

IAF CONNECTIONS

The Latest News from the Inter-American Foundation

April-August 2002

COPING WITH CRISIS

AF and Fundación LEER hosted a two-day Buenos Aires workshop in April to discuss Argentina's current financial and social crisis. Since the economic downturn started last December, all IAF grantees have faced unforgiving monetary and fiscal measures.

Restrictions on bank withdrawals have forced grantees to open special accounts in order to issue paychecks. Due to bank failures, some have changed institutions five times. To travel, the Argentine grantees use *patacones*, bond-like currency substitutes valid only in the province issuing them. In a country of great distances, this means managing multiple nontransferable "currencies." Finally, all are struggling with the government's freeze on savings accounts to finance Argentina's short-term debt; the money appropriated will be repaid only in 2004 and then with government bonds. Fortunately, international donor funds might be released from the system. IAF will maintain close contact with its Argentine grantees during this extremely difficult time.

The workshop brought together 33 representatives from the host and eight other grantee organizations: FUNAS, Norte Sur, Fundecch, WARMI, Minetti and FACEPT, whose grants are still active, and CEDES and CMU, whose grants recently expired. IAF representative Audra Jones, regional director Walter Price, monitor Dora Celton and auditor Enrique Imperiali spoke on their respective responsibilities. Janet Postast, U.S. Embassy finance officer, also attended. •





On a panel of the Haitian Diaspora conference: Margarita Mooney, IAF Consultant; F. Carl Braun, President, Unibank of Haiti; Manuel Orozco, Inter-American Dialogue.

MEETING ON HAITIAN DIASPORA

AF's second conference on remittances, "The Haitian Diaspora: An Indispensable Partner in Haiti's Economic Development," was held in Port-au-Prince, Haiti, June 20 and 21. Some 100 representatives of community groups, governments and international organizations exchanged ideas about the diaspora's potential to contribute to Haiti's development. Cosponsors with the IAF were the Center for Free Enterprise and Democracy founded by 20 Haitian businessmen, USAID and UNITRANSFER, a division of Haiti's largest bank UNIBANK, S.A.

Those present heard from individuals who have formed cross-sector partnerships to channel remittances to development projects: Roberto Ramírez, head of IAF's Mexican grantee APOYO; Blanca Cruz and Blanca Romero of Washington's Comunidades Unidas Salvadoreñas; and Mario Riestra, direc-

tor of the Mexican National Coordinating Office for State Offices on Migrants. René A. León, El Salvador's ambassador to the United States, discussed the similarities between Haiti and El Salvador, including their recent turmoil and significant overseas communities. Other topics included the market for Haitian products abroad, the role of international and bilateral organizations in the use of remittances, and the work of U.S.-based Haitian groups. Representatives of Haitian diaspora groups in attendance included Dina Paul Parks, executive director of the National Coalition for Haitian Rights; Marie-Carolle Tertullien, coordinator of the Federation of Haitian Regional Associations in the Exterior; and Joe Baptiste, a founding member of the largest Haitian-American organization National Organization for the Advancement of Haitians. Donald Terry, head of the Inter American Development Bank's (IDB) Multi-Lateral Investment Fund, opened the conference. (continued page 2).

(Haiti Continued from page 1)

Ambassador Léon, Leslie Voltaire, minister of Haitians abroad, and Manuel Orozco, director of the Inter-American Dialogue's Central America program, delivered keynote addresses. Margarita Mooney and Ronel Ceran, IAF consultants, spoke on their studies of the Haitian diaspora.

According to **Carlo Dade**, IAF's representative for the Dominican Republic and Haiti and a conference organizer, the event was covered on the front-page of Haiti's principal newspaper, *Le Nouvelliste*, and by other media. ❖

CORPORATE INVESTMENT GUIDE

Rosa Rita Alvarez, president of Alianza ONG, a network of 18 nonprofit organizations, introduced its *Guia para la Inversión Social Corporativa en la República Dominicana* (Guide for Corporate Social Investment in the Dominican Republic) April 17 in Santo Domingo. Dominican President Hipólito Mejía, U.S. Ambassador Hans Hartell, IAF's Carlo Dade, and industrialists José A. León and Celso Marranzini were among the invited guests. Alianza ONG had received a grant from the IAF to promote social investment and philanthropy and educate the public and government in these areas.

