he Foundation was and is a very special institution . . . I was never prouder to serve my country and to better serve U.S.-Latin American relations than during my term as president of Dante Fascell's creation . . .

PETER BELL  
IAF President, 1980-1983

*William Dyal, the IAF's first president, being sworn in by Augustin Hart Jr., the IAF's first chairman of the board.*



Marcelo Montecino

**T**he real Foundation is not a building or a place or even a staff. It is the grantees, the men and women and young people in organizations all over Latin America and the Caribbean. They dared to dream dreams and to express them out loud to the staff of the Inter-American Foundation. They took enormous risks, and they dared to have the creativity to move on those risks, to speak to the problems they know too well and to the solutions that could not be designed by others. And we tried to dream dreams with them, to take risks with them and to respond to their kind of creativity.

If I had but one message to share, it

would be this: The day the Foundation ever takes its marching orders from anyone other than those grantees, those men and women and young people throughout the Hemisphere, it will lose its significance, its genius and its meaning . . .

WILLIAM DYAL  
IAF President, 1971-1980

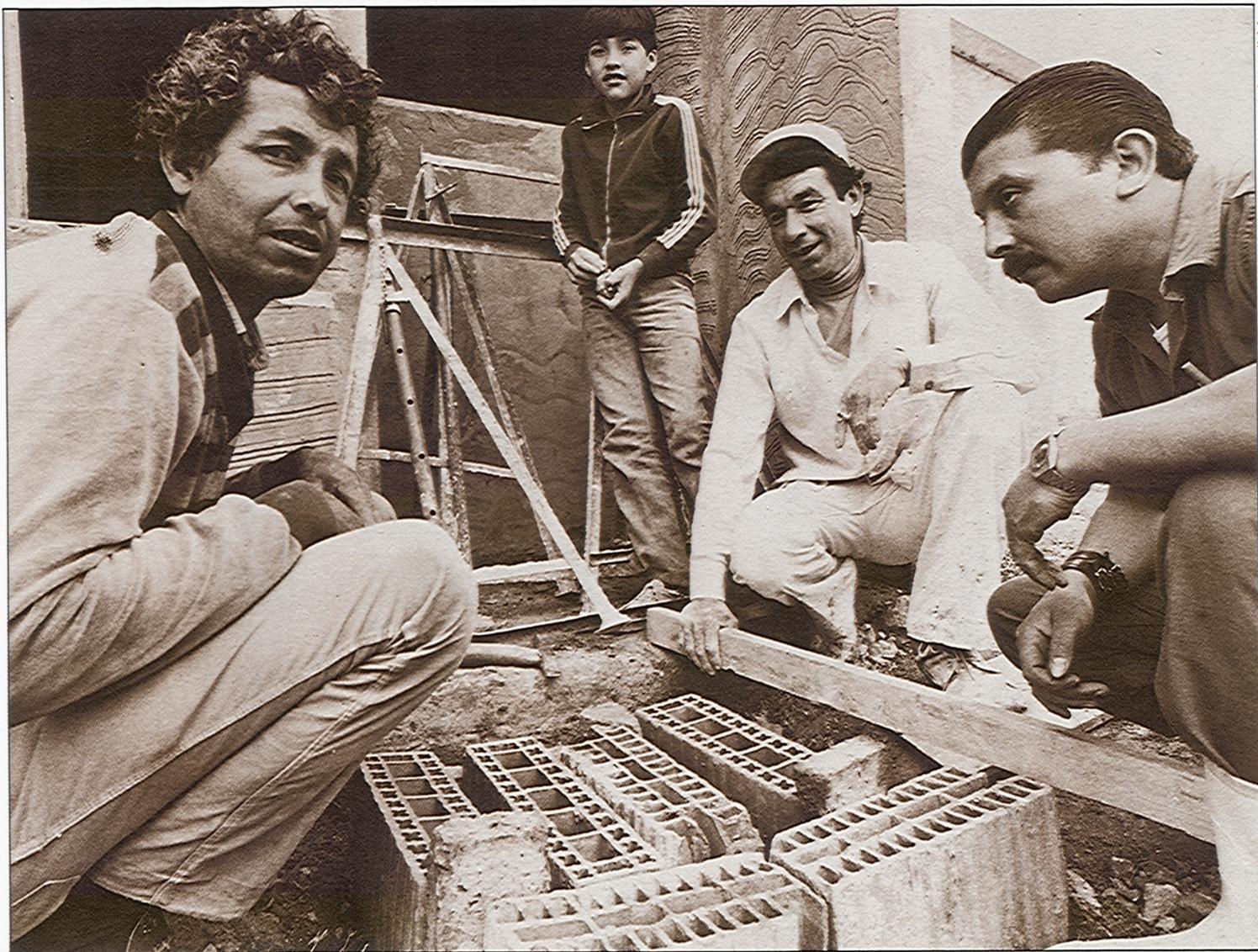


One of the first lessons I learned when I got hooked up with this organization was that it was a very small fish, a very small fish in a big pond, and that these were shark-infested waters. I saw lots of fins above the surface. And underwater I saw a lot of shining teeth . . .

I'm encouraged to find that this little fish has the courage to swim out in the open sea. But I don't think this fifteenth anniversary is designed to celebrate survival. I think it should reaffirm the mandate that the Foundation was given by Congressman Fascell and his associates.

. . . That mandate and the structure of the organization drawn up in the original legislation have served the test of time. They ought to be maintained and reaffirmed. If they are, I'm confident that this little fish can play an increasingly important part in furthering the national interest of our country in Latin America . . .

AUGUSTIN S.  
HART, JR.  
First chairman  
of the IAF  
Board of  
Directors,  
1970-1978



Hilario Villalobos

Congress should be commended for creating and supporting this institution, which has been a leader in grass-roots development. The President and the Executive Branch should be congratulated for sustaining the Foundation's own nonpartisan nature and independence.

... Throughout its history, the IAF has remained faithful to three fundamental principles of its Congressional mandate: nonpartisanship, independence from the short-term objectives of U.S. foreign policy, and commitment to long-term development. These principles have been maintained while gov-

ernments, political philosophies, and development theories have changed in the United States, Latin America, and the Caribbean.

... Despite the achievements of the past 15 years, the problems of poverty continue to afflict millions of Latin Americans and Caribbeans today. The plight of the poor has worsened in recent years because of economic deterioration, increased debt, and growing governmental austerity. Indeed, there is still much to be done.

As Cuban statesman and poet José Martí once said, "*Los hombres van en dos bandos: los que aman y fundan, y*

*los que odian y deshacen.*" Or, men go in two factions: those who love and build, and those who hate and destroy. We at the Inter-American Foundation ask all Americans throughout the Hemisphere who love and build to continue this journey with us for at least another 5,000 days. Together we'll continue working to provide opportunities for the poor in Latin America and the Caribbean.

VICTOR BLANCO  
Chairman, IAF Board of Directors



Mitchell Denburg

I don't mind taking credit for the concept of the IAF, but the greatest praise belongs to the people who made that idea a reality. To understand what I mean, it is worth taking a look at how far we have come. The beginning of this enterprise met great skepticism: "The poor don't have any experience working together; they aren't smart enough to know what to do or how to do it best." I kept hearing how all we needed were more experts and better planning. Well, I'm not against government-to-government programs or big projects, but I kept feeling frustrated, wondering how *do* you assist the people who need it most, those beyond the reach of traditional aid programs and outside the political, economic, and social mainstreams of their countries?

I remembered something my dad once told me: "Son, there's nothing in life but people, and you better get used to that idea." The answer was to give people an opportunity to do things on their own, not get locked into a format, not get bogged down with red tape, not be paralyzed by politics. The idea was

to be innovative. Really, there is no other choice. There isn't enough money in the world to solve all these problems on a direct basis. The key is to motivate people to do things themselves. Give them the seed with which to plant, to grow, to strive, and to bring about change easily so they can build the democratic institutions that give us freedom.

You—the staff, officers, and members of the board of the IAF, past and present—gave people a chance, and they jumped in. No one pushed them. The fact is that these people felt something almost akin to love. And that pride, that spirit of cooperation emerged because there wasn't some big brother, some great planner telling them what to do. It was them. They took their ideas for projects to improve their lives, sometimes just in small ways, and made them happen. And the IAF made sure it didn't take them a lifetime to get the resources they needed. Those steps, small as they may have been, were concrete steps toward practical change.

We all live with change. Nothing is

static. We must work together to ride change or be left behind. This organization knows that. It was conceived in bipartisanship, has been maintained in bipartisanship, and will survive to carry on its work only so long as that spirit of cooperation exists.

CONGRESSMAN DANTE FASCELL

**F**ifteen years in the history of humanity is just a tick of the clock. But in the history of international development as we know and practice it, 15 years represents almost half the time that development agencies have been engaged in helping to solve the world's most pressing social and economic problems. The Inter-American Foundation has been an important and, in many ways, a unique member of that development community.

... An important part of the Foundation's mission is to share the results and findings of its involvement in grassroots development with others in the developing community such as those of us at AID. I can assure you we value and cherish those contributions ...

Remarks of  
M. PETER MC PHERSON  
Administrator,  
Agency for International Development  
As delivered by Jay Morris

**T**he preponderance of assistance programs over the years since the IAF was founded has changed a lot. Our levels of economic aid are much higher than they were, for example, under the Alliance for Progress. The geographic focus has shifted. A number of countries in Latin America no longer qualify for straightforward economic assistance programs, including Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela. Yet that's where 75 percent of the people in Latin America live. So this is another of the IAF's contributions, to be working on development in places where many other organs of the U.S. Government are simply—and for the right reasons—not present.

ELLIOT ABRAMS  
Assistant Secretary  
for Inter-American Affairs  
Department of State

**A** number of years ago, after the French had already failed, we were having difficulty digging the Panama Canal because of malaria. It was finally determined that the disease was being spread by mosquitoes, and that by draining the breeding swamps you could eliminate both.

I think the analogy is very clear. You have to get at the cause of a problem. We are about the business of draining the breeding swamps of authoritarianism and totalitarianism, whether on the right or the left. From this long-range perspective, the cost-benefit ratio is excellent for the Inter-American Foundation and its projects.

Would that we could multiply your budget by one hundred fold—a petty cash fund that falls between the cracks of the Pentagon. It seems myopic to only address the ability to destroy rather than to learn how to sustain and enhance the quality of life.

In pursuing its goals, it seems to me that the Foundation has followed the words of one of my favorite writers, Thomas Carlyle: "Our main business is not to see what lies dimly at a distance, but to do what lies clearly at hand."

SENATOR MARK HATFIELD



Philip Decker

**F**ifteen years ago, Dante Fascell started what was a very tiny baby. With faith it has grown, and with faith it will continue to grow and will spread like all good forces throughout the region.

DEBORAH SZEKELY  
President, Inter-American Foundation

Foundation representative David Valenzuela, right, converses with Saúl Vásquez at a dairy project in Huasta, Peru.



To fulfill its Congressional mandate, the IAF has encouraged an ongoing examination of its priorities and operating methods. The following thoughts by Foundation staff reflect that dynamic process and suggest the importance of innovative ideas, learning to ask the right questions, and respecting the ability of grantees to define and solve their own problems.

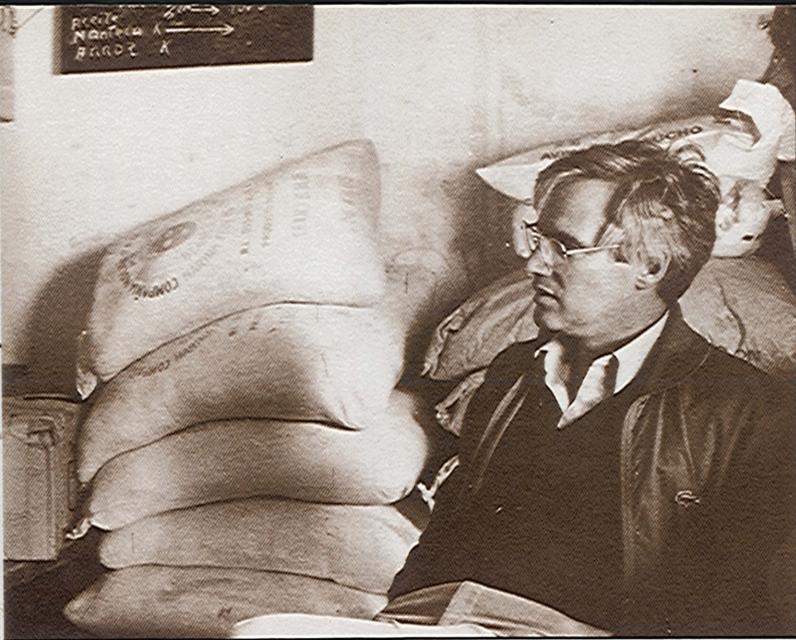
## THE IAF IN PERSPECTIVE

**L**ike many an adolescent, the IAF at 15 is examining its identity. The agency has worked hard since its birth in 1971 to establish a respected place within the development community, and that youthful zeal is being deepened by serious self-examination and reflection as a course is charted for the years ahead.

Once the only U.S. government funding agency of its kind, the Foundation is now one of many organizations, large and small, public and private, that promote grassroots development. To what extent has it remained unique? The question is an oft-debated one, and surely few are more qualified to offer an opinion than the Foundation's staff.

Drawn from the seasoned ranks of the Peace Corps, the ministry, academia, and other private and governmental agencies, IAF staff are as different as they are committed to the concept of grassroots development.

The following collection of excerpts—culled from recent memoranda, articles, and speeches by staff members—is part of an ongoing attempt to define the essence of the IAF. The wide range of viewpoints is to be expected, considering the complexities of development. Yet all of these professionals share a pride in the organization and an unwavering belief in the peoples of Latin America and the Caribbean whom the Foundation serves.



Luis Peirano

*MICHAEL SHIFTER, representative for Brazil, leads with a thoughtful essay that puts the debate in perspective and poses a novel definition of the agency's most outstanding feature.*

Throughout its 15-year history, the Inter-American Foundation has been plagued by one perennial question: How is the Foundation unique? In what ways can it be distinguished from other institutions dedicated to helping the poor in Latin America and the Caribbean?

This question is not only fair and reasonable, but essential. It is asked most persistently—and predictably—during the Foundation's Congressional appropriation hearings each year. Elected representatives, after all, have to answer to their constituents, the taxpayers. Why continue supporting such a small development agency?

Yet anyone with even a vague familiarity with the Foundation knows that the very same question is asked—perhaps with even greater bite and relentlessness—by the staff itself. Among other qualities, the Foundation is widely known for its self-scrutiny, its questioning spirit. The perennial question, nagging our consciences, cannot escape the general inquisition.

The answers to these questions are, of course, legion. Some people have pointed to the number, range, size—and impact—of the grants the Foundation has made throughout the region.

Others have mentioned the Foundation's unusual organizational structure, with people of general backgrounds as-

signed to specific countries. A persuasive argument can be made, moreover, that what makes the Foundation unique is its special ability to interpret poor people's problems in a particularly rich and powerful way.

In seeking to get a handle on the question, still other observers have stressed even more subtle, less tangible characteristics. They have been drawn to the Foundation's distinctive philosophical cast, to such principles as responsiveness, participation, and autonomy. Wrestling with this central question, the Foundation's first president, Bill Dyal, and the economist-consultant Judith Tendler tried to capture what set the Foundation apart from comparable institutions in a single word: "style," a singular style of operation.

All of these are sensible responses, compelling in many ways. Yet I would like to offer another, perhaps even more obscure reply, one suggested to me not too long ago. At a conference in Brazil, a Chilean approached me and asked—unsolicited, I must add—"You know what you people of the Inter-American Foundation have that the others lack?" Naturally, my ears perked as he twitched his nostrils and continued, with great confidence, "A sense of smell. The Inter-American Foundation has a sense of smell."

I confess that, initially, I dismissed my friend's observation as something interesting but vague. Upon further reflection, however, it struck me as rather profound and on the mark. "A sense of smell," I've become convinced, is that

special quality that helps set the Foundation apart from other development organizations. It is the capacity to understand not only where people, projects, and organizations are today, but where they're headed, where they'll be in 5 or 10 years. It is one thing to make an intelligent analysis of a project, to assess costs and benefits, problems and possibilities; it is quite another, however, to fully fathom a *process*, however complex, to anticipate how people are likely to change, how organizations are likely to evolve over time.

This quality is not a function of educational background, professional training, or even field experience; it is, rather, a matter of something more elementary—temperament. A sense of smell is not something that can be easily cultivated or honed in a classroom, office, or even by working in some poor community. It comes, I think, from a kind of mental discipline, from an almost intuitive appreciation of people's lives. The Foundation has, traditionally, highly valued this vital yet elusive quality; many of its staff, I think, continue to exercise an acute sense of smell. Other development practitioners may be impressive project analysts, often using sophisticated tools and techniques to assess an activity's viability. Yet in getting a whiff of where a group of poor people struggling to improve their lives are headed—and deciding how and when it would be most appropriate to provide support—the Foundation has few, if any, rivals.

*When speaking to an audience of representatives from nongovernmental organizations in Haiti, IAF representative ROBERT MAGUIRE chose the following anecdote to indicate another important difference between this agency and others like it.*

About four years ago, several members of the staff of a United States Senate Foreign Aid Committee were planning a fact-finding visit to look at U.S. Government development assistance programs in Haiti, and invited me to brief them on the Foundation's work there. I was happy to accept their invitation, particularly since the IAF is a U.S. government organization and we receive funds from the U.S. Congress.

When I arrived on Capitol Hill, the first question posed to me was, "How many projects does the IAF have in Haiti?" When I heard the question, I de-



Marian Ritchey Vance (second from left), Padre Javier de Nicoló (third from right), and six street children from Bogotá meet with then-Secretary of Education Shirley Hufstедler in Washington, D.C.

cided to have a little fun and answered, "None. The IAF doesn't have any projects in Haiti."

