

Although it was the smallest unit in the NRC, at least 40 percent of the rehabilitation and reconstruction of community services and infrastructure was accomplished through its coordination (Ferraté et al 1978).

Under the General Secretariat in 1976-1977, another unit existed. It was called the Evaluation and Control Unit but it was soon absorbed by the Information Unit and later by the PPIU. The NRC also contained a Military Secretariat in its structure. Its duty was to coordinate communication and transportation activities, customs and import mechanisms, security, relations with the army, logistic support, equipment, vehicles and machinery and to manage a minimum amount of funds for emergency works and supplies. It was also in charge of all the NRC distribution programs of building materials, foods and other goods. It was managed exclusively by senior army officers and complemented the administrative and operational functions of the General Secretariat.

There were four sections that supported the activities of the Military Secretariat. One was the Engineering Section which dealt with the opening of secondary and tertiary roads, general urbanization and other engineering works and sometimes, with the establishment of refugee camps. There was also a Customs Section in charge of facilitating paper work in governmental offices, especially in customs, to arrange duty free import activities, mainly for the NGOs.

The third section of the Military Secretariat was in charge of transportation, vehicles, fuels, garages, warehouses and all activities related to the logistic support of the NGOs. The fourth section was a special office that dealt with security, performing special activities.

There are two other offices that depended on both secretariats. One was the Personnel Office with control responsibilities for the administrative and clerical personnel of the NRC, and the other was the Internal Accounting Office which dealt with the control of the small amount of money that was managed by the NRC, especially the money controlled by the Military Secretariat. This Secretariat collected funds derived from the distribution of building materials at a subsidized price. It also received some government allocations.

The NRC was supported, on paper and by law, by all Guatemalan governmental institutions but it had strong real support from BANDESA, and BANVI, especially during 1976, 1977 and 1978. It also received strong support from the National Financing Corporation, CORFINA, the banking system, especially the Bank of Guatemala, INFOM and the cooperative movement during 1976, 1977, 1978 and part of 1979. After 1979, its support diminished due to political considerations and changes in government policies.

The NRC had a total of about 220 people employed in its work in 1976, but by 1981 had decreased to about 160. The largest group of people were in the SPU - about 52 percent; next came the Army Secretariat and its supporting officers - approximately 15 percent; the PPIU - eight percent; the PRU - some six percent; the UNIC - four percent and other offices - about 15 percent.

Before leaving the topic of NRC organization it should be noted that in order to decentralize development plans and to improve efficiency and effectiveness and to give priority to programs for the

poor, the NRC promoted several departmental coordinating offices - with the respective Departmental governors in charge of them.

Policies, Objectives and Mechanisms Developed by the Guatemalan Government to Carry Out the Reconstruction Process

As a new organization starting after some early work had been done on reconstruction planning, the NRC had to be eclectic. It therefore accepted some of the guidelines already formulated by different institutions and individuals. It assembled an interdisciplinary team of experienced Guatemalan field scientists, well respected managers, army officers and professionals hand picked by the first Executive Director. This team transformed these early guidelines into pragmatic policies, strategies and mechanisms designed to benefit the people affected by the earthquake, especially those living in rural and depressed urban communities.

The NRC could not follow the Guatemalan government's historic patterns of development. The result of previous National Development Plans was perceived by this committee as economic growth at the expense of socioeconomic degradation, producing severe and unneeded cultural disruption and biological deterioration. For several years indicators of economic growth had shown an increase in the GNP and in the output of agro exports - coffee, cotton, sugar, beef, banana, cardamon and other products. These indicators also showed a steady increase in industrial productivity, tourism and trade and an economic expansion of exploitation of non-renewable natural resources such as minerals and

petroleum. Economic data also revealed expansion in the number and size of transnational companies and other sources demonstrated their increasing influence in government decision-making processes and actions. Finally, various indicators revealed an increasing economic gap between the poor and the rich in both the qualitative and quantitative sense.

Other indicators of social degradation, severe and unneeded cultural disruption and biological deterioration showed a very severe nationwide situation. The NRC compiled some information that describes the 1975 conditions of Guatemala as follows (Balcarcel et al 1978): There was a housing deficit of approximately 500,000 units before 1976 and this deficit was increasing sharply. Some 1,355,000 children were not attending school, about 22 percent of the total school age population of the country. Only 12 percent of the rural and 40 percent of the urban population had potable water connections. The infant mortality rate was calculated to be between 80 and 200 deaths for every 1,000 children born, depending on community, and life expectancy averaged 53 years. Other indicators showed not a community development process, but one of deterioration and stagnation.

