



«THE MUNICIPALITY IS ALL OF US» HOW THE SWISS COOPERATION SUPPORTS DECENTRALISATION IN BOLIVIA

Bolivia, one of the poorest countries in Latin America, is experiencing turbulent times. Fundamental government reforms and drastic economic measures are driving a process of social transformation. International cooperation is confronted with a changing environment, which hampers the effective targeting of support measures. The municipalisation of the country is one of the key reforms. The far-reaching decentralisation process that began in the mid-1980s put an end to centralised structures. The Swiss Cooperation has been supporting these reforms from the beginning.

Travellers around Bolivia will come across the same thick tome in mayors' offices even in the remotest villages: Bolivia: Statistical Atlas of Municipalities. The publication in 1999 of geographical maps of Bolivia's more than 300 municipalities marked a milestone on the path to country's decentralisation. For the first time in their history, many municipalities obtained a real and accurate picture of their territorial boundaries. With the publication and distribution of this new standard reference work, which was compiled by Bolivian specialists, the SDC celebrated its 30-year partnership with this Andean country. The atlas provided visible evidence of the importance that was being given to the municipalisation of a country that had previously set little store by local self-government.

"We often took risks in supporting projects in Bolivia", says Marco Rossi, a former Swiss Ambassador in La Paz. In the mid-1990s, there was a radical change in the way the central government distributed public funds. As a result, municipalities were strengthened as never before in the country's history. The promotion of municipal self-government became a



These children have good reasons to smile: over the last decade, their future prospects have improved, particularly in rural areas – not least because of decentralisation.

guiding principle for many SDC projects. "It was not just a matter of redistributing government revenues, but also of involving citizens, step by step, in decision-making about matters that affected them directly," stressed Rossi.

MORE FUNDS FOR RURAL AREAS

Many Bolivians agree that the process of decentralisation and the delegation of power to local authorities are irreversible. No one dares call into question one of the most far-reaching reforms of recent years. The Law on Popular Participation stipulated that 20% of national tax revenue is to be distributed to the approximately 300 municipalities. This set an unprecedented redistribution process in motion. The main beneficiaries of the new law were rural areas with a majority indigenous population – regions that had been abandoned by the central govern-

ment for generations. The new law transferred to the municipalities responsibility for building and maintaining local roads and paths, improving the infrastructure of schools and health services, and promoting economic and social development. It also established a legal foundation for the municipalities to spend public funds properly and to be accountable to citizens in their use of such funds.

A manual for local promoters of popular participation compiled on the initiative of an SDC project reflects these changes from the perspective of the rural population: "Many things have changed since 1994, the year when the popular participation law was passed. No one took us seriously before. Plans were elaborated by engineers and technicians who knew neither the conditions in rural areas nor our communities. Many of the projects that were developed were useless, failed to meet our needs and were a complete waste of money. It was practically impos-

sible for us to have any influence on what was happening in our communities. Now we had to learn to develop new self-government skills. We started making plans, not just for the short term, but for the future: We learned to implement participative community planning."

In the 1980s, ten years before the Law on Popular Participation was passed, a series of SDC projects were already preparing the ground for decentralisation. Carlos Carafa, a Bolivian sociologist who worked for several years as an SDC consultant, remembers those pioneering days. Experience with participatory planning methods was gathered at the micro-regional level. The SDC assisted governmental development agencies in Bolivia's southern departments in elaborating regional development plans – a first in those days. When the law came into force, Bolivia already had a group of proven professionals," says Carafa. No sooner had the Vice Ministry of Popular Participation been created than the SDC provided funds to enable the first team to start working.

FROM CENTRALISM TO LOCAL SELF-GOVERNMENT

Decentralisation is one of the most important reform efforts undertaken worldwide in recent decades. Bolivia was not

an isolated case: International Cooperation saw the strengthening of local municipalities as an opportunity to promote democracy and equal rights. Moreover, the impetus at the local level provided a unique opportunity to modernise public administration structures, reduce poverty and stimulate the local economy in municipalities and regions. Along with the World Bank, the United States and Spain, Switzerland was one of the principal donors that assisted Bolivia in implementing the reforms. Transfer payments from the central government rose dramatically at the same time. Moreover, between 2000 and 2006, municipalities were themselves responsible for no less than 46% of Bolivia's public investment.