"But," said one of the Senate committee staff members, surprised at my response, "we thought the IAF had several projects in Haiti!"

"No," I replied, "the IAF doesn't have any projects in Haiti, but it does have about 15 to 20 active grants there. And there's an important difference. You see, the IAF is a grant-making agency. We make grants to private organizations who become IAF grantees, and they have projects or sponsor programs in social and economic development at the grassroots. The projects are theirs, not ours. Our role is to provide them with the funds so they can implement the projects."

Upon hearing this, the Senate committee staffers kind of shook their heads and said, "Oh that's interesting..."

*Indeed, the nature of projects funded by the Foundation is seen as crucial to its identity by many staff members. Comparisons to larger development organizations can be especially misleading, as shown in the remarks of MARION RITCHEY VANCE, the senior representative in the Office for Colombia and Venezuela.*

We're never going to make ourselves understood by saying we support "housing"—so does the World Bank, and much more of it; or traditional crafts—so does the Organization of American States, and much more visibly; or agricultural cooperatives—so does

AID, and they can talk about increased yields per hectare.

If we accept the units of the traditional yardstick, we can never measure up. But overlap in target populations and type of activity notwithstanding, there is a big difference between what we do and what AID and the World Bank do.

So what is it? For a time we were distinguished from other agencies by talking about building local institutions. Now everyone in the development community has folded that into the standard lexicon, just like "participation."

What does set the IAF apart is that our style, flexibility, and attitude enable us actually to foster such goals, whereas larger institutions by their very nature and structure cannot.

What is unique about us is who we reach, what kind of relationship we have with them, what they can do better as a result of an IAF grant, and what kind of spillover that new capability has during the long run.

*JAN VAN ORMAN, a representative in the Office for Central America, has a similar reaction to comparisons of the IAF with other funding agencies. Quoting an old Belizean saying, he observes, "Cow got no place in horse race." He then goes on to add:*

Let's not try to explain the importance of the IAF by using World Bank language or *Washington Post* issues. We have to say who we are by being ourselves. We should refute criticism that we are no longer a pioneer or that we can't demonstrate what we have learned. We don't

look brilliant under the wrong lens in a microscope, but we are constantly praised by the people we help. Those that may criticize us will accept the value of an organization that helps the poor. Let's say who we are in our own way and let those who have ears, hear.

The IAF has a special mission. It is not delivering technical assistance or credit or increasing farm production or building houses. Our forte, which we have done and can do, is to strengthen community organizations.

*RAMON DAUBON, senior representative for the Office of the Caribbean, agrees with Van Orman that the promotion of such organizations is precisely what the IAF does best. Although some would say this leads to a scattershot approach to development, Daubon argues that IAF methodology is quite specific.*

The Foundation is uniquely specialized in fortifying the medium from which self-help activities grow.

Other institutions specialize in activities, in specific crops as it were. The IAF, on the other hand, focuses sharply on organizations, the soil in which those plants develop.

We enrich the soil so a tree can germinate, and we strengthen the roots that nourish it. What the tree looks like on top is really up to the tree.

*ANNE TERNES, senior representative in the Office for Argentina, Paraguay, and Uruguay, echoes this respect for the competence of colleagues in Latin America and the Caribbean as something unique to the Foundation.*

The chief, innovative characteristic of the IAF is not an activity but an openness to the ideas and knowledge of our host country colleagues. This recognition that development is not tutelage of the ignorant by the cognoscenti of the industrial countries still sets us apart. We have matured from touting the poor as the source of all knowledge, however we still believe the best solutions arise from being as close to the problem as possible. So we look first and foremost to talent in the host countries where we are working.

The IAF exists to explore, through its funding and learning efforts, the issues and strategies that are contextually significant in the pursuit of grassroots development goals. Because project requests are viewed through the prism of contextual appropriateness, fads in the

development community never penetrate absolutely.

Senior representative WALTER PRICE, who directs the Office for Central America, adds his thoughts on the Foundation's successful approach to grassroots development—along with an observation about future innovations.

The Foundation's methodology has worked well because it captures the essence of self-help philosophy. Looking closer at this methodology, three characteristics of the IAF approach stand out. First, the Foundation responds to ideas formulated by groups. It does not dictate ideas to them. Second, it analyzes the group as well as its project, not just the project. Third, it has institutional flexibility to fund the highly individualistic needs of organizations. It is not limited to offering predetermined lines of support.

The success of this methodology should not allow us to become complacent. We were not created to develop one way of doing things so it could be practiced over and over forever. Opportunities for the IAF to try new and exciting things are too great to pass up. The need is there. Our unique legislative mandate and the vast, practical experience of our staff invite us to go forth boldly.

*One area with responsibility for mapping those possibilities is the IAF Office of Learning and Dissemination. CHARLES REILLY, who directs that unit, wrote in a recent article:*

The IAF has offered an alternative for funding and learning. It has facilitated problem-solving and interdisciplinary approaches through fellowships for field research in Latin America and the Caribbean. These fellowships have become the largest funding source for U.S. field research in the region and have considerably increased the information base. Grantees have been encouraged to find ways to document and share their own learning, quite beyond the basic information required by the Foundation to satisfy its own needs for accountability.

DAVID VALENZUELA, senior representative in the Office for Peru and Ecuador, mentions yet another key element to understanding the nature of the Foundation. He also emphasizes the need to show how grassroots projects work so they can become models for development.



Stephen Vetter visiting project in Jamaica.

The IAF is probably one of the most effective and sophisticated people-to-people goodwill gestures that the U.S. government has ever conceived. For the cost, it has certainly provided a different perspective on U.S. attitudes and values, and smoothed out some rough edges in foreign policy.

Nonetheless, I am troubled. In some ways you might see the IAF as a sort of New York Lottery, dispensing windfall riches to a minute and select few of the Hemisphere's 300 million poor. What does it all add up to? We call ourselves an "experimental development agency." Development for whom? The few thousand families that are lucky enough to win the IAF Lottery every year?

The Foundation has, indeed, contributed to popularizing community-centered, bottom-up development. Yet if this approach to development is to constitute a significant alternative, we need to show what works and what doesn't work, and why.

We must carefully plan an agenda for learning and dissemination, keyed to publicizing experiences showing that bottom-up development need not be simply a quaint, "small is beautiful" idea, but a significant alternative for national development. It is a humanizing approach that builds democratic and participatory values, emphasizes cooperation, and gives dignity to people.

Clearly, the essence of the IAF continues to evolve. STEPHEN VETTER, vice president for programs and research, suggests why in concluding with an opinion shared by all. It fo-

cuses, like so many of the others, on the human dimension of the Foundation.

Another answer may be found in the saying that "we are the sum total of our experiences." *We are what we do.* If that is true, then the Foundation is the poor woman with eight children who has just learned how to cultivate a simple but nutritional garden to feed herself and her family while her husband is forced to go to the capital city to look for work.

We are poor laborers in Brazil who held onto an abandoned plant closed eight years ago. After years of waiting and planning, we have now reactivated the plant and created employment for 35 people.

We are Mexican migrants who want to maintain our families in good health in our own country. Forced to migrate to find work, we have set up a cooperative so we can repatriate and earn a living.

And finally, we are a group of men and women in Dominica who never dreamed of seeing the light of employment, but we started with an old vat and some wax and began making candles. Seven years later, we work three shifts, and 15 people have steady incomes and provide all the candles in our country. The name of our candle is "Star Brite," and we have "lit one little candle" in the heart of many others who hope to set up their own businesses.

Cultural biases frequently mask women's productive roles, despite the fact that increasing numbers of women are becoming primary wage earners and heads-of-households. This article, condensed from a forthcoming book, examines how five Latin American women's organizations have opened access to productive activities, the obstacles they encountered along the way, and possible strategies for providing services in an era when development capital is in short supply.

## AFTER NAIROBI: A Retrospective of Women's Development Organizations in Latin America

SALLY W. YUDELMAN

One of the more hopeful outcomes of the UN Decade for Women (1976-1985) is the emergence of development and poverty-oriented women's organizations in the Third World. At their best, these organizations offer women at all levels of society the opportunity to develop self-confidence and skills within a supportive framework and to challenge prevalent myths about women's roles in society. They enable women to gain access to resources and to learn to take greater economic and political responsibility.

This article examines the progress made by five women's development organizations in Latin America and the Caribbean (see sidebar on p. 29). COMO (the Center for Working Women, located in Ciudad Juárez, Mexico) and FEHMUC (the Honduran Federation of Peasant Women in Tegucigalpa) can be categorized as grassroots movements. MUDE (Dominican Women in Development in Santo Domingo) and FOV (the Federation of Voluntary Agencies in San José, Costa Rica) are service organizations. WAND (the Women and Development Unit of the Extra-Mural Department, University of the West Indies in Barba-

dos) works at the policy level to influence development planning on behalf of women throughout the Caribbean.

All five are nonprofit organizations that carry out projects to improve the economic status of low-income women. Their staffs are composed primarily of women.

Although each one has approached the problems of women from a somewhat different perspective, their collective experience shows that these development organizations offer viable alternatives to women.

### THE UN DECADE AND A CLIMATE FOR CHANGE

In addition to the commitment and hard work of the women involved, the conditions that fostered the growth of women's development organizations in Latin America, the Caribbean, and elsewhere include a mixture of world events, local conditions, and support from international donors. The UN Decade for Women provided the crucial framework of national and international legitimacy to emerging women's groups. It also

helped assure the donor support necessary to launch or expand women's programs.

Participants in all three women's decade conferences—Mexico City (1975), Copenhagen (1980), and Nairobi (1985)—recognized that women's organizations represent important resources for helping women and bringing about change. Although their effectiveness depends heavily on government policies and on coordination with other institutions, women's organizations are well suited to changing and enhancing the perception of women's roles.

Looking back over the decade, it is clear that some progress has been made. Besides the emergence of women's development organizations, gains include the legislation of policies to benefit women, the establishment of special offices or women's bureaus to provide services to women, and the appointment of women to positions of responsibility in governments and international and donor agencies.

Women's development organizations have learned, however, that it is a long road from the government ministry and the international agency to the imple-





COMO's training programs provide consciousness-raising and develop new skills among women factory workers in Ciudad Juárez, Mexico.

mentation of meaningful programs to benefit women. In part this is due to the meager resources allotted to alleviate poverty among women. There are also cultural barriers. In many countries, programs that have a focus other than home and family still challenge tenaciously held assumptions about a woman's role in society.

The experience of women's development organizations in general, and of these five in particular, also suggests that women are still barely visible in other than the traditional role of wife and mother. Yet, when poor women are asked about their needs, they repeatedly stress access to resources that would enhance their productive capacities—for example, education and training or credit and land.

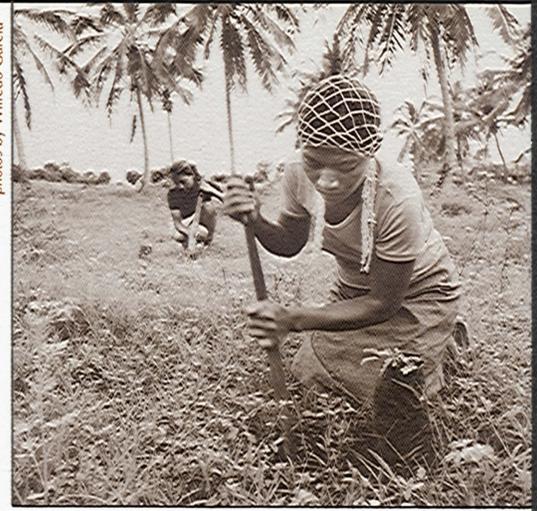
The inability of many societies to see or to accept women's productive role has resulted in the continuation of a social welfare approach to women's projects—that is, training in traditional skills, such as sewing or handicrafts, for the production of goods for a limited market. The refusal of governments and international agencies to invest sufficient funds in women's productive activities has

meant, in too many cases, the establishment of small projects, often carried out by volunteers with inadequate technical resources and skills. The result is that women are the beneficiaries of modest projects, rather than significant programs.

The small size and isolation of most women's activities and projects has spurred the debate over integration vs. separation: Should women automatically be included in all development projects or should separate women's projects be established? Those who argue for integration stress that separate is *not* equal, that women tend to be economically marginalized by such efforts. Others claim that separate projects and organizations are needed because women are not effectively served in integrated programs. Integration is not possible in many societies; in others it has been used as an excuse to take over resources allocated to women's projects. Ineffective integration, furthermore, can lead to cutbacks in existing programs and services for women. Finally, monies available for women's projects may entice male-run organizations and agencies to initiate programs in which there is

little interest. The debate is far more than an academic one, however. It has significant implications for the future growth of women's development organizations and the allocation of funds by international donors and national governments.

Once again, it is at the beneficiary level that the issue stands out most starkly. The peasant women who receive services from three of the five organizations strongly affirm their preference for separate groups and projects. They cite four specific reasons. First, women want to run their own organizations. In male-dominated groups, such as cooperatives and agricultural associations, women are not given the opportunity to participate, let alone manage. Second, women want to earn and control their income. Since men control the finances in most families, it is only through women's economic projects that poor women can hope to earn income. Third, women do not want to assume the debts of men. They are well aware that the cooperatives and agricultural associations in their communities are often in debt. Finally, women realize that their financial contributions lead to attitude changes on the part of men.



In the Dominican Republic, for example, several members of one MUDE group noted that, as a result of the group's successful cultivation of rice, their husbands now consult them about household expenses. In Honduras, FEHMUC women who have increased family incomes are also treated with new respect by their husbands.

While the UN Decade for Women influenced all five organizations, other factors also played a role in their evolution. For example, following the first international meeting of the decade, held in Mexico City in 1975, WAND came into being with the goal of promoting women's activities. At that time a regional approach was viewed as a potential solution to Caribbean problems, and the women of the Caribbean wanted to establish a regional identity. In the Dominican Republic, MUDE was founded not just as the result of the Mexico City conference, but also because of the growth of community action in the post-Trujillo era. FEHMUC and COMO were influenced by Catholic social activism: the fight for agrarian reform in Honduras during the early and mid-1970s and a growing awareness of the social problems in the Border Industry Program that was established in Mexico in the mid-1960s. In Costa Rica, FOV was influenced by a U.S. private voluntary organization, the establishment by the U.S. Agency for International Development (USAID) of a local funding institution (CINDE), and government focus on self-help and private sector development.

The interest of international donors in women's organizations also contributed to their growth following the Mexico City conference. WAND was launched by the Carnegie Corporation, MUDE by USAID. COMO professionalized its operations with assistance from the Inter-American Foundation. And FEHMUC initiated its community health program with the help of OXFAM/England.

But it has taken time for women's organizations to emerge, develop programs, define research agendas, establish working relationships with governments, and learn how to deal with donor agencies. Ironically, now that these activities are solidly underway, the years ahead do not appear propitious for women. The present worldwide economic crisis has caused Third World governments to cut services, which in turn has aggravated the problems of unemployment and endangered the survival of poor families, a very large percentage of which are headed by women. Some donor countries and agencies appear to have less interest in women's issues and organizations now that the decade is over, and thus fewer funds may be available for women's programs in the years ahead. To make matters worse, many countries have seen a rise in conservatism and religious fundamentalism, one of whose prime objectives is to return women to the reproductive sphere. In this context, the work of women's development organizations takes on crucial importance, for it is clear that it will be up to women to keep women's issues alive.

## WHAT WOMEN'S DEVELOPMENT ORGANIZATIONS DO WELL

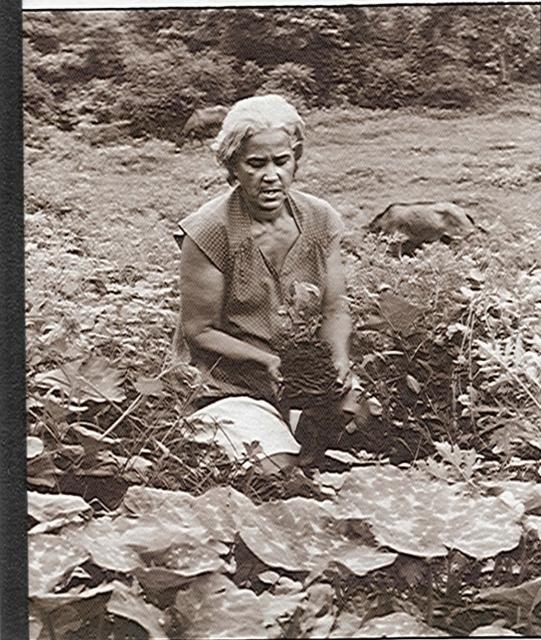
Women's development organizations know how to mobilize and organize women, and these five are no exception. The three service organizations (MUDE, FOV, and WAND) have demonstrated that urban-based professionals can work successfully with poor women. All five engender loyalty and commitment. In many cases, particularly in remote rural areas, their groups provide a lifeline, a "safety net," for women who live in isolation. The beneficiaries understand that the organizations are committed to helping them, that they are their organizations. This is particularly evident in the cases of FEHMUC and COMO, which are grassroots movements, but it is also true for WAND and MUDE, and to a lesser extent, for FOV's urban groups.

The five organizations raise awareness of gender issues and build self-confidence. Interviews, organizational documents, and evaluations leave little doubt that all have been successful in this area. Their introductory consciousness-raising courses have different titles—group organization, human development, what it is to be a woman—but the message communicated is the same: the importance of individual worth and of self-help.

From Rose Hall community in St. Vincent ("I learned that what happens depends on me") to the villages of Olancho



Women in the Dominican Republic receive training, credit, and technical assistance from MUDE, the only professional women's organization in Latin America to provide these services for agricultural production.



provide such unambiguous frames of reference.