At the natural resources level the picture was darker. A document used by university students in the Department of Engineering, University of San Carlos (Ferraté 1979), stated that approximately 50 percent of the renewable natural resource base of Guatemala was degraded and that it was decreasing sharply. About 70 percent of the water and land resources were contaminated to different degrees. It stated also that

67 percent of the total area of the country had erosion losses, increasing run-off and solution processes of about 12 metric tons per hectare per year, amounting to some 70,000 square kilometers. These problems were especially severe on the southern coastal plain and in areas of pumice grabens. Between 63 and 67 percent of the original vegetation had been cut, burned or replaced by inappropriate vegetation and, as a consequence, the country, as a geomorphic unit had been increasingly exposed to hazards and risks derived from environmental events or other natural phenomena. The country had been made vulnerable by man-made processes that had decapitalized the country and lowered its natural environmental resistance.

The NRC also believed that the "models of development" used in the past had created a very dangerous power structure that was responsible for the increased level of violence in the country and for retarding development. The only people benefitting from these circumstances and events were at the political extremes, and a number of scientists on the Committee believed that a violent confrontation could be expected between these extremes in the next few years. These thoughts were brought up for consideration by the top authorities of the NRC and these authorities began to realize that the Guatemalan government had been ill advised in the past by bureaucrats, with little field experience and a lack of direct knowledge of the socioeconomic realities and the political situation that the earthquake had exposed. These top authorities decided that development programs of the reconstruction process should not just complement, and in some instances restructure the programs and

projects of the National Plan for Development 1975-1979, but introduce new basic concepts that would emphasize community development and the conservation of natural resources.

Everyone at the NRC realized that the reconstruction process presented a unique opportunity to make economic growth compatible with social, biological and political needs and to optimize the use of the natural, technological and institutional resources of the country.

Members of the committee were not naive, but knew at the beginning that efforts to curtail the activities of the NRC were taking place at different political levels. They had shown top decision makers that Guatemala's economic growth and "development" was going on at the expense of cultural disruption and the social degradation of low income communities and that it was leading to the deterioration of the natural resources. As a result, a potential confrontation between the extreme left and right might be forthcoming. The scientific staff and the top authorities of the NRC had a very deep concern about the potential for violence stemming from these problems.

In order to avoid violence, the reconstruction process should have a new conceptual framework to help overcome socioeconomic inequities and try to improve the natural resources base. The task of accomplishing this was difficult and delicate due to the lack of public confidence in past Guatemalan government programs. This lack of confidence stemmed from the fact that most such programs were based on very large economic investments in high technology with little social meaning and grass roots impact. As a consequence, rural communities mistrusted most

government programs. Since the NRC was an arm of the government, it could inherit this distrust.

By the end of March, 1976, the conceptual framework discussed above developed into a "reconstruction-development" philosophy. The central theme of this philosophy was to attempt to adjust the cultural order to the natural order, and as a result of this adjustment, create a peaceful, evolving, continuous and expanding development process. This reconstruction-development philosophy was stated through the published intentions and purposes of the NRC. The philosophy was converted into operating policy through the following guidelines:

- The organization and participation of communities at the grass roots level is considered mandatory in order to obtain a decision-making process which proceeds from the bottom to the top, establishing different responsibilities at each level of participation and, at the same time, enhancing the cultural interchange among levels.
- The satisfaction of the different levels of social, economic and biological expectations of the communities has to be accomplished mainly through the use of their own appropriate technology, local labor and materials and not by the use of outside innovations that might cause severe and unneeded social disruption or degradation.
- The development of community self-confidence, self-reliance and self-expression has to be promoted in order to reject patterns of dependency, paternalism and consumerism and to enhance the communities' own working capacity and

imagination and thereby to create integrated development.

- The NRC should try to promote a better relationship between man and nature through the balanced use of natural resources, the improvement of management techniques and the increase of natural productivity. It should also encourage conservation activities that permit the use of physical and biological energy in the reconstruction process and in the agricultural-pecuarian-forestry systems.
- The reconstruction process should encourage emphasis on goods, services and commodities that are available locally and not on exotic goods. Paternalistic temporary programs should be discouraged. The reconstruction process should be regarded as development of a means to stimulate and promote improvement of social organization and the increase of participation in the country's development process.
- The NRC understands that the cultural heritage of the country was and is an expression of the traditional value codes of the society and it should try to restore national monuments not only as a means to preserve those expressions of culture, but to stimulate growth of new ones.
- International and national private cooperation, aid and other assistance should be understood as an intercultural effort to improve the quality of life of depressed rural and urban communities and not as a means to introduce innovations or other exotic diffusion patterns that could create severe and

unnneeded cultural disruption. International and national private cooperation and related activities are perceived and understood as a unique opportunity to share technologies, attitudes, development models, value codes and culture in a direct way, without government, political or economic interests intervening, but on a person-to-person basis.