The network's decision to commission the guide was based on a 2000 study, co-financed with the IAF, on investment in social responsibility programs by Dominican businesses. Its initiative received support from **Grupo León Jimenes**, the largest Dominican business group and a pioneer in social investment, and from the **Consejo Nacional de la Empresa Privada** (CONEP). The guide will be used to promote and strengthen nonprofit alliances and social investment. The **IDB** plans to work with CONEP-Alianza to broaden its activities in social responsibility. �

ANNOUNCEMENTS

- The tenth anniversary of Expo 92, will be commemorated with a workshop on local and regional development and the global economy at the Universidad Internacional de Andalucía, in Seville, Spain, September 25 28. IAF's David Valenzuela will attend along with Latin American and Spanish business people. For more information log onto www.itcilo.it/delnet.
- "Decentralization, Local Economic Development and Participation," sponsored by the IAF, CEDER and Macro Region Sur and originally scheduled for June 17-20 in Arequipa, Peru, was postponed. *

CONFERENCES

Eighth Inter-American Conference of Mayors and Local Authorities, Miami Florida, June 10-13

Nicaraguan representatives from four current and former grantees— CEPRODEL, CODELSA, Fundación León 2000 and Fundación José Nieborowski (FJN) — joined entrepreneurs and mayors from Leon, Boaco and Telica on the panel "Local Governments and Community Entrepreneurialism" to talk about development partnerships. IAF also sponsored the participation of representatives from Mexican grantee AC-CEDDE on a panel discussing local economic development experiences in Cuquío, Jalisco. Participants included NGO staff and the mayor of Cuquío. After hearing the panelists, several participants, many of whom are small town mayors, requested additional information about IAF and technical assistance from CEPRODEL on facilitating participatory municipal planning processes.

DR Grantee Annual Meeting, Santo Domingo, June 27

Representatives from 11 IAF grantees exchanged ideas about their projects and possible collaborative efforts at their annual meeting. The discussions focused on organic agriculture and marketing, municipal-NGO collaboration on environmental protection, and the encouragement of small and medium-sized businesses by chambers of commerce. The certification process for organic products and greater cooperation on development projects between Dominicans and Haitians were of special interest.

Christine Herridge, coordinator of Dominican Disaster Mitigation Association, spoke about the Dominican Republic's vulnerability to natural disasters and, based on a study she is completing for the IAF, ways to reduce potential damage to IAF grantees, their projects and communities. Representatives from two of the country's largest insurance companies, SEGNA and CARIBALICO, discussed the costs and benefits of different coverage plans. Next year's meeting may focus on uses of information technology for grassroots and local development.

National Council of La Raza Annual Meeting, Miami, Florida, July 20-24.

IAF's panel, "African Descendent Communities and Grassroots Development in Latin America and Caribbean," analyzed
successful self-help initiatives developed in the face of economic and social exclusion. Panelists included Celeo Álvarez
Casildo of Honduras' Organización de Desarrollo Étnica
Comunitaria (ODECO); Jurema Werneck, of Criola; Sheila
Walker of the University of Texas; and moderator Judy Morrison, IAF representative for Colombia and Brazil. ❖

UPCOMING EVENTS

Introductory discussion of the Amigo Network

Date: September 20-21 Place: Miami, Florida

The "Amigo Network" initiative is a collaborative effort with corporate donors from Latin America and the Caribbean who want to be involved in grassroots development. Participants will share experiences and develop standard criteria for funding and evaluating projects as well as a common set of principles for training staff. A working group met July 19-20 in Buenos Aires to discuss the "Amigo Network" and prepare for the September consultation with several corporate foundations.

Americas Conference on Corporate Social Responsibility

Date: September 22-24 Place: Miami, Florida

Large and medium-sized companies can interact, exchange views, share experiences and build trust among business, government and civil society at this forum co-sponsored by the IAF, the Canadian government, the IDB, the Organization of American States and the World Bank. IAF will moderate "Corporate Partnerships with NGOs and Civil Society," a panel presenting vibrant partnership examples from among our grantees, and will sponsor other participants. For more details, please visit www.iadb.org/csramericas.