MUDE staff believe that women in the Dominican Republic are marginal in the production process of that country. Until women are economically independent, they will be unable to claim their legal rights, either in the family or in the community. One of MUDE's objectives is to assist peasant women to achieve economic independence. MUDE also believes that the groups with which it is working eventually must become independent and form their own associations.

WAND defines feminism as a "consciousness of women's marginality in the development process and a commitment to work for their empowerment." Its objectives—to promote women's activities and influence development planning on their behalf—are reflected in its projects throughout the Caribbean.

FEHMUC and COMO were strongly influenced by the 1968 conference of Latin American bishops held in Medellín, Colombia, in which the bishops committed their Church to the cause of social justice. Both organizations support popular struggles for social justice, including equality and access to resources for women. FEHMUC supports a land reform in Honduras that would benefit both single and married women. Members of these two organiza-

tions have participated in hunger marches, land invasions, or strikes. Their consciousness-raising programs reflect an awareness of women's problems and low status.

FOV is attempting to establish a frame of reference. In the process of transforming itself from an association of volunteers into a development agency, the federation is struggling to integrate two very disparate worlds—that of social welfare emphasizing the use of volunteers, and that of development emphasizing a professional and technical orientation.

It is also clear that women's development organizations are capable of carrying out a wide variety of projects. FEHMUC, COMO, and FOV provide credit; at one time, COMO offered credit guarantees. And while there have been problems with such income-generating projects, women's organizations are hardly unique in this respect.

Many of MUDE's agricultural projects are doing well; the groups cultivating strawberries and vegetables for export have been particularly successful. COMO's training program was also a success. During the administration of Mexican President José López Portillo when social programs were expanding in Mexico and the economy was healthy many graduates were hired by government, state, and municipal agencies. FEHMUC's community health program has worked in Honduras, perhaps because the women are performing a familiar task. The project also supports itself through the sale of simple medicines. When there has been adequate technical and marketing assistance, FEHMUC's basic grains projects have been profitable as well.

The information generated by WAND's rural households project, in cooperation with the Population Council and the governments of Dominica, Jamaica, and St. Lucia, has been utilized by the ministries of agriculture, planning, and community development on these islands and others; the methodology used in the Rose Hall project (St. Vincent) has been incorporated into the training programs of the ministries of agriculture and community development on several islands. In Costa Rica FOV has been sought after for its course on human development and as a trainer of trainers and staffs by nongovernmental organizations (NGOs) and some government agencies.

in Honduras ("FEHMUC is the light at the end of the tunnel") to the industrial plants of Ciudad Juárez ("The woman who passes through COMO will not be a peon"), women who participate in these courses look at themselves and the world around them differently.

At the same time, it is important that women's development organizations, particularly service organizations, conduct such consciousness-raising courses within a particular frame of reference, one that reflects an understanding of the problems poor women face. Development organizations must know *what* they are doing and *why* they are doing it in order to design projects that offer genuine alternatives. Four of the five do

All five organizations have access to resource networks and technical expertise. At the same time, technical capabilities vary. MUDE has a strong technical assistance arm: a marketing specialist, a veterinarian, and two agronomists, in addition to two Belgian agricultural volunteers. The technicians are on loan from Dominican government ministries. In addition, MUDE draws upon the services of local technicians in the different areas in which it works. In Costa Rica, a recent grant from a local funding institution has enabled FOV to hire technical staff also.

WAND, on the other hand, does not have a technical staff; instead it works to link groups and organizations to qualified technical assistance throughout the Caribbean region. Similarly, COMO, which also lacked technicians, helped rural cooperatives obtain credit and technical assistance from the Rural Development Bank and other Mexican agencies. In Honduras, FEHMUC has four agronomists, but they are poorly deployed. One provides assistance to 100 groups with a wide range of projects throughout the country; the other three assist only 24 groups in four departments to cultivate basic grains.

All five organizations handle money well. Their grants are managed efficiently. Women's organizations generally manifest more responsibility in reporting and keeping accounts than do many men's organizations. Credit repayment rates for most beneficiary groups are high. Poor women are initially more timid than men about asking for credit and assuming debts, but they work hard on their projects because they need money for household expenses.

The credit repayment rate of MUDE's groups in the Dominican Republic approaches 90 percent. MUDE provides continuous follow-up. An extension worker, or *delegada*, is responsible for approximately nine groups that she visits twice each month. New groups are visited weekly. Technical staff are brought in at least once each month and courses are provided as needed.

Thirteen of FOV's 15 San José-based groups have repaid their loans on schedule; only two have had to negotiate delayed payments. Loan defaults are highest in FEHMUC. This is due to too many projects, inadequate technical assistance, poor feasibility studies, and insufficient markets. But the high default rate, and many of the other problems as well,

generally plague NGOs in Honduras and are more symptomatic of the serious development problems in the society than the fact that FEHMUC is a women's organization.

Women's development organizations also know how to take advantage of opportunities within their societies. All five have done so. For example, lack of access to land is a major problem for women in the Dominican Republic, Costa Rica, and Honduras. In the Dominican Republic, however, women have inheritance rights that they rarely exercise because they are unaware of them. MUDE's legal aid project is an effort to improve peasant women's access to land to which they are legally entitled. In Honduras, FEHMUC women who participate in invasions of public lands with their male colleagues have negotiated their right to a fair share should the government cede title.

In the case of its urban program in San José, FOV helped its beneficiaries who failed to qualify as credit recipients of the commercial banking system by establishing its own revolving loan fund with a grant from the Inter-American Foundation. In Ciudad Juárez, three labor unions represent women workers only in general contract negotiations such as salaries, firings, and problems with supervisors. The labor unions have never acknowledged that women have other concerns—for example, work-related health problems, and a need for child care facilities and improved public transportation—that might fall within their purview. Plant management, on the other hand, does not consider the social problems of the workers to be its responsibility. COMO moved into the vacuum resulting from this stand-off and made the women's social problems its concern.

Women's development organizations can influence public policy. Many development practitioners believe that non-governmental organizations are marginal, that the small groups and projects they support are insignificant. They argue their impact is limited. Women's development organizations, whose programs are small, seem particularly vulnerable to this accusation. Yet, despite the relatively small size of their programs, none of the five organizations are marginal.

WAND and COMO, and to a lesser extent FEHMUC, have influenced public policy. WAND lobbied successfully for



the establishment of government policies and programs to benefit women. The governments of seven islands, for example, have established women's bureaus. Through its publications, its participation in conferences and pilot projects, WAND has educated the larger society about the problems that women face, and has created a climate throughout the Caribbean in which women's issues can be discussed. As a result of COMO's efforts, many plants in Ciudad Juárez now have health rooms with nurses and doctors on call. Public transportation has been improved, and the national social security agency has built three day-care centers. FEHMUC joined other peasant federations in Honduras in the pressure tactics that led to the passage of Agrarian Reform Decree 170 in 1975.

There is a difference, however, between the tactics that a service organization (WAND, MUDE, FOV) uses to influence policy and those available to grassroots groups (FEHMUC, COMO). Service organizations, as a rule, have boards of directors whose members represent the local establishment and are well placed to lobby and persuade. They give credibility to an organization's efforts to influence policy. Peasants and workers do not always have this access and are compelled to form alliances and engage in political pressure tactics (hunger marches, land invasions, strikes, proclamations) to bring about changes in social policy.

Political clout is enhanced through



FOV carries out income generating projects benefiting some 250 poor urban and rural women in Costa Rica.

links to the wider society. All five organizations have these links. WAND is integrated into the University of the West Indies system and maintains important political contacts throughout the region, from the government to the community level. MUDE, on the other hand, is a member of the NGO umbrella organization CEDOIS and of SOLIDARIOS (the Latin American Council of National Development Foundations), works closely with the Dominican Development Foundation, and has a well recognized and effective board of directors.

FOV is composed of 31 voluntary agencies with alliances across the political, economic, and social spectrum.

In the late 1970s and early 1980s, COMO became a meeting place for community organizations of plant workers, cooperative members, and barrio dwellers. Through its director, COMO also established connections with local and national policy makers, including three presidents of Mexico. It was President Luis Echeverría who, in 1972, instructed the ministry of patrimony to deed over a building to COMO and the social security agency to build day-care centers.

Finally, FEHMUC, with 5,000 members, is allied to one of the largest male peasant federations and is an affiliate of the Confederación General de Trabajadores (CGT), the second biggest union in Honduras. These linkages are useful in pressuring for changes in social policy and are sometimes helpful in gaining access to resources at the local level.

The extent to which all five organiza-



photos by Sergio Solano Rojas

tions can successfully influence policy in the future will depend on several factors: the willingness of boards of directors to lobby actively for policies to benefit poor women, the local political environment, and the economic situation in each country.

## PROBLEMS AND CONSTRAINTS

The problems that women's development organizations face are endemic to men's organizations as well. However all five organizations face constraints that men's organizations do not face. The most pervasive constraint is cultural: machismo, the prevailing attitude that women are second-class citizens, belong in the home, and should obey men. Indeed, women often see themselves as second-class citizens.

Other constraints are structural.

Women lack access to education, training, credit, and land. Besides competing for scarce resources when they initiate nontraditional activities, women's development organizations must overcome deep-seated assumptions about women's roles. These organizations face the challenge of making the productive role of poor women *visible*.

Women's development organizations have more difficulty establishing credibility. This is where boards of directors, advisory committees, and foreign donors play an important role. Some foreign donors serve as an incentive to the local private sector to provide support. Along the same lines, women's development organizations have difficulty raising local funds. Private philanthropy is not a tradition in Latin America and the Caribbean. If men's organizations have difficulty raising funds, women's organizations have that much more.

Finally, any hint that these organiza-

ORGANIZATION	nonformal education	production coops	legal services	agricultural services	community services	crafts	consumer stores	health	income generating projects	technical assistance	organization development	training	publications	project development	loan guarantees	credit
COMO	●	●	●												●	
FEHMUC				●	●	●	●									●
FOV								●	●							●
MUDE				●	●	●										●
WAND										●	●	●				

COMO filled the gap between plant management and labor unions, making women's social problems its concern.



tions may harbor feminist tendencies raises a red flag. Feminism is still a word with negative repercussions. Such repercussions can have a negative impact on government support or raising private sector monies. Ironically, those who worry about these organizations being tainted by feminism are the first to admit that women are doubly marginalized because they are women. They also acknowledge that there is a need for women's development organizations because women will lose out in a male-run organization, and that women's organizations do not receive the same technical and financial support as men's.

A major problem the five organizations face is overextension. All are either overextended or headed in that direction. Organizations that appear to be meeting one set of needs—which all five have done—are usually asked to meet others. It is difficult to say “no.” Pressures come from local demands, such as beneficiaries' requests for additional projects or services, and from donor agencies with funds available for new programs. New activities are often a higher priority to donors than to the organization. But the continuing need for funds forces an organization to take on new activities, even if it does not have the technical skills to do so. Thus COMO became increasingly drawn into the problems of rural cooperatives in the valley near Ciudad Juárez, and FOV, whose urban groups in San José need considerable attention, agreed to launch a rural program.

It may also be true that women, accustomed to performing multiple roles in their households and responding to family and community needs as they arise, repeat the pattern in an organization. The habit of multiple activities, coupled with a tendency to responsiveness, can lead to overextension.

The informal way in which FEHMUC and COMO functioned reflected these traits. Difficulties arose when the organizations began to grow and to deal with donors. Donors require an administrative structure, a degree of centralization, the clarification of roles, and the formulation of priorities. A loosely organized movement (FEHMUC) or an association of volunteer workers (COMO) cannot cope with the stresses of running a professional program, providing an increasing range of complex and often technical services to a growing constituency, and meeting the requirements of donor agencies without a functioning management structure.

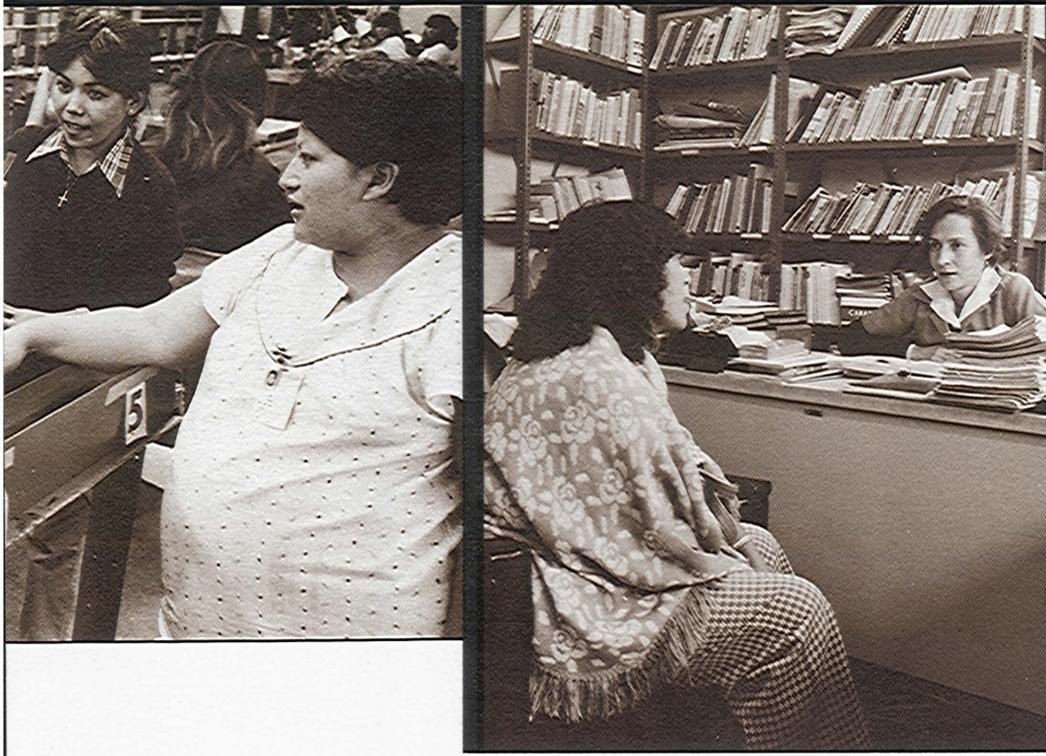
Another problem is the double day, *la doble jornada*. Opportunities to participate in the labor force increase poor women's workloads. This places a burden of responsibility on the organization to ensure that productive projects are successful, and that beneficiaries do not work harder for little to no gain. Poor women want to organize and participate. They need income, but lack free time.

Women who participated in the Tans-G-Toc cooperative on Dominica (WAND's rural households project), for

instance, were offered employment in a banana-boxing plant and in a sewing project, but, as their levels of participation in the projects increased, so did their workloads. Responsibilities for home and children did not lessen. Women work in the informal sector because they have limited access to resources, and because such work is compatible with their multiple roles. Organizational and project pace, therefore, are slower for poor women because of their multiple responsibilities.

In addition, organizations must ensure that women are adequately paid for their work, lest they end up like the women in some of FOV's urban sewing groups that subcontract from factories around San José, but earn neither the minimum wage nor enough to cover operating expenses, such as electricity and water. Paid participation rather than voluntary labor is critical to the success of productive projects for poor women.

Women's groups and organizations tend to become involved in community activities, in addition to productive projects. In part, this is a carry-over from the social welfare orientation that places men in the workplace (paid) and women in the home, family, and community (unpaid). In part, community involvement is due to a concern of poor women about their communities and the need for services that would lighten their drudgery—accessible potable water, electricity, consumer stores, and improved transportation. Nevertheless, too many projects increase their already



heavy workloads. Staff become overextended as well, and an organization and the groups with which it works run the risk of failing to achieve either economic or social goals. Community services are important, but groups and organizations should have clear priorities.

Leadership is as critical to the success of women's organizations as it is to men's. The leaders of all five organizations have exercised power effectively. They have been assertive in promoting the interests and programs of their organizations. They have made tough decisions and have been accountable for their actions. The fact that they were women does not seem to have been significant in determining their style of leadership; in fact, they have not behaved much differently from men in exercising power.

Four of the five organizations have had strong charismatic leaders at one time or another, women who can organize people, engender loyalty, and mobilize funds. Charismatic leaders have a vision they can conceptualize and articulate. Such leaders represent their organizations effectively and maintain official relationships with governments and donors. They often have political clout, and can protect fragile grassroots movements or groups within a repressive environment. On the other hand, charismatic leadership can sometimes hinder institutionalization of an organization. The organization becomes identified with its leader. Relationships within the organization may be perceived as per-

sonal and not professional. There may be a reliance on protégés and lack of opportunity for professional advancement. Unwittingly, such leadership can create dependency, resentment, and internal conflict.

Administration in each of the five organizations is a reflection of leadership styles. Where the leadership is charismatic, management tends to be informal. Procedures for internal reporting, role definition, personnel evaluation, and staff training are weak or nonexistent. In those that do not have charismatic leadership, management procedures and opportunities for staff development are in place.

Overextension and lack of procedures lead to exhaustion and conflict in women's development organizations. Problems arise when tasks, roles, and responsibilities are unclear, and when there are no channels for routine exchange of information. A staff that has a strong emotional commitment to an organization also tends to be more demanding of itself and critical of its colleagues. None of these organizational tendencies are gender-specific, but there is one crucial difference between men's and women's organizations: women's organizations appear to have greater difficulty resolving conflict.

Conflict in women's organizations is a complex issue and its roots are multiple. It stems from women's desire for more open and participatory organizations, a reaction against traditional hierarchical and male-dominated structures. It also

has to do with women recognizing that it is their own organization and they want to participate, not having had that opportunity in most male-run institutions. In addition, women are new to professional service organizations that deal with credit, technical assistance, and the world of government bureaucracies. There is much to learn and heavy pressure to perform. Finally, even though the leaders of women's organizations can and do exercise power effectively, many women are ambivalent towards public power. The result of this mix of complex factors is conflict. Women appear to be having difficulty forming organizations that are both participatory and functional.

