

Building Democracy with Equality: The Participatory Experience in the Rural Province of Anta, Cusco, Peru

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Abstract The province of Anta, in the region of Cusco, has been the site of an important process of political and social participation which has involved the increasing articulation of rural communities, traditionally excluded from the state political dynamics, with urban organisations and local governments. The process began in the district of Limatambo, where participatory governance measures were developed to engage small farmers and members of rural communities in a significant socialisation of power. The success of this experience led to the victory of the local political group in the provincial elections, the next level of government. Among the many different actors involved were political organisations, farm communities, neighbourhood associations, grass roots organisations and non-governmental organisations (NGOs).

1 Introduction

Peru has taken participatory budgeting a step further than many countries and introduced legislation for citizen consultation by all local government units. This, however, often results in a paper exercise or, when consultation does take place, very little of the budget is really discussed. This case study looks at what has been taking place over a period of 15 years in the high province of Anta where experiments in broad-based governance are significantly changing the way in which actions are given priority and implemented with direct consequences for the living conditions of poor people.

1.1 The political context of Peru

Since 2001, Peru has had a sustainable economic growth, rising to 8 per cent in 2008. The market economy of this period has favoured mineral exports and to a lesser extent the agro-industrial sectors. However, there had been little effective redistribution, especially in the Andean highlands or in the jungle areas. Peru has no truly national political parties, so the emphasis has been on the regional and the local, with more restricted influence, and a tendency for a more personal style of leadership networks. As a result it is difficult to build broader, countrywide

programmes, and agreements are, in general, hard to make. Even when consensus is reached there are no guarantees that this will endure. The nature of party political fragmentation and its impacts on national agendas helps to explain why social polarisation is prevalent and the State rarely reaches the more isolated and extremely poor areas.

The Andean countries (Colombia, Venezuela, Ecuador, Bolivia and Peru) are currently in a process of radical change. In some of them, especially Venezuela, Bolivia and Ecuador, presidents claim that they are building the foundational principles of a new political and social order with constitutional confrontations. In Venezuela and Colombia, a plebiscite style of *presidentialism* is beginning to influence the entire region, despite ideological differences within it; this has also influenced Peru. The transformations that are taking place can also be seen in the virtual disappearance of traditional political parties in the region, both a result of the changes and of periods of severe conflicts. In the case of Peru, these dramatically marked affairs from 1980 and 1992, when internal conflict and political violence led to the death of nearly 70,000 people, most of them peasants from the highlands whose

native language is Quechuan. This was followed by nine years of authoritarian rule during 1992–2001, after which an uneasy democracy was re-established with, as in other countries of the region, greater decentralisation, citizen participation and a more serious recognition of the intercultural characteristics of society.

1.2 The social context of Anta

Since 2002, the province of Anta has become an important reference in this broader process of decentralisation and citizen participation. A key social actor has been Mayor Wilber Rozas, and this account of participatory local governance in Anta is very much the story of Rozas and his leadership. Rozas began his work in the district of Limatambo in 1993, before being elected to the province. The province of Anta was an area of *haciendas*, large areas of land on which peasants worked for the owner in exchange for being allowed to cultivate crops and raise animals on a part of the plot. The *haciendas* coexisted with indigenous rural communities, which appointed their own authorities and managed their own common lands. Some of their members would also work seasonally on the *haciendas*. Throughout the recent history of the Andean countries, the indigenous communities have acted as a political and economic unit, negotiating or confronting both local powers and central authorities, especially over matters of land titling and control.

The 1970s agrarian reform had radical effects in many parts of the country, eliminating *haciendas* and replacing them with agrarian production cooperatives. The Tupac Amaru II cooperative in Anta, for example, had some 38,000 hectares as a result of the fusion of 100 parcels of land in the area. These transformations in the property regime produced a new wave of peasant mobilisation, as the new system did not feature technical assistance to support the change in production methods, and there was a general lack of management skills. Much had to be improvised. The members of the indigenous communities lost the work opportunities that their seasonal jobs in the *haciendas* provided, but they were also committed to the process of social transformation and demanded more action on the part of the new authorities. During the earlier years of the cooperatives, the State marketing monopoly that had been set up had benefited the members of the communities. However, during the following years, it became

less effective due to a reduction in the number of merchants willing to purchase outputs, leaving less room for negotiations over prices.¹

It was in this period that the Anta and Urubamba Peasants Federation (FEDOZAU) emerged out of the community of Chocan. They began to occupy and ‘recover’ land, forcing the government to recognise their rights, and creating new communities in the process. These struggles were supported either explicitly or covertly by a number of different actors, ranging from the old landowners who were seeking new spaces of negotiation, the local judges in charge of civil matters, actors of considerable influence in rural areas and different government officials linked to local government (Landa, undated).