Independent evaluations point to a series of positive results, such as an improvement in the quality of the education and health system in the municipalities. The ability of local authorities to negotiate with the central government in La Paz has also been strengthened. Citizens have become increasingly aware of their rights and responsibilities – a phenomenon that has promoted the burgeoning of an active citizenry. Local institutions have been strengthened and democratic rules have been established to regulate access to power. Today, most mayors in rural areas are farmers or indigenous people. The popular demand for "ojotas al poder" (power to the sandals) is being fulfilled.

A NEW DEMOCRATIC CULTURE

As part of the Municipal Democracy Support Programme (PADEM; Programa de Apoyo a la Democracia Municipal) hundreds of men and women in the highlands, valleys and lowlands were trained to be promoters of popular participation. Their involvement was crucial to empower ordinary citizens in many municipalities. The goal was to strengthen the capacity of marginalised groups to obtain funds and to participate in democratic decisions. "For the first time in Bolivian history, municipalisation is making it possible to empower farmers' and indigenous people's organisations and thereby to democratise local power structures", says Renata Hofmann, a Swiss sociologist who has been living in Bolivia for more than 30 years and who coordinated PADEM efforts on behalf of the AOS/Solidar Suisse NGO during the decisive years when the programme was getting off the ground. As Hofmann sees it, one of the distinctive characteristics of municipalisation in Bolivia is "the radical involvement of local people in the planning and control of the municipal administration." A case in point is the involvement of ordinary citizens in the formulation of municipal development plans as well as their participation in the work of monitoring committees. PADEM will soon celebrate its 20th anniversary, a long life for a project supported by the SDC. Such a long project is justified, says Hofmann: "The aim is to change behaviour, which doesn't happen from one day to the next."

The first PADEM promoters did not want to play an active role in municipal democracy, but merely to provide assistance. They were specialised in facilitating dialogue at the municipal level between citizens, public authorities and existing civil society organisations. They kept repeating the slogan "The municipality is all of us". Extended workshops were organised in the municipalities, generally three times a year. Members of the local authorities and citizens' representatives were given the opportunity to obtain information, share experiences, brainstorm together and reach agreements. Respect for each other's cultures was a basic principle. Meetings were held in Quechua, Aymara or Guarani, particularly when the participants did not speak Spanish. Local knowledge and the traditions of the various groups were also accorded respect.



Protective dam: between 2000 and 2006, newly empowered municipalities shouldered around 46% of national expenditure on infrastructure.



More democracy: decentralisation programmes promote the political participation of women.

The active participation of women and gender balance became commonplace. "We are aware that empowerment and democratisation can only come from civil society organisations if the participation and balanced representation of women are guaranteed", says a popular participation promoter. The fact that wherever they went, PADEM teams were always mixed sent a powerful message. Men and women formed a tandem known as "cha-cha-warmi" in the Aymara culture.

Martin Pérez, economist and current director of AOS/Solidar Suisse in Bolivia, lists the basic tasks that need to be carried out. First, citizens need to know their rights and obligations. Then, they need to be empowered to propose solutions to the problems in their municipalities and to assume social control over their local communities. Finally, an environment conducive to producing new municipal leaders must be created. "PADEM set itself the goal of developing a new democratic culture in the organisations to support the decentralisation process," emphasises Pérez. Soon, the question arose of how other municipalities could profit from the project's experiences. The Federation of Municipal Associations of Bolivia (FAM) played an important role in this regard. With its help, it was possible to reach more than half of Bolivia's municipalities, mostly in rural areas. The cooperation of hundreds of local journalists was a decisive factor. More than 200 journalists were trained to ensure the high professional quality of their reporting. The internet platform

www.doctoraedilicia.com is now widely regarded as the leader in the communication of information and the exchange of ideas and processes in the field of municipalisation.