Therefore the NRC has to become a general forum to discuss and coordinate the activities that the NGOs need to perform in the reconstruction process.

- The NRC should promote and establish the necessary mechanisms to assure a continuous flow of building materials, technical and qualified labor and banking-financing systems to speed up development programs being carried out as part of the reconstruction process.

- The NRC wants to become a link between different social and cultural groups that form the structure of Guatemalan society. It is one of the original goals of the NRC to develop a feeling of nationhood through the NRC and also to become a kind of open forum to establish a dialogue between the communities, the Guatemalan government and the private sector.

Some of these original goals of the NRC were lost with the political problems that the NRC had in 1978 due to the participation of its four top leaders in political campaigns, but the dialogue continued until 1980, when political violence increased and communities started losing faith in the NRC.

These policy objectives needed to be supported by practical mechanisms. The Guatemalan government had created an institutional, philosophical and political framework for the NRC and supplied it with a good scientific and coordinating staff that created a more detailed conceptual and philosophical framework and more specific policy objectives. These needed to be crystalized into operational realities through strategies and practical mechanisms that could be sent into the field. These practical mechanisms needed to take into consideration the social, political, economic and ecological problems that the Guatemalan government was facing in 1976 and try to find solutions to them while satisfying the objectives set by the NRC. For each of the main problems, a strategy and mechanism was created. These strategies or mechanisms were as follows:

(a) Inflation was hitting the Guatemalan economy through the escalating costs for increasing amounts of imported fuels and other goods and services. The lack of building materials - especially cement, iron rods, timber, glass and plastics, and the pressing need for them in reconstruction, could magnify the inflationary process. Therefore, the NRC set a quota system to manage basic construction materials and stimulated the private sector, BANDESA, BANVI, and other institutions to recycle wood in their construction process. The NRC also stimulated local cement related industries, such as block factories and other building material industries, to produce at their maximum capacities. In some instances, however, the quality of their product was lowered, due to the lack of standard control systems.

(b) The bureaucratic problem presented by Guatemalan governmental institutions and the delapidation of their resources due to overlapping functions and geographical areas was one of the main problems to be overcome. The scientific and technical staff of the Guatemalan government was competent, underpaid and underrated in status, while the administrative-political staff was overpaid and given the status of decision makers. The NRC tried to overcome this problem but failed outside its own interior structure. As a consequence, the reconstruction process was affected by inefficient, slow paced expensive bureaucratic practices that were often used to rehabilitate social services and other large infrastructural facilities. The scientific and technical staff wanted to move rapidly but this bureaucracy, managed by politicians, slowed down most of their activities and lost the good will of this technical staff.

(c) Migration from rural areas to urban capitals and finally to the metropolitan area of Guatemala City was another problem. Approximately 80 percent of the services and 65 percent of the industries are in this area and provide opportunities for jobs. The migration rate six months after the earthquake was estimated to be up to 150,000 persons (Chavarria 1978) a year. Some complementary problems were derived from this migration. One was the mushrooming of small "settlements" in public and private areas or the creation of

"palomares" or slum houses. Another was the rumor that the Guatemalan government was going to develop huge "free" urban projects. This rumor encouraged the desire to migrate because many people from the rural areas believed the rumor and decided to obtain a "free house." The NRC could not cope immediately with this problem because some NGOs had given free housing aid to some communities, thus adding substance to the rumor. To counteract this movement, the committee decided to subsidize rural housing projects to forestall future migration to urban areas. As a result the NRC sent some foreign and Guatemalan NGOs to the villages and towns of Chimaltenango, El Progreso, the rural area surrounding Guatemala City, the western part of Zacapa and Jalapa and to other rural areas affected by the earthquake. This was done in a deliberate attempt to retain future migrants in these areas and to stimulate development projects that would create better local conditions and induce the people to stay where they were.