Wilber Rozas, born in the nearby city of Cusco, arrived in the area of Limatambo in 1979. A member of one of the left-wing political parties, he had been asked to go into the area to help with political organisation. At the same time, new power groups were being formed in the more populated areas: landowners and merchants were creating links because of new access to markets, and liberation theology was becoming an active influence on leadership in poor communities. By the mid-1980s, Rozas was active in a local NGO which was seeking alternatives for economic development that could better support the poor and avoid the new economic groups and linkages being set up. This included community-based shops for materials and supplies, alternative stores to sell produce, and transport to bring products to markets. Other left-wing political actors had moved towards conflict models and more radical disputes over power bases, thereby becoming local chieftains and entering into clientelist relationships with small groups. By contrast, Rozas lent his support to existing organisations and movements, emphasising participation and open debate.

Peru has three levels of subnational government: regions, provinces and districts. The first experience of effective participative management was to take place in the district of Limatambo, before expanding across the province of Anta more widely. Limatambo has a population of approximately 10,000, and comprises 33 rural communities, mostly engaged in cultivating fruit and vegetables, and a small

urban area. In contrast to the district of Anta, agrarian reform had not been a very radical process in Limatambo because the *haciendas* were typically small at around 15 hectares. The result was that there had not been much change in the structure of local elites in the district.

Rozas had been one of the promoters of the District Peasant Federation of Limatambo (FEDICAL), part of the Regional Peasant Federation of Cusco (FDCC) and a product of early peasant federations which were shifting their strategies from the associational to the political institutional arena by setting up a political party, the Popular Peasant Unit (UPC). The UPC had fielded candidates in the local elections in many provinces and districts. The party won in Limatambo and Rozas became the District Mayor. The 1993 election was hard-won: electoral politics in Limatambo were polarised between the new more democratic and open ideas of the agrarian movement on the one hand, and traditional patronage strategies of the elites, who constructed vertical relationships on the basis of personal ties and patron–client relations developed through the provision of protection and favours through the creation of ‘god-parent’ family ties between the ‘protective’ elite and the ‘favour-owing’ peasants. The first task of the new municipal government was to break these ties of dependency, and to create new types of relations based on a more progressive awareness of citizen rights. Change was not easy and in some cases, there were violent reactions from those who felt a loss of power or of protection. The answer appeared to lie in engaging and stimulating more active peasant participation within the local government.

2 Tools and approaches for participatory local governance in Anta

2.1 Participatory institutions emerge in the district of Limatambo

More active peasant participation within local government did not depend solely on the new Mayor and his councillors, however – it also required the active engagement of the different Limatambo communities. Here a key collective actor was the district peasant federation. From the outset, this federation argued for a new process of co-government between the elected political authorities and community representatives.

In 1993 a Community Board was created as a space for participation and collective decision-

making. The representatives of the communities and the Mayor organised regular meetings in order to decide the priorities for municipal spending, initially on a monthly and then on a three-monthly basis. Every three months there were also general assemblies in which the Mayor reported the accounts, and the communities presented their needs and demands. The elected municipal council then ratified the decisions taken in order to show publically that the people took the decisions and the role of the council was one of implementation.

During the early period, the main force for participation came from the rural areas, and urban residents remained distanced. Some of those who had lost power even accused Rozas of being related to the wave of terrorism around this time. However, when Rozas was re-elected, opinions began to change and the urban residents also began to seek involvement at the neighbourhood level. An authorities coordination committee was also set up in this second mandate in 1997, creating a coordination mechanism for those responsible for State activities in the locality as well as active social organisations. The agenda for discussion focused on State policies and actions in relation to five focal points that the communal board had defined was related to the State politics and its application in the zone and with the five focal points of discussion the neighbourhood communal board had defined: agricultural production, road infrastructure, tourism, basic services, health and education.