## WOMEN'S DEVELOPMENT ORGANIZATIONS IN PERSPECTIVE

Women's development organizations represent alternatives for women in Latin America and the Caribbean, as they do elsewhere in the world. They build self-confidence and provide skills. They are training grounds, offering opportunities for professional and personal growth that women generally cannot find in a male-run organization. They implement productive projects successfully when they have access to adequate technical assistance and credit. They have raised incomes of poor rural and urban women and improved access



FEHMUC, a national federation of peasant women in Honduras, carries out health, agricultural, and income generating projects.

to services. They manage money well, and credit repayment rates for women's organizations and groups are, as a rule, higher than men's. Although the number of beneficiaries is small, women's development organizations can have an impact on public policy.

The women in these five organizations are learning to make the "system" work for them, and they understand the importance of networking, alliances, and linkages. The leaders have learned to exercise power effectively. The track records of these five organizations are equal to those of male-run nongovernmental organizations in their countries. Despite the constraints and problems, the five have performed well—at the best of times in neutral environments, often in hostile ones.

The cultural and structural barriers that women's development organizations face, however, are formidable. Machismo in its many forms—from "there is women's work (mothering) and there is men's work (everything else)" to the pervasive view that women belong in the home and should obey men—not only makes women's productive role invisible, but also fails to acknowledge that an increasing number of women are now the primary wage earners for their families. Thus, women's development organizations not only confront the challenge of changing assumptions about what women should do, but also of educating society in general about what they actually do. In essence, deeply ingrained cultural attitudes are responsible for the

difficulties women's development organizations face in gaining credibility and attracting local financial support.

Structural barriers—lack of access to resources such as education, training, credit, and land—result from these ingrained cultural attitudes. Given this environment, the success that all five organizations have achieved is a poignant reminder that women, especially poor women, must work much harder to gain recognition. Even though the five organizations have achieved credibility in their societies, they find themselves caught in a trap. While their ultimate objective is the full integration of women into the political and economic life of their countries, they are, nonetheless, expected to achieve such results with small projects—and without raising difficult questions about equal access to resources.

The greatest threat that women's development organizations pose is competition for scarce resources. The risks of integration into male-run nongovernmental organizations, therefore, are enormous: loss of independence, appropriation of funds for women's projects for other purposes, refusal to provide credit and technical assistance to women for other than traditional projects, inequality of relationships between male and female staff members. Ironically, all five organizations have integrated men into their staffs, boards, and programs far more successfully than women have been integrated into most men's organizations.

There is an alternative, however, for organizations such as FEHMUC and MUDE: coordinate relationships with men's organizations when and where it makes sense to do so. For example, FEHMUC and the National Union of Peasants (UNC) work closely together on joint projects at the community level in several departments of Honduras; MUDE and the Dominican Development Foundation (and several other organizations) jointly market crafts in the Dominican Republic. This type of coordination does not compromise the objectives of the women's organizations. An alliance from a healthy distance, from which they control their own funds and manage their own programs, seems to be the best course for the present.

The future of these organizations also depends on other factors. Governments will continue to cut programs in order to service their foreign debts. Decisions by donor agencies to focus on integrated projects or to shift their interests away from women's productive roles could cause serious problems for all five:

Women's development organizations must continue to work within the context of their societies, building constituencies and taking advantage of opportunities. They must work more at the national level and establish links with research and other NGO agencies. They must form alliances with each other and with men's organizations to pressure for policies that will increase resources for, and services to, poor women. Service organizations, in particular, must become

more activist and assume advocacy roles in their societies. The strategy will vary from country to country and will depend on government policies towards women, the political climate, and the economic situation.

In addition, women's development organizations must create alternative financial strategies to avoid dependency on one or two donors, improve the technical assistance they provide to beneficiary groups, and expand opportunities for staff training and development. They must also begin to evaluate the impact of their projects, the costs and benefits of those efforts, in order to convince government agencies and donor institutions that women's organizations can carry out income-generating projects efficiently and that low-income women are worthy subjects of credit. Finally, they must learn to resolve conflict and to deal more comfortably with public power, as well as with their leaders who exercise it.

Strong leadership, effective management, and the ability to exercise public power are critical if women's development organizations are to operate on a larger scale and to continue to help poor women gain access to needed resources.

## FIVE WOMEN'S DEVELOPMENT ORGANIZATIONS

**Centro de Orientación de la Mujer Obrera, A.C. (COMO)**, the Center for Working Women, located in Ciudad Juárez, Mexico, provided vocational training and counseling services to several thousand women who work in the export-processing plants of the U.S.-Mexico Border Industry Program.

**Federación Hondureña de Mujeres Campesinas (FEHMUC)**, the Honduran Federation of Peasant Women, with a central office in Tegucigalpa, is one of two national peasant women's federations in Latin America. It has 5,000 members in 13 of 18 departments of the country and carries out projects in health, agriculture, consumer stores, and the production of crafts.

**Federación de Organizaciones Voluntarias (FOV)**, the Federation of Voluntary Agencies, in San José, Costa Rica, is a consortium of 31 voluntary agencies that trains volunteers for the programs of its affiliates and for government agencies and community groups. It also carries out income-generating projects benefiting approximately 250 poor urban and rural women.

**Mujeres en Desarrollo Dominicana (MUDE)**, located in Santo Domingo, Dominican Republic, is the only professional women's organization in Latin America providing training, credit, and technical assistance for agricultural production. It assists 3,000 peasant women.

**Women and Development Unit (WAND)**, Extra-Mural Department, University of the West Indies in Barbados, is the only regional organization of the five. It is a center for promoting activities and influencing development planning on behalf of women throughout the Caribbean.



WAND has taken a regional approach to solving the problems of women in the Caribbean, and sponsors workshops on topics ranging from "popular methodologies" (left) to "men and women in development."



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Dominica's 10,000 small farmers and many of its large citrus growers rely on the initiative of independent microentrepreneurs known as "hucksters" to earn export income. Those arrangements have recently been threatened by unpredictable market gyrations, and hucksters are learning to work together to improve the conditions of trade and stabilize the island's economy.

## THE HUCKSTERS OF DOMINICA

Text by JOHN HOMIAK

Photographs by PHILIP DECKER

Since the 1930s, a hardy group of entrepreneurs from Dominica has braved physical and economic adversity to open up trade routes for fresh fruits and vegetables among the small islands of the West Indies. Mostly women, these "hucksters" load their produce on rickety skiffs for overnight transport to the surrounding islands of Guadeloupe, St. Martin, and Antigua. Others book passage on antiquated cargo vessels to hazard the two-day voyage to Trinidad and Barbados in the south and Puerto Rico in the north.

Long or short, the journey is as unpredictable as the Eastern Caribbean weather, and a thousand variables can turn profit into loss. Small ships' holds are ill-suited for perishable commodities, refrigeration is nonexistent, and spoilage is common. Some ports are little more than unsheltered beaches—Anse de Mai for instance—and loading or unloading cargo is an adventure in itself. Assuming that reliable stevedores are even available, poorly packed or fragile cartons and crates can break, spilling tomorrow's sales in all directions.

Even when the weather has been good and the cargo has landed intact, life ashore has its own reefs to navigate. Lodging is usually makeshift: the cement stall of an open market, a nearby rented room, the cramped quarters of a kinsman or an old or new friend. The importance of the latter—being able to count on a network of informal social contacts—is vital. Costs can be cut, and the need for sleep doesn't have to be weighed against the threat of pilferage.

In one sense, of course, the risks of each journey are symptomatic of a deeper economic insecurity. Hucksters operate as independent middlemen who depend on their wits to eke out a living. There are no centralized storage facilities on Dominica, so each huckster must scour the countryside for the right produce and then arrange for it to be transported to the waterfront for sorting and packaging, often at the last minute before embarkation. Since working capital is usually scarce, the willingness to do much of the manual work oneself and the ability to work out informal credit arrangements with farmers and, when necessary, packers and shippers are critical.

Most hucksters lack the means to reduce the risks in running a one- or two-person business. They lack insurance, economic training, and access to formal credit or technical assistance. They lack the clout to organize their markets to guarantee a secure base of sales. Indeed, the pressure of stiff competition and the need to make quick sales before produce rots often lead to price undercutting, and a week's hard work may leave hucksters lucky to break even.

Now all of this has begun to change.

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Until recently, huckstering was almost exclusively a female activity. In fact, the buying and selling of foodstuffs has traditionally been a common livelihood for women throughout the Caribbean. Such a division of labor traces back to the plantation economy in which men cultivated

and women marketed. The economic independence of successful marketwomen is particularly important in the West Indies, where women have had to shoulder the primary financial burden for childrearing. Many came to rely on the trade to provide an education for their children and to keep large families together.

Then in 1979 and 1980, hurricanes David and Allen swept over Dominica. In the period of social and economic dislocation that followed, a flood of young people turned to huckstering to earn a living. The sudden influx led to uncontrolled competition and wild price swings that made it difficult for even the most experienced and efficient hucksters to scrape by. A small group of concerned



One member of the Dominican Hucksters' Association helps another load oranges in the marketplace.



traders realized there was an urgent need for self-regulation that would require collective action. In July 1981, they founded the Dominican Hucksters Association (DHA), the first independent and voluntary organization of its kind in the Caribbean.

The association's first priority was to petition the newly installed government of Prime Minister Eugenia Charles for assistance, emphasizing the importance of hucksters to the national economy. Association leaders pointed out that Dominica's 10,000 small farmers produced steady surpluses and depended on independent traders to earn export income.

The *Ile de Serk* carries hucksters and their cargo to Guadeloupe.

Even the larger growers used hucksters to avoid serious losses when the European market for citrus was soft. The current crisis was undermining the informal distribution network that had taken generations to evolve and that had pumped at least EC\$3 million into the local economy in recent years. The Charles government responded by donating an abandoned waterfront warehouse in the capital city of Roseau for use as a workplace, and by pledging technical assistance in getting the organization off the ground.

Despite this promising beginning, the DHA faced an internal contradiction that threatened further growth. Most of the elected six-member governing council were practicing hucksters who lacked the time and organizational expertise to

implement an ambitious program for regulating membership, securing financial assistance, improving packaging and storage facilities, and conducting training programs. They decided to hire a full-time executive secretary to oversee daily operations. The DHA turned to the Inter-American Foundation, and in January 1982 received a grant of \$97,000 to hire an executive secretary and an aide, and to start a rotating loan fund to provide working capital to members.

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For all Roseau's quaintness, this "sleepy" West Indian port of 8,000 people teems with activity at the beginning of every week when produce is trucked down from the slopes and upland valleys of the island's agricultural areas. The narrow lanes and streets where hucksters live become busy workplaces as produce is unloaded, counted, and packaged. By late morning, DHA's headquarters in its partly reconditioned waterfront warehouse have also begun to bustle; members file through two sparsely furnished rooms to process their shipping and phytosanitary certificates. Later, in a storage room at the back, other members will gather for a training course.

In these austere surroundings, executive secretary Cecil Joseph manages the daily affairs of the association. He is assisted by Dora O'Garó, the DHA's first and only president. They are a good team: Joseph understands the intricacies of marketing from previous work exporting produce to the United Kingdom; O'Garó has been a veteran huckster for the better part of two decades. Together

they travel between Roseau and the other two major but smaller ports of Dominica—Portsmouth and Anse de Mai. In each port they hold meetings, recruit new members, provide training, and preach the importance of solving mutual problems together. And they have had results. Since 1981, the two have enlisted 500 hucksters as members, 80 percent of whom are women.

Yet Joseph and O'Garó understand that long-term success will depend on providing effective services and on actually getting members to pull together. These tasks will not be easy. Centralized service programs are difficult to implement since hucksters are scattered throughout every district on the island and their trade keeps them constantly on the move. The barriers to cooperation are even stronger. Each huckster is a sole proprietor who competes with every other to buy and sell produce, and long years of experience have taught the virtues of self-reliance in mastering the many skills needed to succeed. This innate rivalry is reinforced by a prevalent cultural attitude in the West Indies that "your gain is my loss."

Joseph and O'Garó respond by telling hucksters that times have changed, and a new way of doing things must be found if anyone is to gain. Not only are there many more competitors in the trade as a result of hurricanes David and Allen, but other nations have begun shipping food products into the Eastern Caribbean market. Hucksters must become more efficient to survive. By banding together they can achieve some economies of scale, and can negotiate with other sectors of the economy and with public

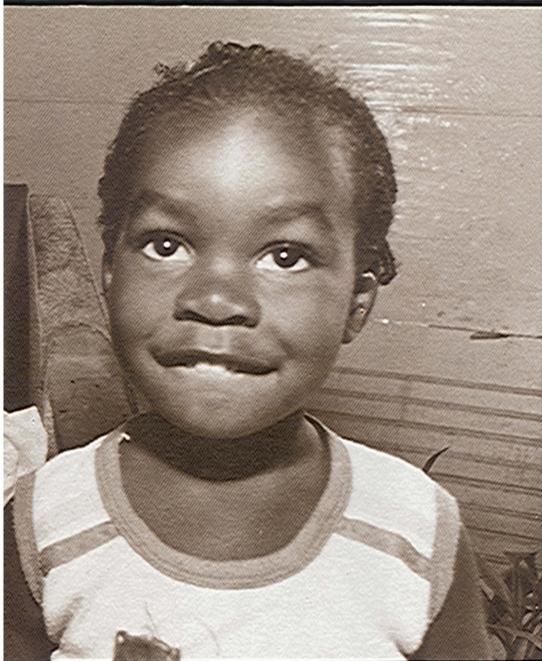


agencies to improve the conditions of trade. Possible benefits range from buying in bulk to reduce costs, to standardizing and simplifying the maze of regulations that presently governs shipping and marketing among the many jurisdictions of the Indies.

Fortunately, the executive secretary and the president embody a style of leadership appropriate to this challenge. Joseph, who has studied at the Tropical Produce Institute in London and the Ruppin Institute of Agriculture in Israel, understands the value of discretion. Each day he sits quietly at his desk and listens patiently to members' problems. He appreciates the dangers, in face-to-face encounters, of undermining the pride and pluckiness that have allowed so many hucksters to get by for so long. After the complaints have been thoroughly aired, he suggests rather than dictates possible solutions.

O'Garó's life speaks amply to her priorities. Since being elected president she has repeatedly put the interests of the organization first. She serves without pay and often sacrifices her own business to travel to outlying districts for training sessions with new members. And she is determined to remain accessible. From her 20 years in the trade, she knows many of the members personally, and hucksters bring their problems to her door as often as to her office at DHA headquarters, confident that she speaks their language.

As she puts it in the local patois, a lyrical mixture of French and English creoles, "I been a huckster for some time, and only recently do I see so many young ones coming into it. They are looking for



a way to get by, but they cause many problems on the other side (in foreign markets). So we have to watch and train them. In fact we must all be one another's watchman. I want to see the good of my people shine through. So I'm trying to help them even if it hurts my living as a huckster. *I trust God will be good to me and carry me through.*"

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Late one Monday afternoon in January 1986, I went to the docks at Roseau to join some hucksters preparing for a trip on the ship *Ile de Serk* to the nearby island of Guadeloupe. One of the first people I met was Wilma Ferdinand, 54, an old-

timer from the generation before the catastrophic hurricanes of 1979-80. She had arrived at 5 p.m. and was keeping a close watch on the cut lilies she had recently purchased. After seeing where they had been stowed, she asked one of the crew to move the bundles to the forward part of the hold. Making many trips had taught her that an early loading reduced the danger of having her flowers trampled by the crew.

By mid evening, the loading has picked up steam. Hucksters are standing by their produce, anxiously waiting their turn. The ship's captain supervises the process, but this is a particularly perilous time for the cargo, and the hucksters stay



*Clockwise from upper left: Women in the Caribbean have had to shoulder the financial burden for childrearing and keeping large families together; by mid evening loading picks up steam; fragile boxes tip over and oranges fly everywhere; produce is trucked down to port from farms on the island's upper slopes and valleys.*

DHA president O'Garo disagrees. She believes the new cartons are sturdy enough to pay for themselves over a year's time and have the added advantage of helping hucksters to "cost" their goods by encouraging better bookkeeping practices. Still, as Porter demonstrates, many hucksters are reluctant to see a new cost as an investment when so many other costs in the trade remain inelastic.

And, of course, there are problems of spoilage that are beyond the reach of new cartons. Most ships' holds are unventilated, and Point-a-Pitre—the destination for this group of hucksters—is six hours of smooth sailing away. If they encounter a squall or the heat becomes oppressive, travel time will increase and so will the likelihood of spoilage. After they arrive, the cargo will remain below deck for another 12 hours before it is unloaded. As they board the ship, having done all they could to make sure their produce has been safely stowed, the hucksters know that they may lose as much as 25 percent of their inventory during the next 18 hours.

There are interesting sidelights to the boarding in Roseau. While the hucksters make the trip primarily to sell produce, almost everyone carries an empty propane canister to be filled in Guadeloupe. The savvy entrepreneurs will also take advantage of the return trip to fill the ship's hold with brightly colored plastic buckets, bowls, pitchers, and other household goods to sell back in Dominica.

There is a festive side to the occasion as well: The younger women hucksters arrive with handbags, designer jeans, and their hair in curlers, preparing to arrive in style.

\* \* \*

Sitting beneath a picture of a modern freighter hanging on the wall of his office (a stark contrast to the steel-hulled schooner carrying hucksters to Point-a-Pitre), Cecil Joseph talks about the importance of DHA. His voice is light and sunny but tinged with the shadows of the trade. He knows that many hucksters remain resistant to new initiatives but prefers to accentuate what has been accomplished and what can yet be done.

One bright spot has been the rotating loan program that has provided credit to over 100 members. The loans of up to EC\$1,000 (US\$375) are invaluable when working capital is often scarce. As much

vigilant. Since shipping charges are based on volume rather than weight, many hucksters favor large hand-made crates that can be tightly packed. These crates are cumbersome, and the crew does not treat them gently. The produce is often bruised, and spoilage begins before the cargo even leaves port.