(d) A shortage of money for community development in the Guatemalan government and in NGOs was seen as a fundamental problem. Most of the national budget was used to pay office workers, or to finance gigantic hydroelectric projects or other huge infrastructure programs such as the construction of roads, public buildings, airports, and so forth, and there was little money left over for education, training and the development of rural communities. The few such programs that existed were

operated paternalistically and were believed by members of the committee to be culturally meaningless. The NRC urgently needed funds for its programs and the money could not be transferred from existing development projects because the Guatemalan government considered it important to carry them out and because they were required by conditions set in international loans and guarantees. The NRC pressed the Guatemalan government to issue bonds and to transfer whatever money was available from non-mandatory programs. The Guatemalan Congress, through its Decree 8-76, legalized the issuance of up to 122.0 million U. S. dollars in bonds to finance the reconstruction process. Later Congress enlarged the 1976 budget by 190.2 million U. S. dollars also earmarked for reconstruction and development programs (Balcarcel et al 1978). On paper approximately 312.0 million U. S. dollars was authorized for the rehabilitation of the infrastructure and other development programs related to the reconstruction.

Other funds came from international sources of assistance. In addition, government to government loans and other technical assistance was made available. The amount contracted by these loans was close to 157 million U. S. dollars. This included some loans that were renegotiated during the emergency (39.9 million U. S. dollars) but excluded the cash donations given to the NEC by private individuals, NGOs and friendly governments that amounted to approximately 10.7 millions (Balcarcel et al 1978).

These funds were allocated by the NRC to the various Ministries of State of the Guatemalan government. Unfortunately

they were only partially used because of the inadequate capacity of the 174 governmental institutions to execute the programs that the NRC requested in 1976. Bureaucracy and the slow-paced operational mechanisms associated with it could not cope with these vast amounts of money. Programs were delayed year after year and funds were extended into the following year's budget until much of it was finally dissipated. The NRC tried to decentralize reconstruction activities by allocating some of the funding to the private sector, especially to NGOs, but governmental institutions fought against these decisions, using national pride as an issue. The result was a setback in the decentralization of reconstruction activities and a slow down in the reconstruction-development process.

It is worth mentioning that the best operational system used by the NRC was "FEER, Fondo Extraordinario Específico de Reconstrucción," which was managed by the Bank of Guatemala and had a funding of approximately 143.5 million U. S. dollars in 1980. This fund was part of the total amount of reconstruction-development money assigned to the reconstruction process. About half of it had been allocated to BANVI and the cooperative system for urbanization and development of housing projects.

A large amount of money allocated to the Ministries of Health and Social Assistance, Communications and Public Works, Education and Culture, and Interior was not used in 1976 and was reprogrammed in 1977, but of this, only 103.0 million U. S. dollars was

allocated for reconstruction programs. In 1978 this amount was reduced to 70.6 million U. S. dollars in spite of the fact that statistically reconstruction programs had 50 percent better efficiency than ordinary government projects. This meant that the Guatemalan government was cutting down on the social effectiveness of the NRC by diminishing its actual funding and in the long run, depriving communities of participation in the decision making process. The NRC continued trying to become an effective executive unit, able to manage its own funds and programs, but it did not have a good chance to succeed, given its bureaucratic environment.

(e) The NEC did not have the legal capacity to perform reconstruction programs and therefore could not coordinate the programs of NGOs. It therefore transferred the reconstruction activities it had started to the NRC. Fortunately, some NGOs saw the NRC as the solution to their own problems and a strong interaction between them was initiated by a trial and error process. This process was painful but successful. Mistakes were hardly ever repeated and the most serious problems were solved by dialogue and good will. As time passed, intense comprehensive interaction developed between NGOs and the NRC. The committee began promotion of development projects and NGOs reacted by pouring funds into the reconstruction process.

The total amount of direct assistance from NGOs is estimated at between 130 and 150 million U. S. dollars between 1976 and 1981. The exact figure is not known because NGOs usually did

not report their total investments to governmental offices. An additional amount of about 20 percent should be added to these investments due to administrative costs. Without any doubt, this massive flow of money represented the best and most positive investment in the improvement of the quality of life for poor communities ever made. It achieved far more than the much larger investments that went into government programs which never quite came off.

(f) Another problem arose from speculation about the real destination of reconstruction development funds. There was a lot of confusion between funds managed by the NEC and by the NRC. Groups with vested interests and political parties initiated rumors and defamatory campaigns claiming mismanagement of funds. The NRC, however, did not directly manage any funds but allocated them to other governmental institutions through the Ministry of Public Finance and the governmental banking system. The only funds that the NRC was permitted to manage were the emergency building materials funds, about 100,000 U. S. dollars in 1976. This activity was carried out by the Military Secretariat.