Annual IAF Data Verifier Workshop

Date: September 23-27 Place: Merida, Mexico

Discussion will concentrate on the Grassroots Development Framework indicators and how to adapt them to specific needs. Participants will share fieldwork experiences and visit a grantee. A first draft of an operational manual will be reviewed. Fifteen verifiers are expected. •

IAF VISITORS

Juan Quispe Huatta, a Quechua leader from Taquile Island on Lake Titicaca in Puno, Peru, visited in late March to discuss how the eco-tourism trend affected his island's economy and efforts at community control. He made similar presentations at the Smithsonian's Center for Folklife and Cultural Heritage, the Museum of the American Indian, Partners of the Americas, the Embassy of Peru and the World Bank. Quispe Huatta also spent a week at Swarthmore College. He was featured in "Taquile's Struggle to Capture the Tourist Dollar," an article in the Crafts Center's Spring 2002 newsletter accessible at www.craftscenter.org.

Bruce Ferguson, former IAF fellow and IDB specialist in micro-credit housing, discussed this area of grassroots development on May 31. Housing, he said, must be considered part of development because the family home represents a major asset and a source or site of income generation.

Jurema Werneck, M.D., discussed Criola's work with income-generation and health projects in Rio de Janeiro favela communities. Her June visit coincided with her presentation on health care and communities of color annual meeting of the Inter-Agency Committee on Race and Social Inclusion. IAF is a member of the committee along with the World Bank, IDB, Inter-American Dialogue, Pan-American Health Organization and the Ford Foundation. Earlier this year, *Claudia*, Latin America's most widely read women's magazine, awarded Criola it's "Women of the Year" award. ❖

STAFF ACTIVITY

As part of Textile Museum's Andean series, Kevin Healy, IAF representative for Honduras and Panama, gave a slide lecture in March on the revival of traditional weaving arts by Fundación para la Investigación Antropólogica y el Etnodesarrollo "Antropólogos del Surandino" (ASUR). For a decade, IAF supported this imaginative program for women weavers, which has brought many economic benefits to Bolivia's Jalqá communities. For more on ASUR, log onto www.bolivianet.com/asur/indexin.htm. To learn about the Textile Museum in Washington, D.C., log onto www.textilemuseum.org.

In April, Walter Price, director of IAF's Office for South America, spoke to Columbia University students about the Amigo Network of Latin American corporate foundations. His talk was co-sponsored by Columbia's Center for the Study of Human Rights and Latin American Institute. Price also participated in "Philanthropy and Social Change in Latin American: Strategies and Lessons," a May 22-24 workshop sponsored by the David Rockefeller Center for Latin American Studies and the Hauser Center for Non-profit Organizations at Harvard University.

In April, Carlo Dade spoke to 200 Haitian immigrants residing in Miami on the role of the diaspora in development. The meeting, organized by the Florida International Volunteer Corps for USAID-Haiti, was part of an outreach effort by the U.S. Embassy in Port-au-Prince. Other speakers were Ambassador Dean Curan; USAID mission director David Adams; David Schmelling, president of FAVACA; and John Currelly, the Pan-American Development Foundation's director for Haiti.

In June, Kevin Healy gave a slide presentation at the Library of Congress on his book Llamas, Weavings, and Organic Chocolate: Multicultural Grassroots Development in the Andes and Amazon of Bolivia (Notre Dame Press: 2001). He also read from the book for a writer's panel at the Peace Corps' 40th anniversary celebration. And at the Foreign Service Institute, Healy lectured on indigenous rights in the hemisphere to officials training at the Foreign Service Institute for upcoming assignments in the field. ❖

WAKE UP AND SMELL

...THE PRIZE-WINNING COFFEE

IAF 2000 grantee PAGJINO, which has just harvested its first crop, produces the best coffee in Nicaragua.