Among the organisations participating in the authorities committee were the district municipality, the government, and the Peruvian police (PNP), and representatives of the Ministry of Health, the Ministry of Agriculture and the Peruvian Social Development Cooperation Fund (FONCODES), and the principals of schools. Civil society was present through the peasant federation (FEDICAL), the milk committee, the small producers’ association of the valley, the committee for the development of the highland communities of Limatambo, the central women’s committee of Limatambo and the association of merchants of the Limatambo market. The authorities committee was not only concerned with local problems, but also with the contributions that the different parties could bring to the local quality of life.

The role of the authorities committee was complementary to that of the communal neighbourhood board. The communal neighbourhood board was intended to be a space for the following:

- For reporting of the financial accounts. This made a break with previous practices of misinformation, and enabling the community to supervise local financial management.
- Collective decision-making. This was a space in which the budget was to be presented, and a collective process of determining priorities for investment and development programmes.
- A space of equality. The communal neighbourhood board meetings were expected to break down differences and to reverse social exclusion, including gender inequalities. Everybody was to participate in the same way with equal standing.

The communal board meetings officially took place four times a year. At the first meeting of the year the annual operative plan was prepared, and at the last meeting of the year, the budget for the next year was prepared in a participative way. Six representatives from each community took part in the meetings, three men and three women, with a permanent rotation between those taking part. The rural peasants insisted on this rotation, despite criticisms of inefficiency and loss of continuity, on the grounds that knowledge is power and would therefore have to be shared. A directive board, chosen by the members of the meeting, chaired each meeting. Among its responsibilities was the calling of the next meeting. Neither the Mayor nor any other officials could be part of the board.

2.2 From the district to the province: a change in size and complexity

The province of Anta is located in the Cusco region, 1,700–5,800 metres above sea level, and with a geography ranging from the edge of the jungle to the highlands. Anta Province has around 55,000 inhabitants divided between nine districts, concentrated in Anta, the provincial capital (Peruvian National Census 2007). According to the 2006 Poverty Map by FONCODES, some 70 per cent of the population has no access to drainage and 42 per cent are without access to safe water sources. Malnutrition is high, as are illiteracy levels, especially among women. The provincial budget is limited, with the current

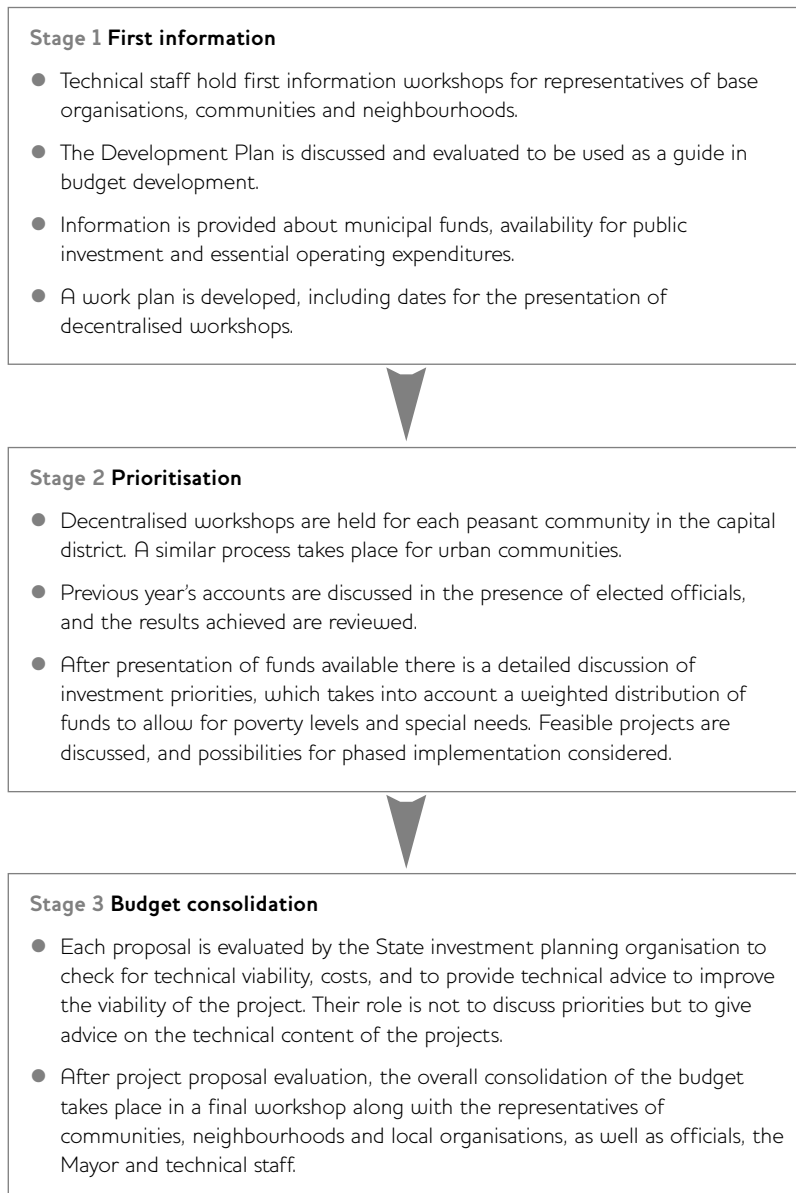
budget about US\$83 *per capita* or US\$4.4 million in total. It should be noted that at the start of the participatory governance reforms in 2003, this was considerably less, at the equivalent of around US\$1.3 million (FONCODES 2006).