KSHORTER DISTANCES, BETTER SERVICES

"If the population had not seen quick results, the decentralisation reforms that were introduced by the Law on Popular Participation would have failed", says Marcelo Barrón Arce, a Bolivian economist and SDC Programme Officer. "In the beginning, municipalities lacked management capacity", comments Roberto Laserna, a Bolivian researcher. "As soon as the law came into force and the municipalities started coming into money, they were able to recruit staff and build teams with their own technical experts." The response from international donors was not long in coming either. To accelerate the pace of decentralisation, the Bolivian government sought the support of the World Bank and the SDC. Together they launched a Rural Communities Development Project (PDCR for Proyecto de Desarrollo de Comunidades Rurales). "Unlike other projects, where the North brings know-how, the PDCR project embraced the concerns of individual communities," notes Barrón Arce. The individual needs of each municipality that sought support were taken into account in the allocation of funds and the provision of the necessary technical training.

More than half of the approximately 300 municipalities submitted applications to the PDCR. Under PDCR rules, 40% of the total funding for the construction of infrastructure had to come from own resources. "But many municipalities found it difficult to come up with such large amounts, and we had to lower the funding from own resources to 25%", says Barrón Arce. This ensured that smaller municipalities would be included and the projects would be carried out more quickly.

Projects totalling more than USD 170 million, spread over 20 years, were funded as part of the PDCR. The municipalities contributed USD 60 million of this amount in return for the international support. The World Bank contributed USD 90 million, and Switzerland and Denmark USD 11 million each. "Training came first and then implementation," says Barrón Arce. The programme made it possible to build and maintain thousands of kilometres of secondary roads, bridges and productive infrastructure works such as irrigation systems. In many cases, farmers were now able to travel shorter distances and save time to transport their produce to markets and collection points. They also gained easier access to social services such as schools and hospitals. In addition, business plans were drawn up and new activities, such as the promotion of tourism, were initiated in the municipalities. The projects grew step by step beyond individual municipal boundaries. The PDCR began to give priority to projects that encompassed entire municipal associations, and supported the elaboration of regional development plans.

ADMINISTRATION AND PRODUCTION

The path to municipalisation was not without obstacles. "There were restraints", says Laserna. "Central government transfers, which were virtually automatic, drove municipalities into an unhealthy dependency. The momentum for economic growth occurred outside municipal boundaries. Consequently, there was a disconnect between the local government and local economic activity, with the result that the health of municipal finances did not depend on the state of the local economy."



About half of Bolivia's approximately 300 municipalities, including many remote municipalities, have been strengthened by SDC programmes.

"In fact, the question of production is anything but secondary", says Carafa. The Rural Development Support Programme (PADER; Programa de Apoyo al Desarrollo Rural), which was launched by the SDC, addressed this problem and began to promote economic activities at the municipal level. For example, support was provided to peach growers in Cochabamba Valley and peanut and garlic growers in Chuquisaca. In the lowland Chiquitanía region, the programme promoted cultural events. PADER systematically supported the "Compro boliviano" ("I buy Bolivian") policy with the aim of also enabling small and medium-sized businesses to obtain government contracts. Carafa also recalls the government programme that provides a free breakfast for every school child. Where were the ingredients for the school breakfasts supposed to come from? PADER launched an initiative that gave farmers in one region the opportunity to supply food to local schools. "Today school breakfasts have become a reality in virtually all municipalities. PADER's practical proposal turned out to be an engine for local development", concludes Carafa.

DECENTRALISATION CONTINUES

The SDC recently adopted its Bolivia strategy for the years 2013-2016, reaffirming its strong support for municipal associations and Bolivia's Ministry of Autonomies. Better public education and health services at the municipal level are a priority. Other objectives are to strengthen the role of women in public office and to make it easier for disadvantaged groups to gain access to justice.

Weblink to the cooperation strategy:
http://www.deza.admin.ch/de/Home/Laender/Lateinamerika_und_Karibik/Bolivien

Further information on municipalisation and decentralisation (only in Spanish):
Se hace camino al sembrar. Revista anual 2008-2009. Ed. COSUDE, La Paz 2009
http://www.cooperacion-suiza.admin.ch/bolivia/es/Pagina_principal/Revistas

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