That was the verdict announced May 24 by an international panel of 25 experts who had spent a month judging nearly

300 entries in Nicaragua's Cup of Excellence competition. PAGJINO, whose full name is *Asociación Aldea Global Jinotega*, is a nongovernmental organization providing loans and technical assistance to farmers in 42 communities around Jinotega, a municipality in northern Nicaragua.

The winning cup was made with coffee from the farms of two PAGJINO beneficiaries, who could not individually meet the minimum volume requirement to enter the contest. So they combined their stores and came up with a superior blend which PAG-JINO processed.

By July, when PAGJINO'S coffee was auctioned over the Specialty Coffee Association of America's Web site, only 15 sacks, each weighing 150 lbs, were offered for sale. "That's all we could afford to retain from this year's harvest," PAGJINO's executive director, Warren Armstrong said. "With prices dropping all the time, we couldn't risk even lower prices when the bumper Brazilian coffee crop floods the market this summer." Armstrong hopes the confirmed quality of PAGJINO's coffee will attract roasters willing to buy it at Fair Trade prices. Increased revenues from Nicaragua's biggest export, he insists, will mean more investment in the crop and even better coffee in the future. •



PHOTO GALLERY

The Federacón de Caficultores de Jarabacoa y Jánico (FECAJA) is a Dominican federation of farmers'associations with more than 500 members in isolated mountain communities outside of Jarabacoa. FECAJA received an IAF grant to strengthen agroforestry practices and to establish a solar panel loan fund for its members. As part of the grant, FECAJA will install panels on its office to power computers and connect the community to the Internet through wireless fidelity (wi-fi), bringing the Internet to an area without telephone or power lines. Below, farmers and technicians are working on one of the first installations.







IAF GRANTEES REACT TO COFFEE CRISIS



What Is the Coffee Crisis?

In the past decade new producers have entered the coffee market. Vietnam, for example, has dramatically increased its production since 1992. A glut of coffee has resulted in rock bottom prices and revenues do not cover costs for Latin America farmers.

FIGHTING BACK

evin Healy attended the Annual Trade
Show of Specialty Coffee Roasters and accompanying Fair Trade Forum in Anaheim,
Calif., in early May. Participating grassroots producer
organizations included former Mexican IAF grantees
CEPCO and ISMAM. Featured speaker Adolfo
Franco, USAID's assistant administrator for Latin
America, who was introduced to small farmers' coffee
struggles while he was at the IAF, promised \$6 million in funding toward alternatives for growers hit by
the coffee glut.

The concept of Fair Trade implies that in exchange for higher quality coffee, sound growing techniques and equitable labor practices, farmers will receive a higher price for their crop. California- based Transfair (www.transfairusa.org) and OXFAM America (www.oxfamamerica.org) are spearheading a movement to increase the U.S. market for Fair Trade coffee and have enlisted Martin Sheen for their media campaign.

For a recent academic look at coffee, see "Social Dimensions of Organic Coffee Production in Mexico: Lessons for Eco-Labeling Initiatives" by David Bray and Ellen Murphy, both formerly of IAF, in Society and Natural Resources (15:429-446, 2002). For another view, see the next issue of Grassroots Development in which Roberto Garcia, SEAL for Nicaragua, reviews Peasant Marketing in Nicaragua, compiled and edited by Orlando Nuñez Soto of CIPRES. *



A RESPONSE TO THE COFFEE CRISIS

ntil recently, many Guatemalan farmers relied on coffee as a source of cash—for school supplies, tools or medicine. In areas yielding high quality beans, entire communities converted their farms to coffee production. But now, because of the glut in the market, low prices don't cover costs and panic has set in.

The Equipo de Consultoría sobre Agricultura Orgánica (ECAO) has simple and direct advice for these growers: diversify. While its name suggests a focus on organic farming, ECAO's message emphasizes organized collaboration to add value to crops. Dried apples in a plastic bag, for example, yield a higher profit margin than fresh apples in a basket. And drying the apples creates jobs.

Through seven years of fieldwork and experimentation, ECAO has found that farmers open to new ideas, including the use of organic methods that add nutrients to their soil, can double and triple their production of corn and beans on less land. These farmers discover their small plots are large enough to let them feed their families and experiment with new crops with a high market value, such as tomatoes or herbs like oregano. Those whose coffee qualifies for organic certification can make a profit from their beans.