The budget resources come from three areas: directly collected taxes, the municipal compensation fund (FONCOMUN) and national government transfers for extractive resources, both of which are defined by Congress. In Anta, as in other provinces, directly collected taxes, which give real autonomy to decentralised governments, amount to a very small proportion of the total, in this case less than 5 per cent of the total budget. Funds from extractive resources, in this case gas, must be used for infrastructure investment, and cannot be used, for example, to invest in skills development. The FONCOMUN is more open and can cover both operating costs and investments. This fund is divided in two, one part for development of the capital district and the other for the rest of the province. Given the fairly similar weight of the two transfers, the province has 30 per cent of its budget available for current expenditure, and 70 per cent for investment. However, even then, the national public investment system places further restraints on the approval of small-scale investments, such that often the current expenditure budget is also used for public works such as irrigation channels, among others.

Recent Peruvian legislation has incorporated elements of participative budgeting by requiring that the different levels of the decentralised, regional, district and provincial government carry out regular inquiries with their citizens for the development of part of their budgets. Unfortunately, in many cases the coordination councils, created to guarantee a permanent space for observation and discussion with civil society do not perform their real function. This is where the importance of the Anta Province experience comes in. In scaling up the previous more informal and local community-based model of Limatambo, Rozas, now at the head of the provincial government after winning the 2002 elections, was to turn these requirements into a widespread practice and to formalise civic participation as a feature of provincial life.

We look next at how the budget process was developed, including the various committees and

Figure 1 Stages of participatory budgeting in the capital district



neighbourhood organisations that participated. We then focus on the management committees that permitted direct participation of the population in the execution of investment projects. We then take a closer look at one example of the work of the committees that have monitored and carried out river water maintenance and pollution control since 2003.

2.3 Participatory budgeting in Anta: going beyond the requirements of the national 'informative' legislation

Peru has enacted specific legislation for citizen participation in budgets. Law 26300 for citizen participation and Law 27972 for municipal organisation states that local governments should carry out surveys with their residents to prioritise the problems to be solved and the projects to be

implemented. Each year, the Ministry of Economy and Finance (MEF) develops an *informative* that sets out the guidelines for the participatory budget process. Among the mechanisms indicated are those that enable representatives of civil society organisations to attend budget workshops as well as take part in decisions. However, in many cases, the amount that is in debate is less than 10 per cent of the investment budget. Equally, the budget can be made and approved, only to later have ‘modifications’ introduced that completely alter its focus and original objectives.

Anta adopted a broader approach specifying discussions from the capital district down to the community and neighbourhood, and requiring that representatives must express the collective decision. Furthermore, it decided that 100 per cent of the investment budget should be decided through participation. Thus, if the government technical team wishes to develop an investment in the province or in the capital district that it considers as a priority, it can only do so if the participatory budget assembly approves its proposal. In this way, projects and investments gain social credibility and local ownership. Figure 1 summarises the stages and processes through which participatory budgeting takes place in the capital district.

2.4 The management committees: a step forward in the citizen participation

Perhaps the most innovative part of the participation process in the capital district itself has been the management committees. These take over after the definition of problems and priorities to oversee the process of policy implementation, supervising and controlling individual projects. The management committees are organisations created by peasant communities and urban neighbourhoods to manage the investments in their areas. A committee is set up for each construction project, which oversees the project from start to finish, including the final accounts.