The crates are also not as sturdy as they look. I watched one woman pack 300 oranges in a container—seal to seal—and then use a rock to hammer the lid shut. (Such improvisation is not unusual since hucksters are jills-and-jacks of many trades and cannot carry or afford all of the tools they might need.) The box tipped over as it was being loaded, and oranges flew everywhere.

By late evening, the loading is becoming very tricky. The hold is a jungle gym of boxes and crates that the crew is walking on and climbing over. Maudry Porter, another veteran huckster, swears at the boom man lowering pallets of cargo into the hold. Of course, he has little room to maneuver, and the results are predictable. The pallet snags on previously loaded cargo, so that by nightfall, produce is strewn over the hold and hucksters are scrambling to see what can be salvaged.

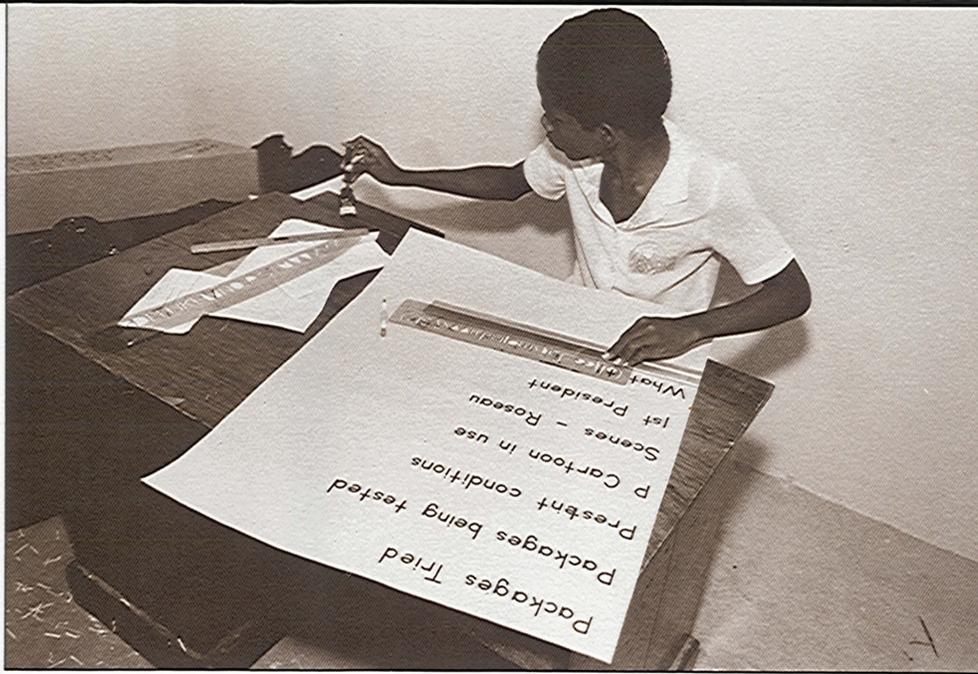
The DHA is trying to forestall some of the losses in lading cargo by offering standardized cartons for produce. Porter, however, says she cannot afford the three dollars and remains openly skeptical. "There is no kind of material that can't be crushed here," she says, eyeing a nearby crewman, "except boxes made out of iron. I tell you the real problem is their (the crew's) mishandling our things."

as EC\$4,000–\$5,000 is needed for an active week of trading, while EC\$2,500 may carry a trader through on a light or "cross" week. The credit also encourages participation in new programs. For instance, the loans can be used to get a new start after an unexpected financial loss; they can help a huckster expand his or her business; or they can be used for capital investments such as new cartons. They are designed not only to increase output for the already successful, but to act as an incentive for those economically marginal hucksters who show ambition and the promise of being good traders.

A key element of the program is accountability to peers, an idea that has tested effectively in other development projects in the region. Each applicant is required to have a cosigner who is a DHA member, and must repay the loan within 60 days at 4 percent interest. Members are learning that another's loss can have a ripple effect and that another's gain provides the seed capital for one's own future success (in this case, replenishment of the fund to guarantee access to future loans).

Indeed, this attempt to use accountability to knit hucksters together begins at the beginning. Prospective members must not only have practiced huckstering successfully for at least six months, they must also be nominated by an existing member. Once they are accepted, they must participate in a mandatory training program that is geared toward clarifying the terms of the trade and how each huckster's behavior affects the position of others.

The training is not aimed at market



Sign being prepared for training session in DHA warehouse.

control, but at identifying costs to determine fair minimum market prices and avoid cutthroat price slashing. As previously mentioned, a flood of new entrepreneurs has taken up huckstering in recent years, people inexperienced in anticipating the range of hidden costs—from losses due to spoilage, to transportation expenses from farm to port, between ports, and for the return trip home. The point is that their unwise marketing threatens everyone, including previously successful entrepreneurs. DHA's marketing and financial seminars are intended to make certain that new businessmen and women are also *good* businessmen and women.

DHA's training program is also designed to counter a second side-effect from the recent influx of new hucksters. Foreign governments have reacted to the growing market chaos by tightening visa requirements. The association provides

up-to-date information on how to untangle the red tape and has negotiated some improvements in Guadeloupe's restrictions through the French consular agency in Roseau. Currently, the only Dominican hucksters who can enter Guadeloupe are those who belong to DHA.

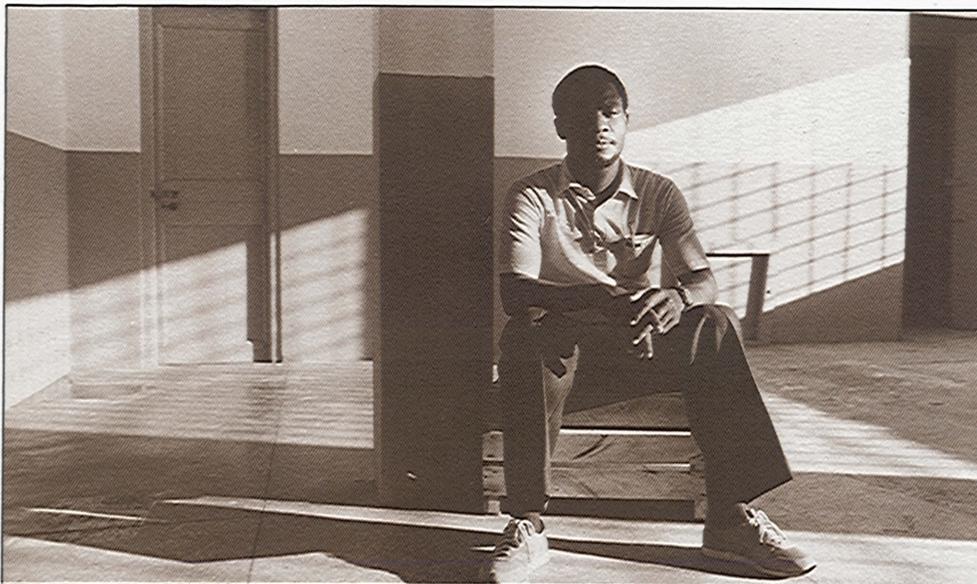
DHA also informs its members about changes in government regulations and suggests how to revise marketing practices. It would be pointless, for example, to travel to St. Martin on proscribed days of entry, and when admittance is possible, one has to know where retail sales are permitted on the island. Other localities are mandating strict handling and packaging requirements for produce that hucksters must match if they are to compete with well-organized exporters from Israel, Colombia, Cuba, and the Dominican Republic. Antigua has even restricted hucksters to wholesaling, which

seems beyond the reach of small traders.

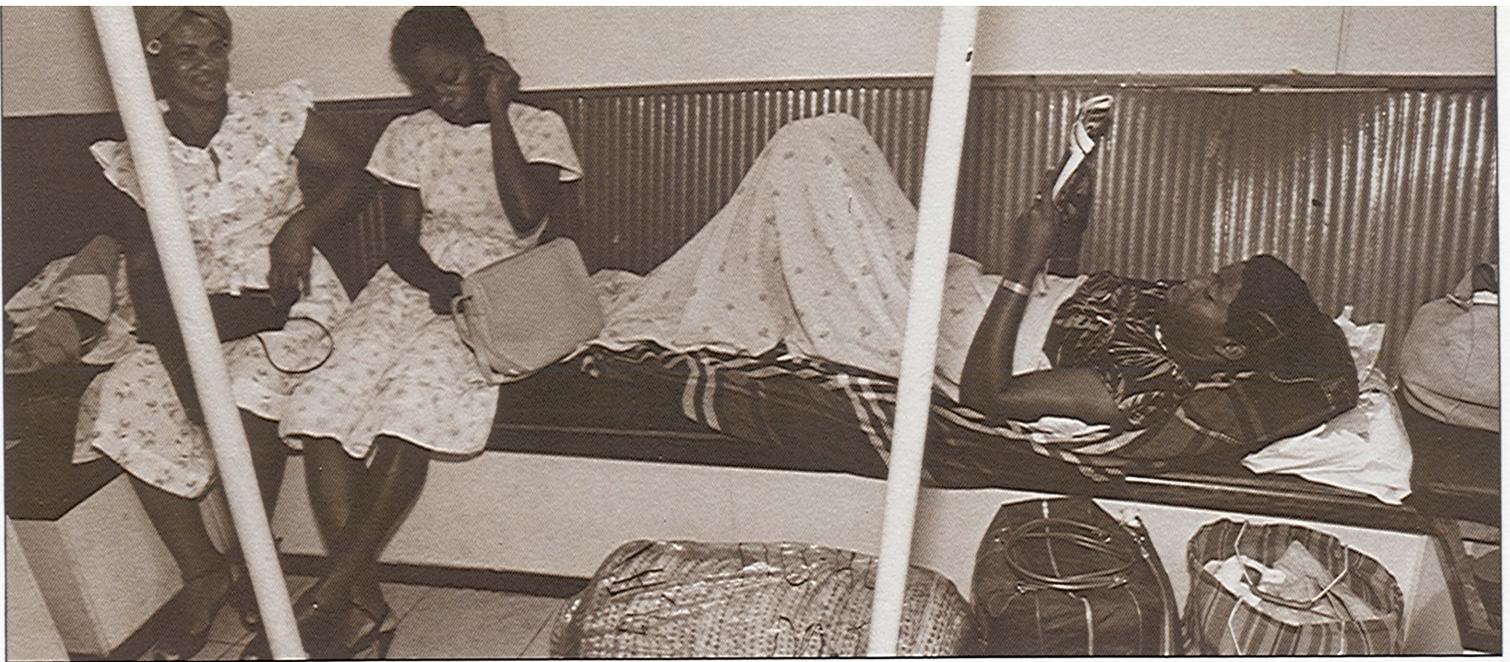
Cecil Joseph, however, thinks that wholesaling is the wave of the future and contains as much promise as peril. In looking at one of the largest local markets for hucksters, he points out that "statistics show Guadeloupe importing more fruits and vegetables every year. Hucksters cry out 'the market is being flooded, prices are dropping, we're being undersold.' The market is not flooded; the real problem is selling wholesale to stores. We have to capture part of that trade."

Joseph understands that will mean changing people's minds: hucksters' and the larger retailers'. He says, "Up to now, hucksters haven't seriously thought about selling wholesale. They are accustomed to picking when they will travel, and so they suffer from charges of unreliability, which are not true. It is true, though, that we have trouble thinking in terms of long-range contracts. In the past, a huckster could see a lot of produce around and know he'd have to lower prices. If he saw little, his price would go up. But that's not always the way it works or should work. Supermarkets don't price goods according to whether or not there are two or three boats in port. They can't operate on that basis. We have to understand that selling a lot of *tanias* (a ground crop) at a lower price can mean larger profits than selling less at a higher price."

Moving into wholesaling would require a change in hucksters' relation-



Cecil Joseph, executive secretary of DHA, in the association's warehouse in Roseau.



During the six-hour voyage, hucksters spread out on blankets and converse or sleep.

ships with farmers. There have been strains in the past. Farmers have complained that produce advanced on credit was never paid for; hucksters have complained about being forced to take substandard crops when farmers make deliveries to the pier at the last minute. The DHA has acted as an intermediary in some of the disputes, with some success. Joseph believes that stabilizing prices in the foreign market will help restore a mutuality of interest between farmers and hucksters, but admits that attempts to mediate disputes sometimes backfire. When farmers learn about prices at the retail level, they are tempted to enter the trade and eliminate the huckster as middleman. The DHA finds itself educating

both farmers and hucksters about the real costs of retailing in order to prevent a further destabilization in prices. Thus, the association serves as a clearinghouse of market information for the Dominican Farmers Union and the Ministry of Agriculture and is moving to draft price guidelines based on real costs so that farmers and hucksters can deal fairly with each other.

The DHA has also explored collective purchasing as a way to reduce costs and obtain adequate supplies to develop wholesale trade. The association may be too young and inexperienced for such a proposal, however, because members' skepticism remains high. "It won't work," one huckster remarked. "They

will not be able to buy us enough fruit for one day. Everybody will be in a rush to get theirs and each huckster will want to pick, choose, and refuse." For the moment, the membership will probably decide not to move into collective purchasing, but support remains strong for other DHA measures to stabilize prices and improve the terms of trade.

\* \* \*

The *Ile de Serk* embarks with its load of cargo under a full moon at midnight. Compared to other crafts used by hucksters, this steel-hulled schooner is a leviathan. The sea is low, and for the next six hours hucksters will spread out on individual blankets in the hold, conversing

Unloading boxes of citrus in Point-a-Pitre.



or sleeping as the trip passes without incident.

The ship docks at 6:30 in the morning. By eight, an immigration officer has checked passports and papers, and nearly every trader has left to make arrangements for transporting goods to market. Actual unloading of cargo will not begin until early afternoon. Each huckster is an independent importer, and a mountain of paperwork must be processed before baggage can clear customs. The DHA eventually hopes to speed up the processing by establishing a branch office in Guadeloupe to represent member importers.

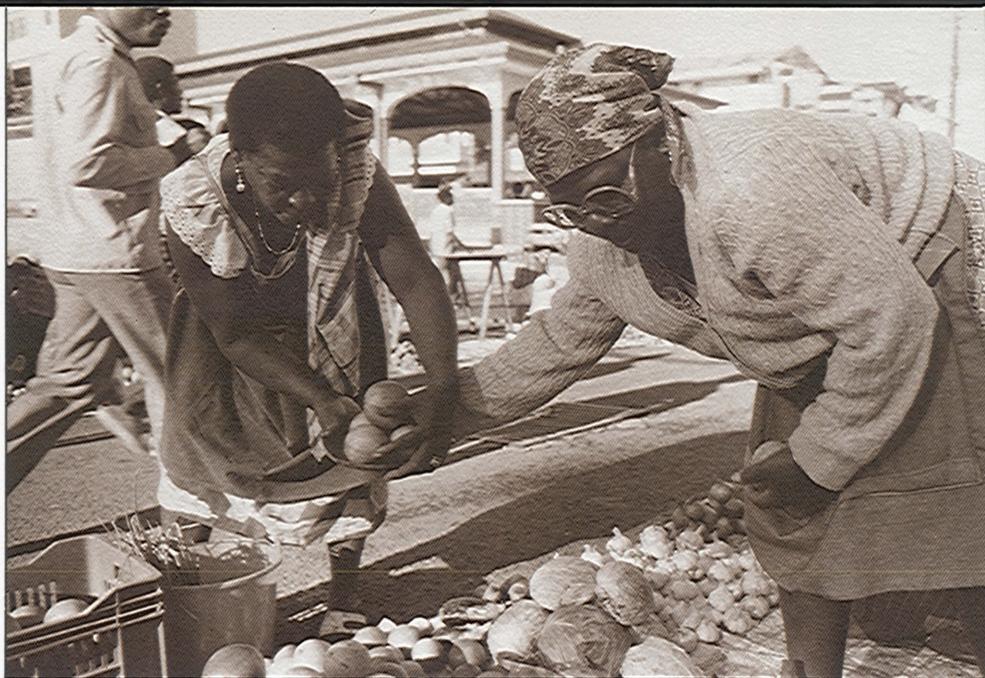
If the hucksters are lucky, the contents of the *Ile de Serk* will match the ship's manifest. Even so, most traders will find their first day in port wasted. They will find a place to store their produce and begin marketing the next day. There are exceptions, however, traders who have been encouraged by the DHA to use loans to finance wholesale operations.

James Filbert is one such example. After five years of huckstering, he participated in the association's training program and decided to upgrade his business. He now washes and grades his citrus, packages it in plastic bags, and boxes it for shipment. Filbert describes what happened this way: "Selling in the markets is slow and you have to put up with a lot. If everyone has brought oranges or your fruit was bruised on the way, you might not even break even. So I decided to try something different, see if sales picked up. And they did. Then I started taking my fruit around to supermarkets..."

Retailing now holds little appeal for Filbert because it is tedious and unpredictable. His present operations are neat and quick, geared to filling orders from large groceries. The double-walled cartons he has purchased from the Citrus Growers Association have reduced losses during transit to practically nothing, and the cartons fly through customs with only cursory checks.

Most hucksters, of course, have very different stories to tell. They continue to retail in the open-air markets at Place de Liberté and Place de Maillau, a quarter-mile from where the *Ile de Serk* is docked. For these hucksters their second day in Guadeloupe begins early. By 4:30 a.m.