Thanks to a new three-year grant from the IAF, ECAO will work with 200 farmers in eight highland communities around Quetzaltenango and Sololá to increase crop diversity, process local products for export and capture more of the local retail price through marketing directly to urban households. ECAO also plans to disseminate its experiences in hopes of spreading feasible alternatives and new hope throughout Guatemala's countryside.— Jim Adriance, IAF representative for Guatemala. ❖

IAF IN PRINT

- Togetherness by Beryl Levinger and Jean McLeod examines the experiences of 12 intersectoral partnerships (ISPs) in Latin America involving NGOs, local government and, in some cases, private sector businesses working on grassroots level development.
- After a three-year hiatus, the latest issue of *Grassroots Development* is in the final stages of preparation. The table of contents includes articles by Ramón Daubón, Lester Salamon, Edgar Darío Gonzalez, Chris Krueger and others; Audra Jones's interview with George C. Lodge; reviews of Hernando de Soto's and Kevin Healy's latest books; the journal's first photo essay; and more.
- Judith Morrison, IAF representative for Brazil and Colombia, prepared "Economic Development in Latin American Communities of African Descent," a publication ready for distribution.

Call for Manuscripts

The IAF publishes articles on topics in development in our journal Grassroots Development. We welcome your queries regarding the following types of submissions in English, Spanish, Portuguese or French for our consideration:

- · features between 2,500 and 5,000 words;
- book reviews from 600 to 1,000 words;
- · news items from 300 to 600 words.

Shorter pieces will also be considered. Electronic format is preferred; hard copies cannot be returned. Photos are publishable from prints only. For more information, please contact the editor by e-mail: publications@iaf.gov. ❖

□ IAF contracted Econergy International Corporation (EIC) to conduct a study of "sustainability" in the grassroots context with regard to both organizations and beneficiaries. EIC is now consolidating the findings from its recent fieldwork covering 27 projects in disparate areas spread geographically from the Rio Grande in Mexico to Rio Grande do Sul in Brazil, and extending from rural Oaxaca, Mexico, to metropolitan Sao Paulo. Print and Internet versions of the final report should be available by fall.

MEDIA ROUND-UP

- The Jan. 24 *Tiempos del Mundo*, a Panamanian daily, highlighted the mapping project undertaken by IAF grantee El Instituto Para el Desarrollo Integral de Kuna Yala (IDIKY) in partnership with the Spanish International Cooperation Agency, the National Geographic Institute, the Ministry of Public Works and the IAF. Indigenous Kuna in Western Panama plan to detail physical characteristics of their community, pinpointing areas for farming, hunting, fishing and collecting forest resources. Eleven maps will be produced and distributed to groups interested in protecting and preserving natural resources for grassroots development. Native Lands, an NGO that helps indigenous people in Latin America protect their territories and natural resources, is providing technical assistance.
- La Asociación de Desarrollo Agrícola para la Exportación (ADAPEX), an IAF grantee in Costa Rica working to expand the production of specialty vegetables for national and international markets, was featured in an article in the May *National Geographic*. Visit *National Geographic's* Web site for details.



Amuari Queiroz, left, with Ricardo Henriques, coordinator for human development for the governor of the state of Rio de Janeiro. Queiroz is a special consultant to the state government's human rights secretary, Wânia Sant'Anna. Photo by Ierê Ferreira.

Amauri Queiroz, a project manager at Centro de Articulação de Populações Marginalizadas (CEAP), discussed youth violence on a panel launching UNESCO's, "Mapa da Violência III," at the Federação das Indústrias do Rio de Janeiro, May 3. Queiroz spoke on youth programs and the effects of violence on communities of color. According to UNESCO's report, Brazil's youth homicide rate is 100 times Ireland's, and of the 60 cities whose rate were analyzed, Brazil placed third highest.