Rumors of misuse of funds created a lot of problems in some of the poor communities where people really believed them and lost faith in the NRC. Through much dialogue and open-door discussion, little by little, the confidence of the communities in the NRC was built back to the level needed for effective reconstruction.

(g) The lack of adequate urban land for housing projects in the metropolitan area of Guatemala City as well as the lack of an adequate infrastructure for public services presented another problem to the NRC. The NRC found about 35,000 families, only 20,000 of whom were due to the earthquake, living in "settlements" and other refugee camps. They were landless, homeless and extremely poor. Most of them had no way to make a living. This problem demanded a solution.

The Guatemalan government did not have an urban land acquisition policy. BANVI owned some tracts of land but only enough to meet about 10 percent of the needs. This problem of squatters settlements was a severe one and the NRC initiated negotiations with the land owners concerning land that was available and could be acquired. In some instances, due to bureaucratic problems and legalities, two years were spent in acquiring tracts of land that were, meanwhile, booming in prices due to inflation and speculation. Only the tracts of land acquired in 1976 and 1977 were bought rapidly and at prices not inflated by economic problems. The NRC, through BANVI and the Land Commission, finally bought some pieces of land at high prices but the ones acquired were not large enough to meet half of the needs.

(h) Competition for building materials, but especially for labor, between the private sector and the NRC presented another problem. The private sector, above all large construction companies, demanded building materials and qualified labor for

their own reconstruction projects. The NRC had funded a series of large building projects for such facilities as small hospitals and health centers, large schools, bridges, highways and administrative buildings, through several other government institutions - mainly the Ministries of Communications and Public Works, and Public Health and Social Assistance. Some of these were being built by the private sector. The industrial capacity of Guatemala to produce building materials was overtaxed and shortages became a bottleneck for the development of reconstruction programs. Without any doubt, a greater bottleneck was presented by the scarcity of qualified labor. Private and governmental programs, initiated by the NRC, were initiated to train workers as electricians, masons, carpenters, blacksmiths, plumbers, and so forth. Most existing skilled labor was hired by the private sector and an unskilled or poorly trained work force remained to work for government institutions or in NRC reconstruction programs. A migration of skilled labor from rural to urban areas was triggered, depriving rural areas of part of their social organization and their best technical staff. As a result, communities could not obtain the technical leadership needed to rehabilitate their infrastructure. The NRC, with the help of INTECAP (Technical Training Institute) started programs of in-service training, self-construction and mutual aid. These programs were very successful because they permitted

the training of unskilled labor in productive activities as well as providing the basis for organizing communities for future development activities at the grass roots level.

(i) The NRC, from the beginning, lacked technical field personnel and this became its main weakness since it had difficulty supervising work done by other government agencies. The necessary technical staff was supposed to be lent by the other government agencies but in spite of periodic requests, this personnel was never assigned to the NRC. Field supervision was carried out using very few persons and this few could not cover all geographic regions or perform all of the functions assigned to them.

The Guatemalan government did not have the structure or operational and functional capabilities to reconstruct the infrastructure lost in the earthquake and the NRC had recognized this from the beginning. It promoted the organization of communities and their participation in the reconstruction process through local reconstruction committees or through any other existing community group. This established the mechanisms and communications system necessary to improve the administrative, managerial and operational potential of local communities.

(j) The NRC was legally authorized to issue decrees, mainly to transfer funds to executive units, to buy land, recoup loans, to financially support cooperative systems and to legalize any other activities needed to facilitate the reconstruction process. The mechanism of decrees sped up some

programs but by 1981 even this process of issuing decrees had become bureaucratized and it was difficult to simplify it.

(k) In order to limit the overlapping of programs in rural and urban areas, the NRC promoted the creation of "Departmental Institutional Coordinating Units" led by the governors of each department. These Coordinating Units were supposed to integrate all the activities of regular governmental programs and reconstruction programs and projects in order to optimize the use of funds, equipment and personnel. Some such units succeeded and some failed, depending upon the interest of each governor. The concept was regarded as a good one and it permitted the NRC to correct some of its policies, strategies and actions during the first two years.

(l) Another problem arose because middle class families affected by the earthquake did not have access to subsidized loans. To solve this problem, the NRC stimulated the banking system into giving loans to this sector at normal rates. Close to 13,642 loans were approved, amounting to some 63.4 million U. S. dollars (Balcarcel et al 1978).