**Huckster James Filbert bargains with produce manager of large grocery.**



**Maudry Porter has been selling produce in open-air markets for five years.**

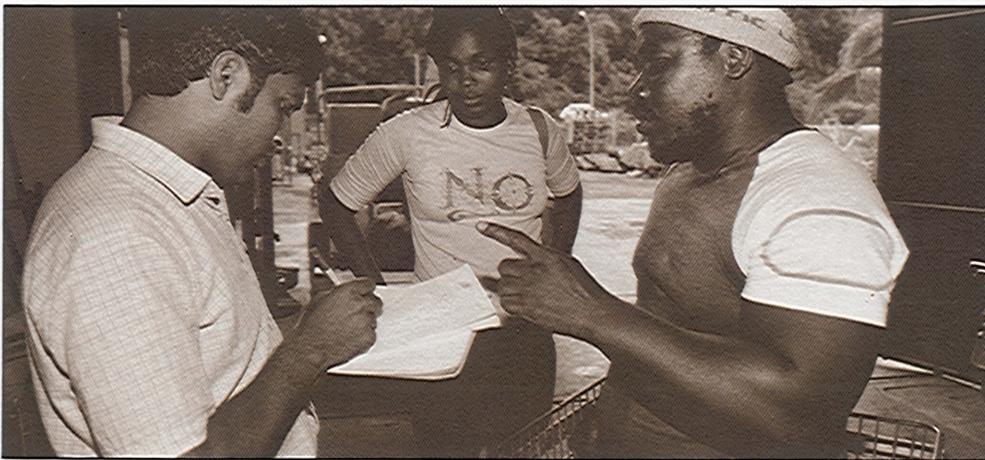
they are searching out the best places to display their produce, setting out scales, opening up for business. During the day, the waves of customers will ebb and flow—the morning and late afternoon, when local housewives do their shopping, are best. By the end of the week, hucksters will be packing their belongings and closing shop. Some will have left early. They may have been particularly lucky and sold everything. Or they may have had little to sell after their undamaged fruit was unpacked. For all, there is a long boat ride home and another round of buying, transporting, and selling, a cycle that will be repeated 15 or 20 times during the coming year.

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In a storage room back in Roseau, Sidney Simmons, a technical consultant from the Organization of American States, addresses a DHA training class,

armed with statistics that encourage the promise of collective action and increased wholesaling. Simmons tells them, "You are the next generation of hucksters and must be prepared to meet the challenges that await you. If you do huckstering the way your grandmother did, huckstering will die with your grandmother. If you meet the challenges of the international trade, you and huckstering will thrive together."

JOHN HOMIAK received his Ph.D. in anthropology from Brandeis University in 1985 and is now a post-doctoral fellow at the Smithsonian Institution in Washington, D.C. He has done extensive fieldwork with the Rastafari in Jamaica.



# THIS COULD BE ME

Photographs by ALICIA D'AMICO

**H**ow do the people of Buenos Aires' *villas* (poor neighborhoods) construe their world, their identity, their daily social interactions? To find out, the Argentine research institute CEDES (Centro de Estudios de Estado y Sociedad) developed a novel approach to the study of social organization in the poor settlements of Greater Buenos Aires.

Supported by a grant from the IAF, researchers from CEDES used photographs of life in the *villas* to elicit comments and reflections from the residents who live there. The striking images and accompanying text that appear on the following pages have been taken from a forthcoming book called *Este/a Podría Ser Yo* (This Could Be Me), which was the final stage of the CEDES study.

"The object was not to do a report," explain senior researcher Elizabeth Jelin and colleagues Pablo Vila and Guillermo de Carli in their introduction to the book,

"but rather to show the reality of life in the *villas* and its many interpretations." They wanted everyone—especially those who can identify with the photos from firsthand experience, but also those who approach the communities from the outside—to participate in the dialogue.

From the beginning, it was necessary to find new ways to encourage this process. Words alone were not enough; images were added to allow multiple readings. "Looking at a photograph is very subjective," say the researchers. "We believed that, by combining image and text, we could best draw the reader into the complex, and even contradictory, world of the poor in Buenos Aires."

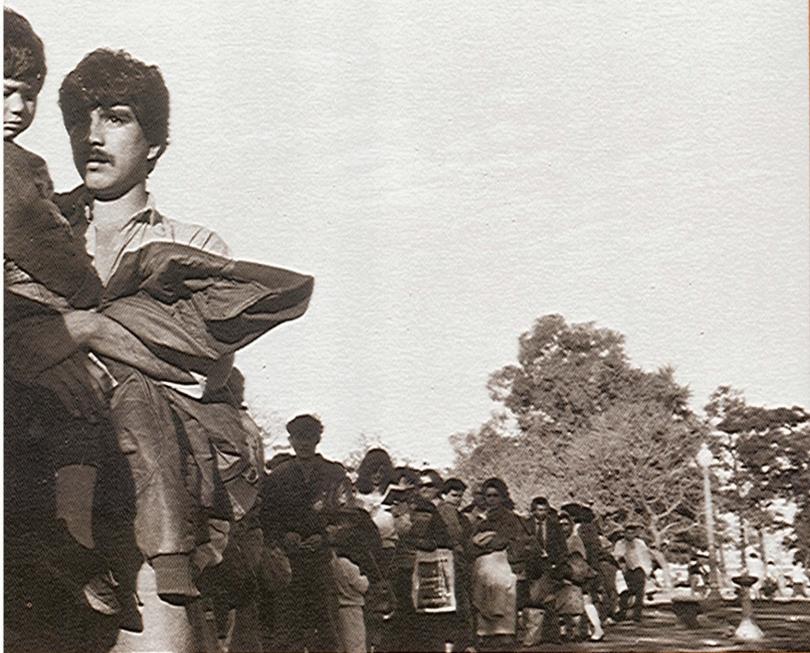
The book itself is a dialogue, the product of an exchange of ideas between the social science investigators and the people of the *villas* themselves. The photos were taken by prominent Argentine photographer Alicia D'Amico, who also

has a socio-anthropological background. The scenes were selected by the CEDES team, but the residents of the *villas* indicated which photographs should—and should not—be included in the book.

"People were surprised and confused at first," recall the researchers. "Photographs? Of whom? What for?" they asked. Then came other questions: 'Am I like the person in the picture? How am I different? How am I the same? Am I somehow connected to these people?'" Finally, according to the CEDES team, *villa* residents began to ask themselves to what extent they could ever change what they saw in the pictures.

The captions that accompany the photographs are the individuals' comments as they talked to each other and to researchers while viewing the photographs. (For clarity, dashes indicate a change in speaker; researchers' comments are not italicized.)



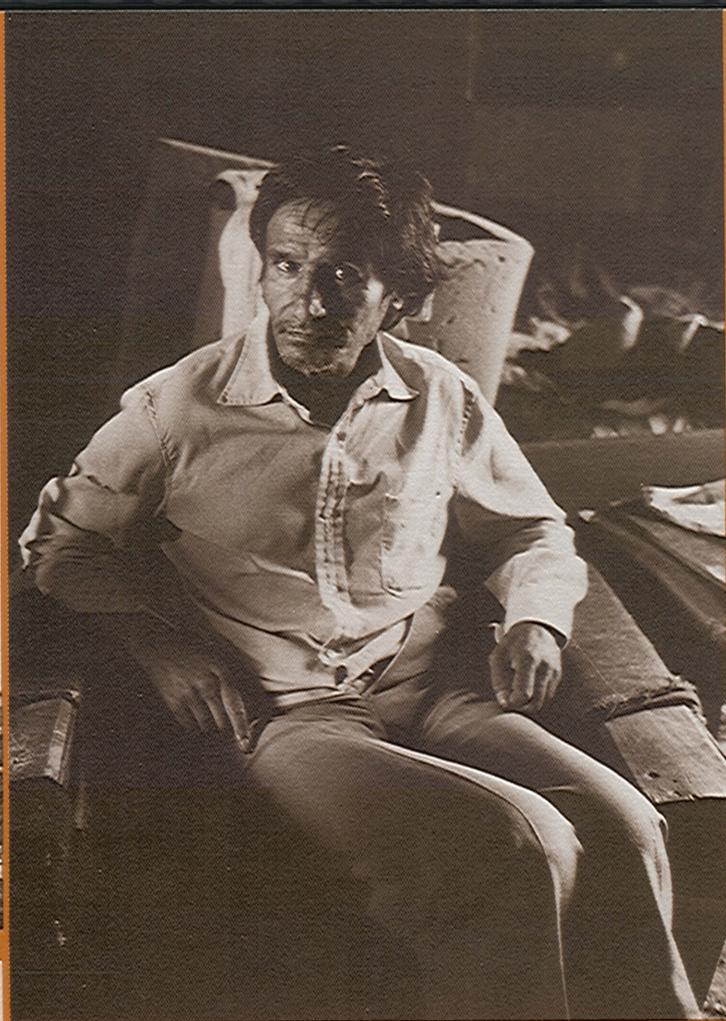


—I don't like these pictures. They just show up all the poverty.

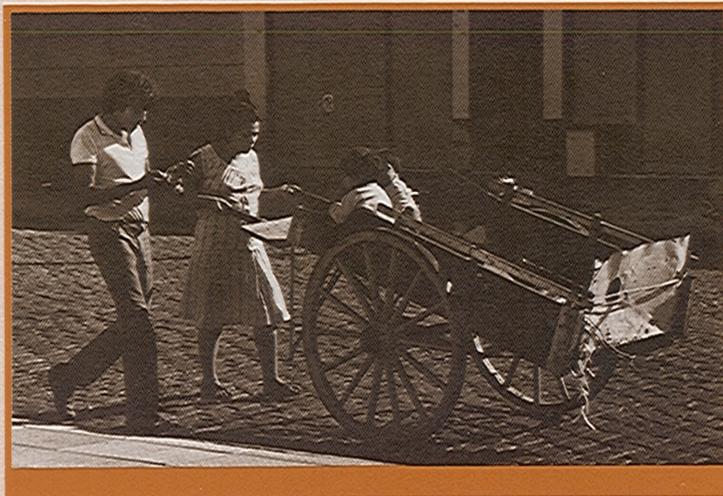
—But that's what it's about, to show the poverty.

—Still, I don't like it. Why don't they show the progress? You know, things better off somehow.

—Progress? When we don't even make it to the end of the month! Where do you see progress?



—I don't want to be an object for you to look at and study. Like I said to María, the sociologist, 'First tell me what these photographs are for, then you can take them.'



—Did someone just snap these pictures, or did people pose? Everyone seems sort of lively and happy, going about their business.



—Let's be honest. When there's poverty, you see it here, it shows everywhere. When you take someone's picture, it shows.

—Well, for me, at any rate, it seems like a happy poverty.



—This one I like, because they're together, I suppose . . .  
—Poor things. They don't have much to be happy about, do they?

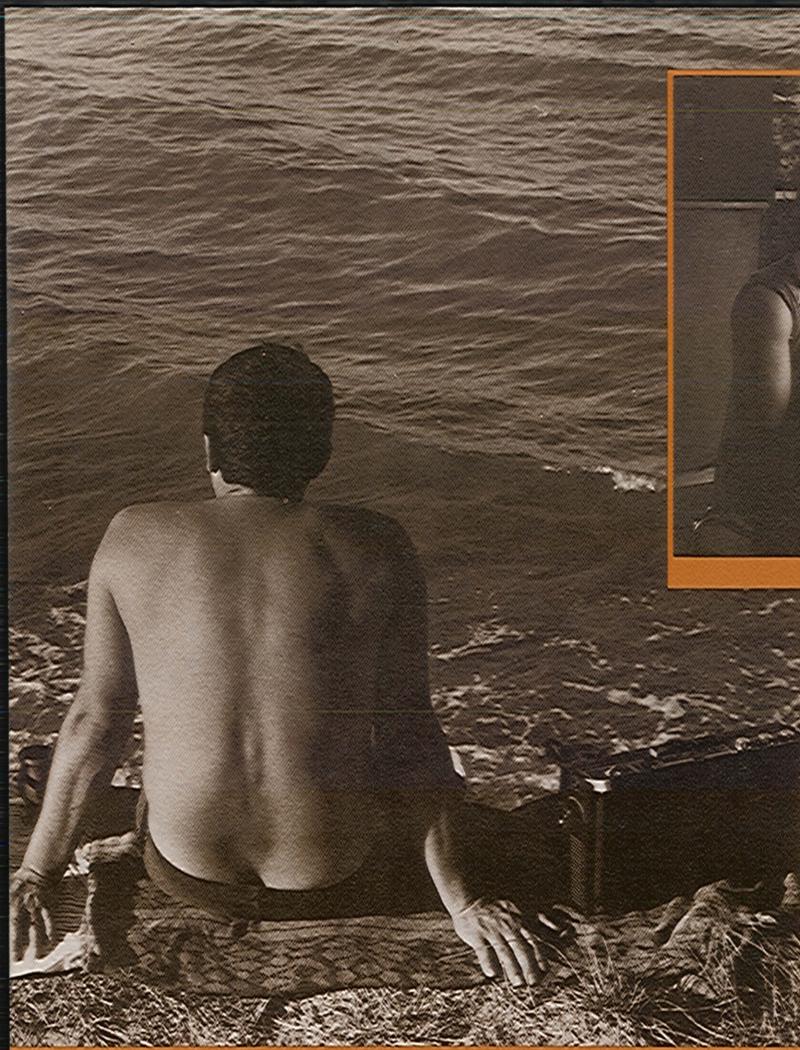
— . . . I like it because they're together, a couple, the core of the family, with the thermos of mate between them. They're looking at the kids in the water, sort of . . . like a new beginning. I don't know why it appeals to me. I like it for . . . bah . . . for the love.

—There's love here?

—Of course there is! If there weren't, do you think they would be together drinking mate on Sunday?



—How sad! Even animals don't live like this. That ditch of stagnant water—it's horrible. Tell me, why do they live like that?



—I don't like this. I mean, it's okay as a photograph, but I see in it something of youth snuffed out . . .

—You know what? One has to assume a little of the blame. They're the kind of boys that pester you, who say something smart to you on the street. But then, when you think of it, some very stylish dresser could come up to you and say the same things. So it's a personal prejudice I guess. If I don't like these kids, though, it's not because they're drinking a glass of wine—it's their attitude. They're so lifeless . . .

— . . . just sitting there. They seem like three boys with no spunk.

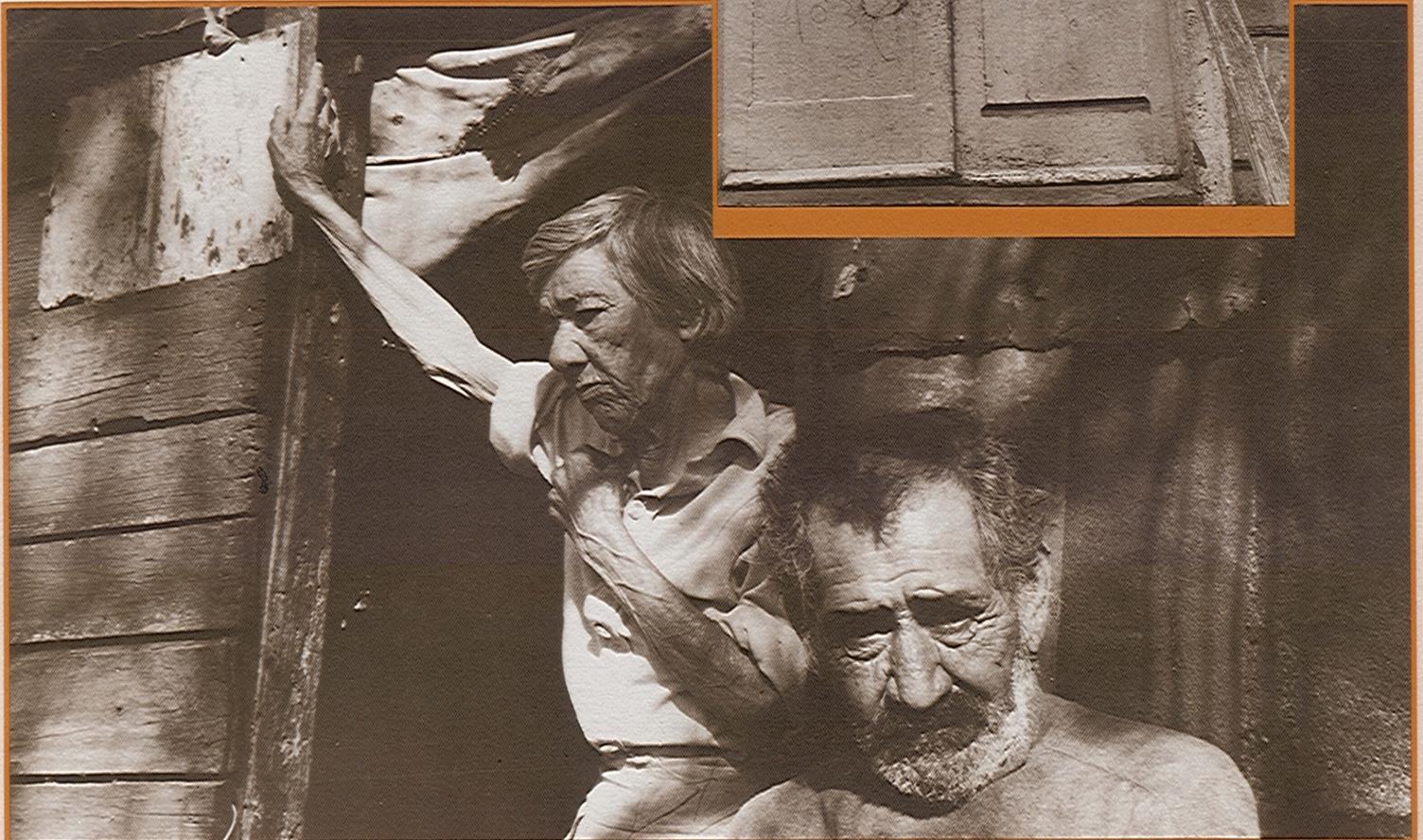
—But then I suppose they could just as easily be coming from work. They could be exhausted after a long day at work. Now I'm sorry. I was too quick to judge.

—Yeh, maybe they just aren't photogenic, those boys.