Each management committee comprises four members elected by the community as president, vice president, member of the board and attorney. In order to act not only legitimately but also legally, a cooperation agreement is signed between the community, the management committee and the capital district. This is sometimes necessary when direct support of the community is required to complete projects with inadequate budgets.

In each management committee, members’ responsibilities include the following:

- Supervising the direct execution of the project
- Controlling budget expenditure
- Supervising procedures relating to the hiring of employees, with a preference for those from the local community itself
- While the government will officially approve the project and hire the resident engineer, the committee joins in the everyday co-management of the project including the closed tendering and procurement, warehouse and material management
- Finally, as representatives of the local communities, they keep the population informed of progress and also discuss delays and other problems that might arise.

The management committees began in the rural areas, where they were rapidly taken up by the peasant community organisations. Their acceptance in urban neighbourhoods took longer, but these are now common practices that have both empowered and trained committee members in different management tools. As in the Limatambo experience, rotation is the order of the day, despite questions of loss of energy and skills. However, the response to such criticisms about the rotation of committee members is always the same: knowledge and skills must be socialised, or distributed equally.

3 Outcomes: participation and development from 2002

3.1 Participation in waste management, promotion of agricultural markets, and road maintenance

Traditionally in the capital district, garbage was thrown either in the river or in the *botadero*, a dump located in one of the peasant communities. This dump became a source of disease and the community refused to accept any more garbage, and closed the dump. This caused a problem, but also provided an opportunity. The result was an Integral Solid Waste Management Plan, developed in a participatory way, with consultations in each community about garbage handling, and including training sessions about recycling and river contamination.

After the elaboration of the plan, garbage segregation was established, initially as a pilot project in two neighbourhoods, later rolled out to seven. Community members, especially women,

learned how to separate organic from inorganic waste, and municipal staff were hired to remove the garbage to the landfill. The income obtained from the sale of compost, an organic fertiliser, became a resource for the capital district, which is used in the same ecological project.

Discussions also led to one of the peasant communities accepting a pilot project in landfill installation. Technical staff were brought in to transfer skills in landfill management. Resources generated through the sale of organic material are now used by the community for their own economic activities.

Participation and co-management has also spilled over into the development arena, with civic engagement in many areas. The plan involves three main areas of development and one transversal concern: agriculture, transport, water and drainage plus overall governance and institutional development.

As a rural zone, Anta promotes the improvement of agricultural production through the promotion of genetically modified grass sowing (alfalfa, barley, etc.), by buying seeds and providing technical support such as in genetic improvement of cattle and productive management. As a result, milk production has increased. This rise in production has challenged the community to search for new, more specialised markets, which in turn can increase the gains of producers.

As a part of this line of work, a productive technical board was created in Anta by the provincial government, including the participation of district governments, the decentralised departments of the State (such as agriculture and export programmes) and the agricultural producer associations. With respect to dairy production, the production of cheese has increased and a local market has been created as well as a commercial fair in the city of Cusco where producers go to offer their products. One group of enterprising women from the capital were trained in the restaurant business, and they now offer traditional dishes. Other women were trained in textile and traditional medicine manufacture using local herbs, including creams for arthritis, cough syrup, and elixir for gastrointestinal problems.

To develop road infrastructure, the province has created the Road Institute, which works to

maintain rural tracks, hiring small enterprises for local maintenance. Part of the budget has been invested in the acquisition of heavy machinery used to open new roads or to help in the maintenance of existing roads. For the first time, the construction of roads and sidewalks has also begun in the urban zones. This has produced a positive impact on local self-esteem, as citizens see their city as becoming more ordered and attractive.

Water had been a major problem in the province, and water and drainage installation projects have been developed since 2003. New water fountains have been installed, along with more powerful pumps. In the peasant communities, the process has involved not only the implementation of drinking water networks and drainage alternatives, in some cases putting into practice ecological drains, but also the creation of special water committees to manage local water resources.

3.2 Challenges

Wherever there are projects there are also management committees in charge of coordination and management, supervising purchases and all work being carried out. As a result of the participative process, a new level of community-based dialogue has been possible. While people may have different opinions, these are discussed within the framework of a wider consensus, marking a considerable change from the common conflicts and even violence that has marked Peruvian society. The development of common assumptions has enabled pluralist debates to be held, as was observed on occasions during the case study.