Summary of NRC Problems and Solutions

As can be seen, the NRC developed many strategies and mechanisms to speed the reconstruction process. Some of the strategies and mechanisms were carefully planned on the basis of knowledge and understanding of the

problem, but other strategies and mechanisms were improvised due to emerging and not well understood conditions. The NRC formed strategies and mechanisms for solving short and medium term problems and, on the basis of them, created programs and projects. The form of these programs and projects related to the Committee's philosophy of community organization and participation; perpetual use of natural resources, improving the quality of life, and the rejection of consumerism and paternalism. However, the NRC also had to cope with daily problems and set strategies and mechanisms through "instantaneous planning," based on the knowledge and experience of its scientific staff.

During 1976, 1977 and 1978, the NRC was the highest authority for the reconstruction process, but after 1978 it was transformed slowly into a coordinating unit rather than a policy-decision making entity. This loss of power and influence occurred due to a lack of governmental and political support, some of which was due to a lack of understanding of its functions and some to losing its original credibility and charisma. By 1981, the National and International Cooperation Unit was the only one that still maintained credibility and achieved a degree of success in its activities.

Due to the growth of political violence between the right and left, some of the NGOs reacted by freezing their activities, leaving the violent areas, or transferring their projects to the eastern highlands of Guatemala, where continuous but destructive small earthquakes derived from volcanic activities frequently produce infrastructure damages in very economically poor communities. Many NGOs left the country because the international demand for aid and cooperation was increasing worldwide and there were far less dangerous places to work than Guatemala in 1980 and 1981.

Today, in 1981, other units of the NRC are still functioning at a coordination and advisory level, some executing small projects, but it

appears that the NRC will be submerged by the consequences of a manmade disaster produced by political violence. Such violence is the worst enemy of development and the greatest cause of social and economic deterioration. From the beginning of the reconstruction process the NRC took the view that violence had to be prevented by development activities. Time has proven the NRC vision correct. The answer of the NRC to political violence, guerrilla activities, repression and any other activity increasing social tension was to carry out a continuous peaceful development process, based on an intercultural sharing process and the perpetual use of the natural resources that could insure the presence of man in the landscape.

Relationship of the NRC to Foreign Agencies and Groups

As already stated, the NRC inherited some NGO projects from the NEC as well as the obligations of the Guatemalan government toward them. The NEC had assigned some towns and geographical areas to different NGOs and when the NRC came into being they were working almost on their own. The NRC wanted the activities of NGOs coordinated by a special unit that would facilitate administrative procedures, bureaucratic paperwork and furnish consistent guidelines for the reconstruction process. The Committee was especially concerned because it felt some NGOs were promoting paternalism.

The NICU of the NRC was created in the last week of March, 1976, but its members did not have solid experience and knowledge concerning the functions, scope, goals and structure of the NGOs. From the beginning, however, several operational concepts concerning NGOs were followed. The most important concept was that the NGOs should have autonomy in the management of their own funds. The NRC knew about some of the negative experiences NGOs had during the "reconstruction" of Managua, Nicaragua in 1972 and during the rehabilitation of the coast of Honduras after Hurricane Fifi.

The NRC was not interested in managing money but in obtaining a serious commitment from the NGOs to carry through development programs and rehabilitate the infrastructure. It preferred to discuss the type and purpose of aid, final results and the quality of programs as well as their social and economic impact with the NGO and leave the management of money to the NGO who would bear the cost of the commitment. If it accepted money, then it also would have to establish and manage programs or allocate the money to some organization with such a program. Besides, if the NRC received money to carry out x number of projects, galloping inflation could diminish the size of the projects before they were ever accomplished. Most of the NGOs had a better and more economical administrative system than the Guatemalan government and it would be irrational to obtain money from relatively efficient NGOs and transfer it to relatively inefficient Guatemalan government agencies where administrative costs were high. It was decided therefore that NGOs should have autonomy to manage their own money because that meant also that they would manage their own programs.

The NGOs needed to have freedom of action and movement. In 1976, most of the administrative and technical staff of the NGOs were better qualified than most of the NRC, with the exception of the NRC scientific staff. In addition, NGOs had international experience and the NRC could benefit and learn from it. The only rational way for the NRC to support NGOs was at the conceptual level. The Committee followed the policy that the NGOs could have the freedom of action and movement to contact communities and, with the local people, jointly decide what to do, but always framed by the general guidelines of the NRC.