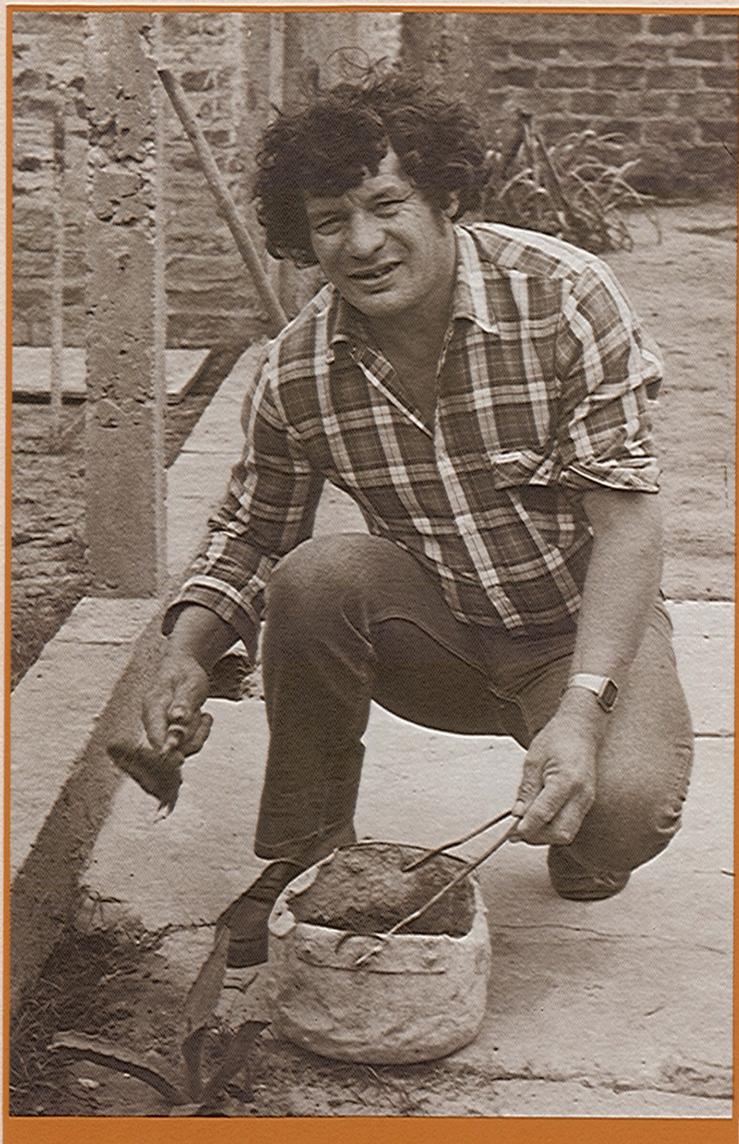


—It occurs to me they've taken pictures of the worst parts of the neighborhood. There are nice streets here too, with pretty houses and pretty places that are not so depressing. You see some of these pictures and you ask, "Do I live here?"

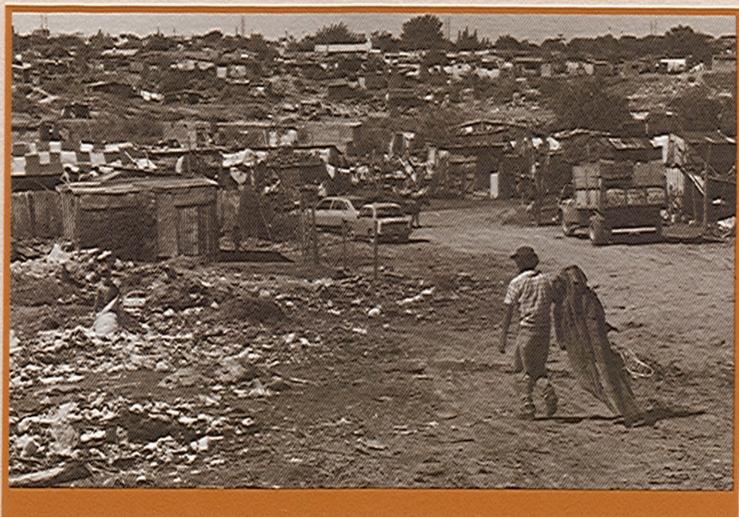
—I've got a small house and four children. It's not like I don't want things better! But the 50,000 pesos my husband makes can't keep a family of six together. Sometimes it's not that people don't want to improve, but they don't have a chance.



—Lots of people think you just don't care, or they probably think you're just sitting around with a bottle of wine. That's their picture of poor people. Sure, there are people like that, I can't deny it. But no, not everyone.



*—You know what's happening, what's wrong in what we are seeing? It's that we'd like to get out of this situation—that we are trying to get out—so maybe we don't really want to see these pictures. But it's also helping me. It's giving me strength to move on, because I still have work to do in this barrio.*

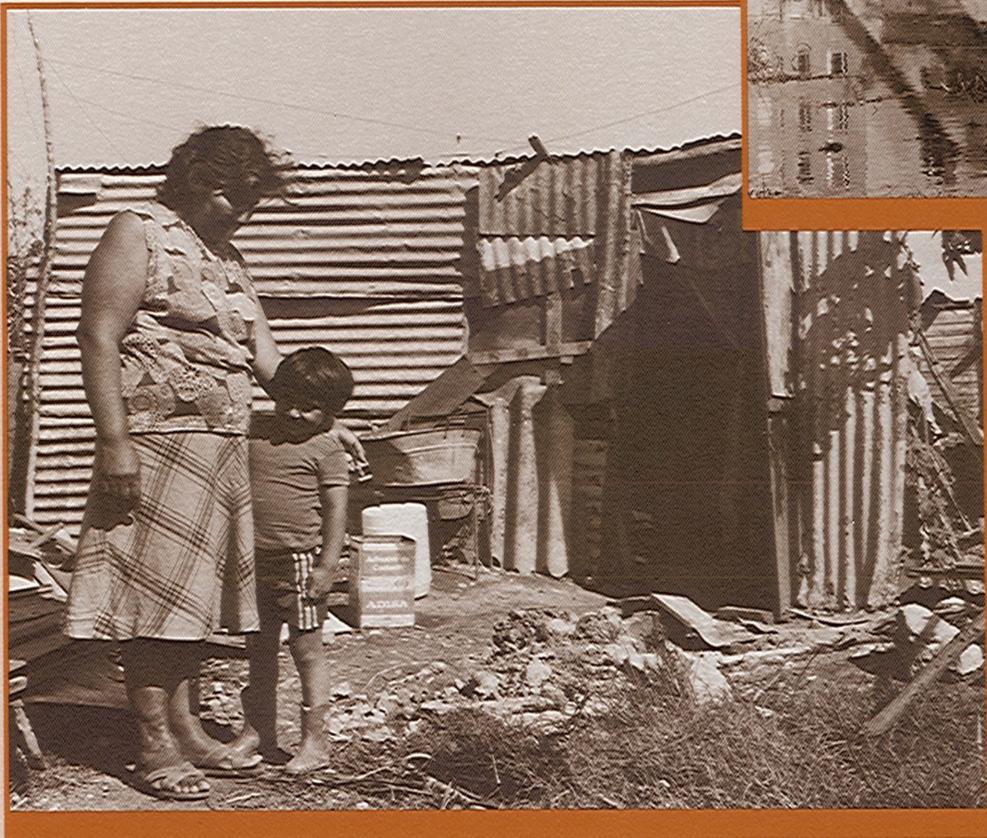


*—My father and mother, one day they told us we were going to sell everything and come to the city. So that we could study and get ahead. . . .*

—How many come from the country, fleeing hunger and misery, and take four sheets of metal to make themselves a little hut?

—Millions.

—Because that's all they have. After living in the worst conditions, they come here thinking they're going to find the streets paved with gold. Sure, they still don't have anything, but perhaps here they eat, at least something.

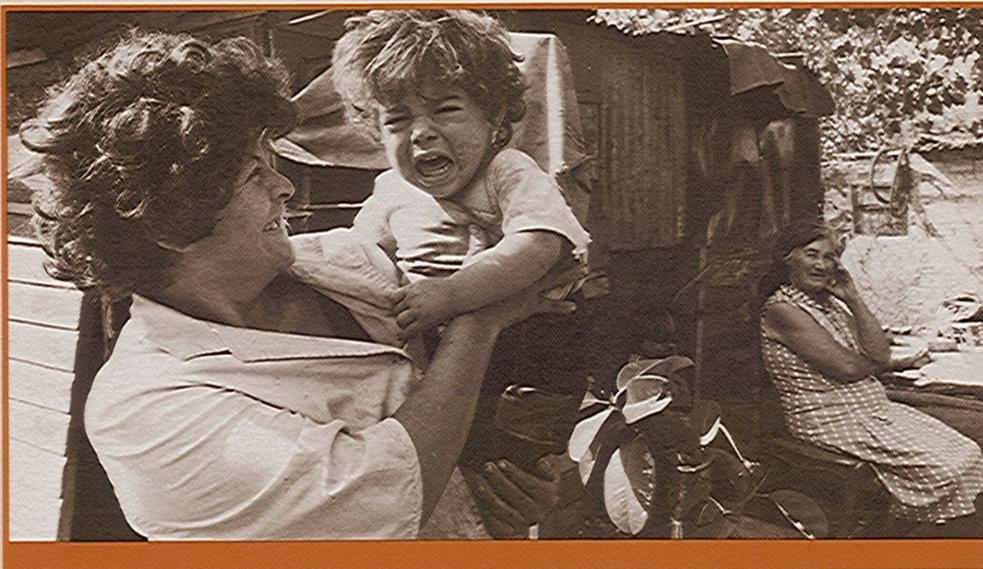


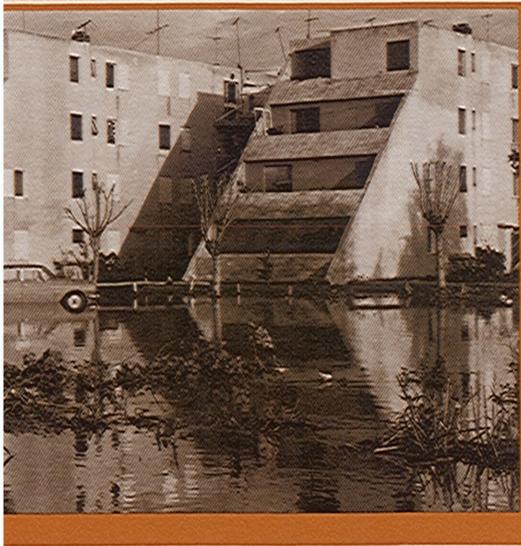
—Lots of people from the provinces come to try their luck and stay on here.

—They come like it's the promised land and realize . . .

—That they had it worse before.

—Of course! And that's why there's so much smiling, and the pictures are happy. They're remembering what it was like before.





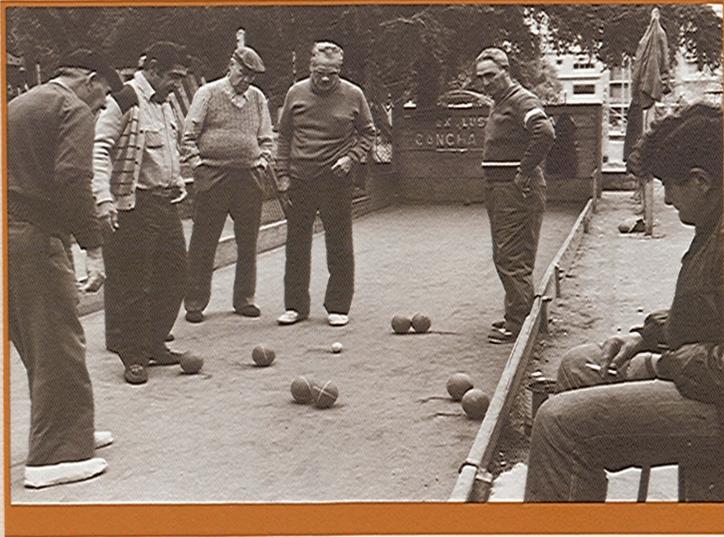
—I always remember this guy from Tucumán. A long time ago he explained something to me. 'Look,' he said, 'I've only been here five or six days and may still change my mind. But, you know, here I can go downtown, look at the lights, at the store windows. Sure, you're used to living in a house and I'm used to sleeping outside. But I'll bet you'll be the one who moves to the country before I do.'



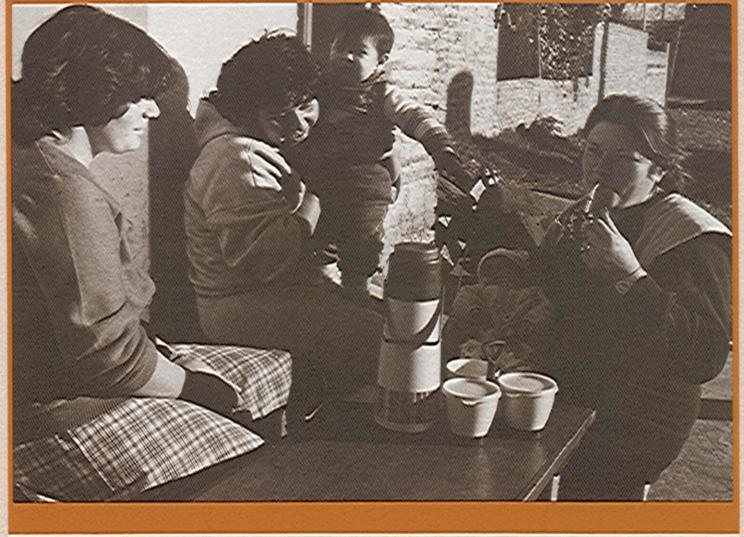
—I was telling my husband the other day, 'Why, with so much land in this country, don't they give us a bit? We could live with our two kids and work the land and leave this . . . this catastrophe!'

—In my family, we were 14 children living in the country. I curse the day my father sold out and came here.

—That's the life, and a healthy life, man.



*—Sure, that's what other people do. But not us, because women don't have time for that.*



*—Sometimes, though, even when you don't want to, you get caught up in conversation. One subject leads to another and you start to talk and talk. The time flies by before you know it.*

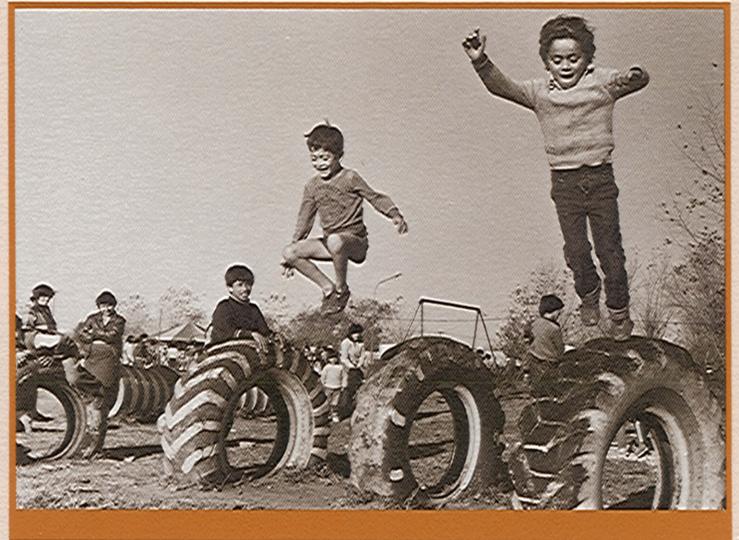


*—The kids go out, right? And the next day they come and tell you what they did, what a good time they had, and you feel like you were there too. You feel happy. It's not like they had fun and you're thinking, 'What do I care? I was stuck at home.' No, you live it together with them.*

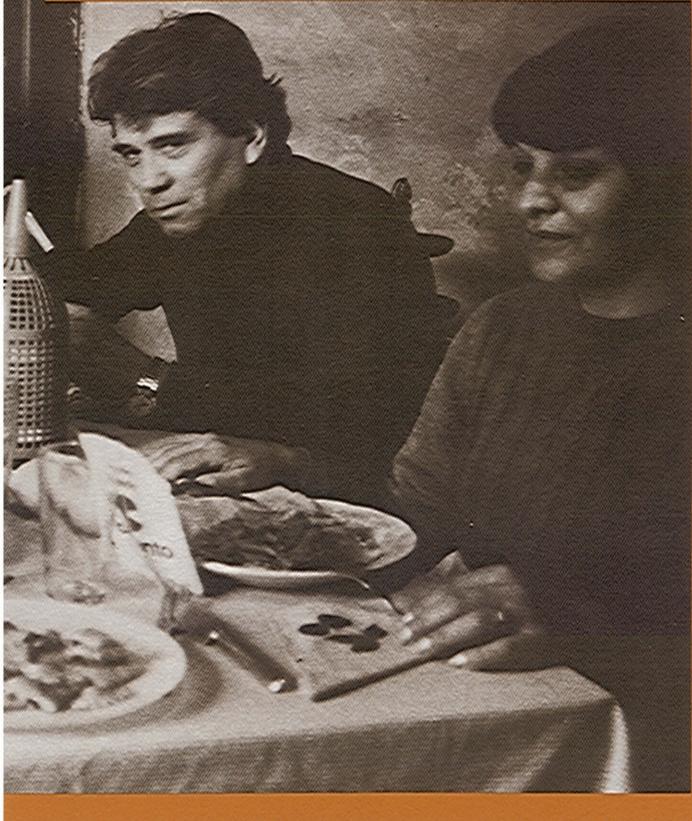
*—You're happy because they've had a good time.*



—Now listen, children also enslave us . . . a little bit, eh?  
—Because there's practically no free time! None. Maybe we're, I don't know, maybe the people out here devote themselves more to their children. I know people downtown, for example, who leave their children with nannies or maids. The parents are never with their children!  
—It's true. In a word, our children do take from us, they absorb us.