There are, of course, difficulties within these new governance mechanisms, such as the rotational management committees and the more traditional mechanisms of community governance. Communities are characteristically organised around three institutions: the communal board, the general assembly and the president. Many of these combine tradition and the modernity, for example in their role in the registration of land guarantees. The leaders commonly rotate and are elected through traditional processes, in which most people know in advance who will be the next to take charge. The communal boards have a republican structure and apart from the president, its

members are the secretary, the treasurer and the vocals. At times, there can also be the equivalent of country Mayors or sheriffs, authorities that date back to colonial times and the early years of independence at the beginning of the nineteenth century. The management committees can challenge the legitimacy of community presidents, which creates a need for dialogue. This is particularly acute when women are in charge of the management committees, as this introduces a significant change with respect to gender relations, also reflected in the use of Quechuan (more commonly used by community women in this region) rather than the Spanish favoured by leaders and Mayors. Funds administration is another topic in which the traditional and the new institutions of governance can clash, particularly when there is a need to mobilise community funds to supplement project budgets.

In the case of water, the special committees for water administration provide an important observatory of these processes of adjustment and adaptation, for they not only had to take care of water resources but also deal with payments for use. They were aided by an NGO working to help coordination but also had to work within the legal limits of government responsibilities. Professionals, especially engineers, become part of the projects of infrastructure and services. This creates tensions, as it is never easy to establish a dialogue between the community and the experts. Equally, there was a need to discuss the relationship between the communities and the producers' associations, which also have development demands. Some of these are more general, representing all producers, while some are more specific. Peasants and farmers have to seek markets and need water; investment decisions have to be taken and the management committees and the community governance systems are constantly present. There are also new demands for management skills of an administrative nature. For example, the representative of one social organisation pointed out that under procurement rules, she did not know that when different enterprises presented their project proposals the envelopes with the proposals had to be opened at the same moment, in order to avoid undue pressure or illegal advantages.

4 Conclusions

Scaling up participatory local governance has certainly not been a simple question of numbers

in Anta province: instead, we could say that 'more' has also meant 'different'. Anta Province has a government willing to participate, and which has placed management tools in the hands of its communities in the same way that the Mayor of a district may appeal to communal and neighbourhood councils. Priorities are as important as the co-government of the resulting actions. In Anta, a significant part of the budget was invested in water and drainage services, both in the urban areas and the rural communities. This 'invisible' resource was not necessarily appreciated at first, and much debate was required. Yet it has gone on to make a significant impact on the quality of life, particularly with respect to public health. Getting topics onto the agenda, as for example with landfills, is obviously important and places all actors in an active mode: communities, officials and technical staff. One merit of the Anta experience is that it clearly defined a few lines of action that could be achieved, instead of defining ambitious development plans that are difficult to achieve.

Peru lacks political parties with national coverage, and civil society remains fragmented through the years of violence and conflict. The effectiveness of Rozas' leadership has been institutional rather than political, building up and building on the strengths of the existing social organisations and in the creation of other ones with a concern to democratise the political life. New challenges are those of increasing collaboration between the governments of rural zones so they can integrate certain actions in a more effective manner and other challenges are those of continuity (Remy 2005).

In Peru, local elections take place every four years. The re-election of Mayors and the councillors is authorised, yet it is important to ask the question as to whether these institutional advances will start to weaken with a change of leadership or political orientation. Certainly, strengthening civil society will be important to sustain the participatory reforms, but that too is in a transition as new forms of community management begin to interact with older forms. Reversals are possible: in the case of Limatambo, the arrival of a new local government from a different orientation in 2002 dismantled part of the communal and neighbourhood councils. But by 2005, these had recovered their importance. Without doubt, there is a variety of reasons that

affect continuity but certainly among those, is that of the experience itself.

Citizen intervention and participation is not necessarily a guarantee of effective good governance. Identifying needs and the necessary actions also requires the links and the spaces to

bring these to implementation: to negotiate with other governmental departments, to open markets, to join and sometimes also compete with others. Anta has shown that it is possible for citizen participation to result in a consistent strategy that improves the life conditions of the population.

Note

- 1 The story of these peasants' demands and aspirations was taken from *Tomas de Tierras en el Perú* by Diego García Sayán (DESCO 1982).

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