NEW FACES IN THE FIELD

- In an article on the consequences of outlawing child labor, the May 8 issue of Veja, Brazil's leading news magazine, cited the compliance of 1,340 enterprises as certified by IAF grantee Fundação Abrinq pelos Direitos da Criança, a children's advocacy institution.
- Fundação O Boticário de Proteção à Natureza, a Brazilian cosmetic company that partnered with IAF in fiscal 2000, has been publicizing its commitment to social investment with regular four-page color inserts in Veja. The first described three of Boticário's projects: an early learning center, a continuing education program and a prize for professional innovation. Subsequent inserts discuss other features of social responsibility, including working conditions. IAF and Boticário are supporting community organizations working to develop income-generating mechanisms that also preserve the environment.
- O Dia, a Rio de Janeiro newspaper, reported May 30 that Heidi Kranz, assistant general counsel, has a J.D. and B.A. the crafts outlet of IAF grantee Viva Rio, an artisan cooperative, has proved one of the most popular locations in the Ilha Plaza Shopping, a mall visited by 20,000 to 30,000 shoppers daily. The Ilha site is the fifth opened by the cooperative whose members fashion clothing and accessories. Viva Rio currently oversees 522 projects in favelas and poor communities throughout the city. Proceeds are used to purchase equipment and pay and train the Viva Rio work force.
- The April 26 issue of *Isto* \acute{e} , the news magazine with the second largest readership in Brazil, contained a lengthy interview with former IAF president Peter Bell, who now heads CARE, Cooperative for Assistance and Relief Everywhere, on CARE's recent launching in Brazil. The interview focused on CARE's initiatives addressing poverty in the Northeast and along the Rio-São Paulo axis and pointed out Bell's longstanding friendship with Brazilian President Fernando Henrique Cardoso.
- The article, "Not a Lot of Ocelots," in the June National Geographic, reports that Frank Yturria, chairman of IAF's board of directors, has set aside 600 acres on his Texas ranch for this endangered striped cat. Yturria has served on the board since 1990.

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In June, Monorde Civil was selected for the position of data verifier in Haiti. Monorde taught mathematics and statistics at the University of Yacambu in Venezuela while pursuing a bachelor degree in management. He also attended the University of Costa Rica in Cartago where he studied agricultural engineering. In 2000, Monorde joined the Haitian Ministry of Commerce and Industry, first as advisor in trade statistics and then as advisor in the directorate for quality control. He speaks Creole, his native language, French and Spanish.

NEW FACES AT HEADQUARTERS

Luiz Antonio Casey, program staff assistant for Brazil and Colombia, was born in Rio de Janeiro and is a student at University of Maryland. He formerly worked as a research assistant at Signature Management Consulting and Primark Data Corporation.

(Italian) from Georgetown University and came to the IAF from Willmer, Cutler and Pickering, a Washington law firm. She lived in Mexico as a child and speaks Spanish and Portuguese.

Oscar Ruiz, program staff assistant for Argentina and Venezuela, is from Puerto Rico. He has a B.A. in political science from the University of Florida and interned at the Voice of America.

INTERNSHIPS

Vanessa Clemens, a senior at George Mason University, is working with the Office of Evaluation and Dissemination on publications.

Thomas Pellathy, a Rhodes scholar working on his Ph.D. at Oxford, is analyzing IAF case studies on remittances and their relationship to mitigating migration.

Salvador Jesus Reymundo Méndez, a junior at the University of California at Davis, is working with the Office of Evaluation and Dissemination on women's projects.

Megan Savage is a graduate student in business and international affairs at Georgetown University. She has worked in Brazil and is studying IAF's social investment programs there.

IN MEMORY

David Lazar, 73, IAF general counsel in the 1970s, died May 19 in Arlington.

Marcos Jackson, 50, a former bilingual legal assistant, died February 15 in Washington, D.C. ❖

AROUND THE OFFICE

From April thru August, twice a week during their lunch hour, 20 employees studied Portuguese with Ricardo Paiva, author of the textbook *Travessia* and the president of the Brazilian American Studies Association.

The Foundation received the Combined Federal Campaign's Pacesetter plaque for 2001 because total contributions to the Combined Federal Campaign exceeded last year's by more than 3.5 percent.

WHAT DO YOU THINK?

This publication is by and for people like you with an interest in grassroots development. Please send your comments, suggestions and stories to **Heidi Smith** at

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