During the first months of 1978 the idea of freedom of action and movement was expanded into a mutual feeling of trust. If the NGOs were

going to trust the NRC, this entity should trust them by recognizing their value judgements, their humanitarian approach, their interest in integrated development and in a word, their conceptual sanity. The NRC could not manage the NGOs if there was distrust and misunderstanding. It was granted by both sides that mistakes were going to be made, but sometimes mistakes bring about humility, and a willingness to learn.

The NRC wanted the NGOs to be effective, that is, to achieve their goals and at the same time, try to be efficient. This combination means that mistakes will be made but things will be accomplished. Some mistakes were made mainly in the reconstruction of infrastructure, but very few in the community development process. Unfortunately, in late 1980, a struggle for "perfectionism" was initiated in the NICU and the consequence has been more government control and paperwork in NGO programs.

The third principal followed by the NRC was to legalize the operations of the NGOs in the reconstruction process through signing contractual agreements. Most of the NGOs involved in the reconstruction process were working in Guatemala for the first time and they did not have the proper legal status to legitimize their work in the country. Some had operated for several months or even years without obtaining the proper authorization to legalize their status. In 1976, lawyers at the NRC prepared the proper documents in the form of legal agreements between the NRC and the NGOs. These agreements were signed by the legal representative of the NGOs, the Executive Director of the NRC and by representatives of communities where appropriate.

These agreements permitted the NGOs to legally operate in Guatemala. To the NRC, it meant that the NGOs were committed to a community development-reconstruction process and that as a result, infrastructure was going to

be built or improved. Unfortunately, as things turned out, some NGOs were more interested in building infrastructure than in starting a development process. Fortunately, from the point of view of the Committee, they left after the infrastructure was rebuilt.

Policy Decision With Respect to Foreign Groups

About 210 NGOs were engaged in the emergency and relief operations and, according to the NEC, most of them did an excellent job. The ones that operated only on a short term basis during the impact, relief and emergency phases, did not want to participate in the reconstruction process and about 25 percent of those 210 NGOs left Guatemala by the end of April. In 1976, about 70 agencies interested in long term rehabilitation and development decided to participate in reconstruction-development programs.

The NRC needed as much help as it could get due to the magnitude of the disaster and invited NGOs to participate in the reconstruction process through development-oriented programs. The NGOs and their staff were welcomed as "working ambassadors" by the NRC and they were encouraged to select development programs on the basis of their own experience and potential. Several geographical alternatives were given to them with the objective of concentrating their efforts in an area from which their influence could spread to other reconstruction programs and projects in peripheral towns. This set the grounds for the most important policy decisions. They were intended to transmit the idea of reconstruction-development to NGOs. This process of involving NGOs involved the following steps or measures:

- (1) An invitation was issued to the NGOs to participate in the reconstruction process through conducting development-oriented programs in areas jointly selected by the NGO and NRC.

(2) Total autonomy was given to the NGO in the management of funds and freedom of action and movement in its operational and administrative activities were granted.

(3) Activities of the NGOs were legalized through an agreement that was based on legal and ethical issues as well as upon explicitly stated plans that committed NGO to rehabilitation and development.

(4) The directors and other staff of the NGOs were welcomed as working ambassadors, with a similar rank as the diplomatic corps, but with no protocol.

(5) The NRC established and reinforced guidelines for the reconstruction process but communities with the assistance of the NGOs and local reconstruction committees set local goals and objectives.

(6) The NRC committed itself to facilitate all the bureaucratic paperwork needed to speed up development of the reconstruction programs of the NGOs.

(7) The NICU acted as the coordinating branch of the NRC and its duties were to promote community development projects among the NGOs, to exchange information with them, and to optimize the effectiveness of development programs by establishing regulations and guidelines to avoid unnecessary and severe cultural disruption.

These policies established the structure that initially defined the relationship between the NRC and the NGOs. After these policies were set, however, a series of pseudo-NGOs tried to take advantage of the opportunity that the NRC had given to private voluntary agencies to operate in Guatemala. Therefore the NRC had to tighten its policies by introducing mechanisms to control the work of some agencies. These mechanisms consisted

of insisting upon definite time tables and schedules to carry out the projects and related activities. Most of these bogus NGOs left the country by their own choice, with the exception of two that had to be invited to leave the country. One of the main problems with such organizations, which were often newly formed, was that they promised projects for which they had no funds and wanted the NRC to legitimize their money-raising efforts outside Guatemala. The NRC was interested in the organization and the participation of communities in development programs and could not support entities that did not want to sign an ethical-legal agreement to operate in Guatemala or have the technical and administrative know-how to raise funds for development projects. In spite of these precautions, the NEC, and later the NRC, were informed that some groups that did not do anything in the reconstruction process but nevertheless had raised funds that never came to Guatemala. Others tried without success to import duty free goods, services and materials into the country to be sold later at a profit.