—I like this photograph because of the smiles. That's what we look for in our children: happy faces. They live in another world.



As financial resources for grassroots development dwindle and demand for funding and research steadily increases, the value of sharing lessons learned becomes ever more apparent. Beginning in this issue, *Grassroots Development* will feature a new column highlighting information exchanges and learning activities taking place throughout the Hemisphere.

### A KEY FACTOR

Representatives of funding agencies, universities, research groups, and the Harvard Institute for International Development met May 1-2 in Cambridge, Massachusetts, to explore the role of intermediate voluntary organizations (IVOs) in supporting grassroots development around the world. According to conference organizers John Montgomery of the Kennedy School of Government at Harvard University and Thomas Carroll of George Washington University, donor agencies are a key factor in the successful functioning of IVOs.

Conference participants examined three levels of IVO operations: activities at the ground level, those providing second-tier support to base groups, and those at the international level—that is, those involving donor agencies. The need to clarify conditions under which IVOs become—and remain—robust was emphasized, since it has always been easier to identify weaknesses than desired strengths.

"I'm impressed by the rich and varied experience the IAF has managed to accumulate during its 15 years of operating with intermediary organizations," said conference organizer Thomas Carroll. "Unlike other donors who favor certain kinds of national organizations, which they themselves may have established or with whom they may be affiliated, the IAF is impartial. Hence they can pick those intermediaries who offer the best service to the most needy groups."

Additional information on the conference is available from John Montgomery, Kennedy School of Government, Harvard University, Cambridge, Massachusetts 02138.

### CENTRAL AMERICAN DESIGNS

As part of the InterAction Forum held recently in McAfee, New Jersey, representatives of some 20 private voluntary organizations attended a panel discussion on alternative approaches and issues affecting grassroots development in Central America. The importance of institution-building based on Central American rather than U.S. designs and the problem of vulnerability of grassroots leaders in conflict situations were emphasized by the panelists.

"Donor agencies agreed that shielding grantees from becoming absorbed by outsider's agendas is an important first step," said Charles Reilly, director of the IAF Office of Learning and Dissemination, who was among the participants. Other speakers included panel chairman Bill Burrus of ACCION International, Jim O'Brien of Private Agencies Collaborating Together (PACT), and Marta de Quiñones of the Christian Children's Fund. Information on the InterAction Forum is available from Christine Burbach, InterAction, 2101 L St. NW, Suite 916, Washington, D.C. 20037.

### RESOURCE EXCHANGE

On June 3, the IAF hosted a reception attended by over 200 people in honor of visiting representatives of Latin American and Caribbean intermediary organizations. The group had converged on Washington, D.C., from all over the Hemisphere for five days of networking and information gathering at Forum '86, a resource exchange sponsored by the Pan American Development Foundation (PADF).

Photos by Juan García Salazar



Held for the first time in 1985, the number of participants at this year's Forum more than doubled to 140. Based on such a positive response, the PADF is planning to make the Forum an annual event.

In addition to hosting the reception, the IAF financed the travel expenses of five of the conference participants.

## A UNIQUE ENCOUNTER

"Development through Federations" was the theme when members of 17 Ecuadorian campesino federations met in the shadow of Chimborazo Volcano for three days of discussion, analysis, and information exchange. Held March 19-21, the *encuentro*, or encounter, was the first sponsored by the Inter-American Foundation in Ecuador to focus on this topic.

Although originally proposed by Foundation representative Chuck Kleymeyer, the meeting was organized entirely by two Ecuadorian groups: Servicio Ecuatoriano de Voluntarios-Chimborazo (SEV-CH) and Departamento de Educación Compensatoria y No Escolarizada (UNIDAD). All participating federations have been funded or are being considered for funding by the IAF. Together, they represent approximately 1,000 communities, and their activities vary from training, to agricultural production, to marketing, to handicrafts.

"One of the most important things about the *encuentro* was that it gave peo-

ple a rare opportunity to get together and be analytical," said Kleymeyer. Those attending the meeting came from varied language groups and extremely diverse geographical areas—including lowland and highland Indians and coastal blacks. As recently as 5 or 10 years ago, some of these groups had little or no contact with each other. The *encuentro* allowed them to compare experiences and learn from one another.

As a result of the conference, two neighboring federations are now exchanging agricultural products. And one federation whose town is celebrating the anniversary of its founding invited a group of musicians from another federation to visit and to perform. Said Kleymeyer, "One would expect social exchanges to result from an *encuentro*—such as one group visiting another to learn how they handle certain problems. But there were economic and cultural exchanges entirely outside the scope of the meeting as well."

A document analyzing the results of the *encuentro* will be published by the conference organizers later this year.

## FORTY-THREE NEW FELLOWS

The Inter-American Foundation awarded 43 fellowships this May to Latin American, Caribbean, and U.S. scholars who will be conducting research on topics as diverse as small-scale machine tool firms in Northeast Brazil and lower-

income women's household strategies for survival under deteriorating economic conditions in Mexico.

"Since the first award was made in 1974, over \$3.5 million has been given to 403 students throughout the Hemisphere, making the IAF one of the top funders for this type of field research," said Johannes Wilbert, director of the Latin American Studies Center at UCLA and a current member of the IAF Fellowship Advisory Committee. It was Wilbert who, together with Thomas LaBelle, first conceived of the Fellowship Program and suggested the idea to then-IAF president William Dyal.

Today, fellowships are offered at the master's and doctoral level for field research in Latin America and the Caribbean. There is also a program for Latin American and Caribbean scholars and development practitioners to pursue graduate training in the United States.

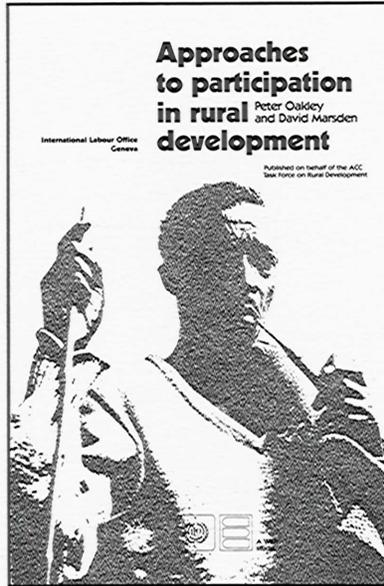
The fellowships are designed to encourage research on the efforts of rural and urban poor people to improve their lives, their methods of organization and production, and the outcomes of policies and programs designed to alleviate their poverty, and to discover how various approaches to grassroots development can be strengthened.

The deadline for applications for next year's Doctoral Program is December 5, 1986. Deadlines for the Master's Program are November 1, 1986, and March 1, 1987, and applications for the Latin American and Caribbean Program must be received by January 15, 1987. Further information may be obtained from the Inter-American Foundation Fellowship Office, 1515 Wilson Blvd., Rosslyn, Virginia 22209.



The *encuentro* of 17 campesino federations in Chimborazo enabled participants to discuss the different problems of each geographic region in Ecuador. The schedule was kept flexible, alternating classroom sessions (left) with moments of study and reflection (far left).

The following materials, all recently produced, are of general interest to development professionals and offer new ideas on organization building. In future issues, this column will focus on the latest resources available in agriculture, health, housing, and other areas related to grassroots development.



*Approaches to Participation in Rural Development*, a book by Peter Oakley and David Marsden, is a thoughtful appraisal of what "participation" means in community development. In just under 100 pages, the authors review previous literature on the role "participation" plays in development theory. They present five case studies to define the concept as it is practiced, and suggest that the vague and various uses of the term have been an important obstacle in development programs.

The authors argue that participation, in the context of development, should be "empowering" of the rural poor and not just "mobilizing" people to implement activities.

Published by the International Labour Organisation, *Approaches to Participation in Rural Development* takes advantage of extensive UN materials on development. Included in the case studies are reviews of a health improvement program in Ecuador and a rural social promoter's work with fisherwomen in Brazil. Notes provide a useful bibliography of recent materials on community participation.

*Approaches to Participation in Rural*

*Development* may be ordered for \$10 from the International Labour Organisation, 1750 New York Avenue NW, Washington, D.C. 20006.

A practical manual titled *Facilitator Guide for Conducting a Team Planning Meeting*, published by the Water and Sanitation for Health Project (WASH), addresses the organizational needs of development specialists themselves. This 48-page guide provides valuable techniques in self-preparation for professionals who work together on short-term projects such as conducting workshops or participating in planning, evaluation, or technical assistance for development projects.

Following a 10-session plan, the guide prepares a team to identify its clients and assignment, analyze the scope of work, define the end product, and develop a work plan. Alternative designs for planning are also presented for one-person assignments and for group activities occurring within an ongoing office setting.

The guide, written by Wilma Gormly and Fred Rosensweig, grew out of the needs and experience of WASH personnel. It has now been field-tested throughout Latin America and used by both government agencies and private organizations.

The guide is available, without charge, from Dan Campbell, WASH, 1611 N. Kent Street, No. 1002, Arlington, Virginia 22209.

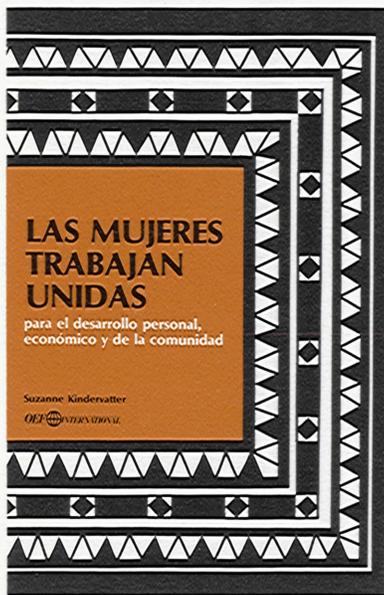
The Clearinghouse on Development Communication offers a multimedia package of useful materials from the RADECO (Radioeducativo Comunitario) program in the Dominican Republic. The package consists of the manual *Radio Community Basic Education* (available in Spanish), the RADECO cassette tape, and a 3/4-inch video titled *RADECO: Interactive Radio Instruction in the Dominican Republic* (also available in Spanish).

The package describes and analyzes how radio can provide community development services to remote and inaccessible areas. Carried out by the Secretariat of Education of the Dominican Republic in conjunction with Interamerica Research Associates of Rosslyn, Virginia, RADECO has focused on radio programs for formal education. Excerpts are offered for demonstration on the cassette tape.

Additional materials from the Clearinghouse on Development Communication

provide a practical guide for creating radio programs that can be tailored to a range of community development issues. These programs rely on the "interactive" method—derived from cognitive psychology and the communication arts—to create directed conversations between learner and instructor. Radio, according to evaluation results included in the manual, has been a highly effective low-cost tool to extend the dialogue to more people.

The Clearinghouse on Development Communication is distributing, without charge, remaining copies of the manuals and the cassette tape. The video may be rented for a \$10 fee (\$20 outside the United States) from the Clearinghouse On Development Communication, Academy for Educational Development Inc., 1255 23rd Street NW, Washington, D.C. 20037.



The well-received training manual *Women Working Together* has been translated into Spanish as *Las Mujeres Trabajan Unidas* and published by OEF International, a nonprofit organization based in Washington, D.C.

Written by Suzanne Kindervatter, this 100-page guide for organizing women's groups focuses on goal-definition and strategy-building. The format of the book is extraordinarily rich, using photographs, drawings, diagrams, and a wide variety of typefaces. Appropriate for literate and semiliterate groups, *Women Working Together* can be adapted for use with groups of men and women or even men's groups.

The material is based on earlier work by the OEF in conjunction with local organizations in Costa Rica, Honduras, and countries outside Latin America. Beginning with self-identification and *concientización* (consciousness-raising) exercises, the training manual leads toward the definition of self-help activities. Particular attention is paid to small-scale business enterprises, credit unions, and community projects.

*Women Working Together* is written in a lively style and includes a large store of ideas for group exercises: role-playing, card games, the use of puppets, many directed-conversation themes, and audio-visuals.

The manual may be ordered for \$10 in English and \$12 in Spanish, plus postage, from OEF International, 2101 L Street NW, Washington, D.C. 20037.

*Development Strategies Reconsidered*, edited by John P. Lewis and Valeriana Kal-lab, examines community development in the context of national economies and the global economy. Published by the Overseas Development Council in March 1986, this collection of essays contrasts "neo-classical" pro-market approaches to development with planned interventions by governments and multilateral institutions.

As Lewis writes in his essay on the practical application of development theory, "We are mindful that there needs to be more differentiation of strategies to match the differentiation of developing countries and groups of countries." Other essays discuss the interplay between agriculture and industry in development and explore how aid and democracy affect the achievement of development goals.

*Development Strategies Reconsidered* is available for \$13.99 from the Overseas Development Council, 1717 Massachusetts Avenue NW, Washington, D.C. 20036.

The first issue of *Development International*, a bimonthly publication, is scheduled to appear in September 1986. The glossy, colorful magazine is aimed at development professionals and will feature articles on sectoral themes, methodology, and more overarching subjects such as the role of private enterprise in development and the relationship between development and environmental protection. There will also be regular columns providing information on travel in developing nations and

on news of grants and contracts from major development funders.

While sponsored by USAID in its start-up phase, *Development International* is intended as a self-sustaining venture. Subscriptions will be sold at yearly rates of \$25 in developed countries and \$20 in developing countries. Interested readers, however, are invited to request free trial subscriptions from *Development International*, 1111 N. 19th Street, Suite 400, Arlington, Virginia 22209.

—John Burstein

*The editors of Grassroots Development encourage organizations to submit newly produced materials for review in this column.*

postscript

In this issue of *Grassroots Development*, readers are invited to share in some of the pride and excitement of the IAF's fifteenth anniversary celebration. Two companion pieces in the special section are drawn from observations by IAF staff and supporters. Their thoughts reaffirm the Foundation's original mandate and renew its commitment to assisting the poor in Latin America and the Caribbean. Rounding out the section, Stephen Vetter's cover story traces the history of private development organizations in the Dominican Republic—and the IAF's vital role there during the past 15 years.

A number of new features also appear in this issue, including the "Resource Materials" and "Development Notes" columns. Judging from the hundreds of enthusiastic responses we received to the questionnaire in our last issue, however, one thing is perfectly clear: The overwhelming majority of readers find *Grassroots Development* to be an informative, attractive, and very useful publication just as it is.

Researchers, consultants, academics, and development practitioners from as far away as India and Australia took the time to tell us what they think of the journal, the type of articles they have found interesting in the past, and what we ought to feature more of in the future.

Articles on cooperatives were mentioned most often, along with agriculture, rural development, and microenterprises. Readers also expressed an interest in finding out about IAF projects that have been less than successful—and what can be learned from those experiences.

This feedback comes at a very good time, as the editors of *Grassroots Development* and Foundation staff make plans to expand the journal. While maintaining the standards of excellence in research, writing, and design set by former editor Sheldon Annis (who created the current journal out of little more than an in-house publication), future issues will include a wide variety of news briefs, book reviews, and other timely items of value to those interested in grassroots development.

A selection of comments from the questionnaires that were included in the English edition of the last journal follows. We look forward now to receiving responses to the Spanish edition, as well as reactions to the articles and features in this anniversary issue.

Kathryn Shaw

Your publications have been an enlightenment to me for years. They provide educational and enjoyable reading.

HERMAN PETER VASQUEZ  
*Belize City, Belize*

I am very pleased with the quality of *Grassroots Development*—both text and photos. More from author Chuck Kleymer and an occasional theoretical article would be welcomed.

RICHARD HARRIS  
*Quail Valley, California*

I use your articles in my course on economic development to show students the human dimension of economic progress.

JAMES S. RICHARD  
*Regis College*

Keep up the excellent photos that illustrate your stories and projects.

ROBERT R. MILLER  
*Berkeley, California*

You do fine at showing the problems of grassroots development—without the hoopla about false success. We need to know the truth (which is often discouraging) in order to devise better development programs.

DONALD HINDLEY  
*Brandeis University*

I enjoy articles related to Paraguay, but mind you—I read every issue from cover to cover!

LEON I. YACHER  
*Wallingford, Connecticut*

I really enjoy your publication. However, I wish more of your authors and projects showed an appreciation of the importance of conservation in the course of development. The article by Shelton Davis (Vol. 9, No. 2) was a pleasant change from the usual emphasis on clearing the natural vegetation, which seems to exemplify progress to most of your authors...

WILLIAM R. ANDERSON  
*University of Michigan Herbarium*

I enjoy your publication tremendously and am proud that the United States has at least one, small, aid institution that is proceeding with care and forethought.

LUCINDA A. McDADE  
*Duke University*

# Inter-American Foundation

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**IAF Fellowships:** The Foundation has created three fellowship programs to support Latin American, Caribbean, and U.S. scholars researching development activities among the poor. Two support field research in Latin America and the Caribbean at the master's and doctoral levels; the third brings Latin American and Caribbean scholars and practitioners for advanced training in the United States.

Fellowship topics of primary interest are 1) the nature of effective grassroots organizations among the poor; 2) the nature of effective intermediary or service organizations; 3) systematic appraisals of local development activities such as credit, self-help housing, and educational innovation; and 4) studies of development programs and projects designed to reach the poorest populations, including small businesses in the informal sector, female-headed households, isolated Indian populations, and artisanal fishermen.

Applications and inquiries should be directed to:

Fellowship Office  
Inter-American Foundation  
1515 Wilson Boulevard  
Rosslyn, Virginia 22209  
(703) 841-3864

## Contents

Building the Infrastructure for Progress:  
Private Development Organizations in the  
Dominican Republic

Stephen Vetter

Reaffirming the Mandate

The IAF in Perspective

After Nairobi: A Retrospective of Women's  
Development Organizations in Latin America

Sally W. Yudelman

The Hucksters of Dominica

John Homiak

This Could Be Me

Photos by Alicia D'Amico

Development Notes

Resource Materials