The agreements signed during 1976 and 1977 contained many undefined obligations and unspecified activities as well as generalities that later created confusion and interpretation problems. After 1978, agreements became more specific, detailed, and more development oriented and since that date they have improved constantly.

The NRC signed about 165 agreements and addenda with some 110 NGOs, 85 of which were with international or foreign organizations. These agreements account for about 45 percent of the total community development-reconstruction programs carried out by the NRC in the area affected by the 1976 earthquake.

The Guatemalan government expected NGOs to fulfill their commitments based upon the agreements and addenda. At the beginning, 1976 and 1977,

the NRC was extremely interested in the creation of a social infrastructure as a means of giving communities the mechanism to reconstruct their own infrastructure and services in order to improve their own welfare, but after 1980, due to the increase of political violence, it advised NGOs to build more physical infrastructure than social organization. The most effective period of reconstruction-development for NGOs was the initial period from March 1976 to November 1977, and especially from February 1978 to November 1980, because during these periods the NRC guided the reconstruction process toward community development and the most successful projects were carried out. The NRC saw to it that the social infrastructure built by the reconstruction-development programs of the NGOs was carried out with community participation and organization. Through NGOs and the NRC, communities rediscovered or introduced development concepts and improved administration of resources. They also developed the capacity to manage cooperatives and increased self-reliance and self-expression.

NGOs worked using these basic concepts until 1978, when the NRC introduced complementary concepts as guidelines to further promote community development programs. By that time NGOs had developed a joint decision making process with the NRC. This process was used to solve emergency problems, improve mechanisms and procedures used in development programs and to insure commitment to the well-being of the communities.

After 18 months of field experience, some of the policies and expectations of the NRC had to be revised due to mistakes that were recognized by NGOs and NRC. This willingness to revise strategies was a healthy indicator that needed change was occurring. The new concepts introduced were a mirror of NRC commitments to the communities from which they sprung.

It was felt that NGOs needed to introduce these new ideas into their projects so that they would be more effective at the community level.

The new ideas introduced as policy were:

(1) The NGOs had to succeed in their projects in order to promote confidence between the communities and the NGOs. Unfinished projects did not mean just lack of funds but also failures in community development. This lowered local confidence in the development process itself.

(2) Development should be regarded as a means and an end. Development should not be used to obtain prestige for an agency or to create dependence in communities upon foreign values or institutions. Development does not have to transfer technologies, culture or institutional concepts that create social unrest, stagnation and dependence and it has to be a humanitarian goal as well as an intercultural process. In the long run, it amounts to an attitude toward nature and society.

(3) The most important goal for the NRC is the well-being of people and no mechanism, NGO, foreign value or organization has a higher priority than the well-being of people. NGOs need to commit themselves to the local people and relate their programs to the local environmental conditions and participate as members of the community and not as outsiders that come to "help." NGOs should share their attitudes, money and purpose with people. If their activities are not accepted by local communities, development is not being achieved and the NGOs need help to initiate an intercultural process that will permit the acceptance of the NGOs. This may mean changing the NGO instead of changing the people.

(4) NGO programs should not originate from mandates of their donors, boards of directors, or foreign policies of their countries, but they should originate from the social, economic, biological and spiritual needs of the communities they serve. NGOs are not in the reconstruction process to offer charity, but to cooperate with people in their own efforts to achieve their own expectations and to win their struggle for freedom of movement and independence.

(5) The reconstruction process should encourage self-expression, self-reliance and biological independence. The NGOs should not attempt to control the destinies of communities by making them dependent on funding, technology and emotional ties to the agency.

(6) NGOs have to participate in the reconstruction process by identifying local leaders that will become the axis of communication and diffusion of development consciousness. The NGOs should not try to solve the problems of the communities by themselves, but should stimulate the leaders of the community to build their own strength and capacities to solve them.

(7) The best development project is the one that can be carried out by the community with a minimum of outside input. The more inside output and the less dependence on technological and conceptual transfers, the more environmental resistance to hazards and risks will improve.

(8) Development also means the organization of time and space as well as the production of orderly landscapes. The organization of time and space means that the community will use different levels of energy for its development than in the past in order to optimize its way of life. Nature should work for the communities by transforming higher levels of energy in goods and services to people by local