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A theoretical and practical understanding of local development

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What do we mean when we speak of local development? What importance do El Salvador and other Central American countries have in the 21st century? What does local development in El Salvador have to do with migrants who have gone to live in the United States?

Developing a theory of local development can move us closer to a new kind of model for development throughout the region. We believe it is important to examine our theory of local development, not because we want to end up with an abstract or purely academic discussion, but because we need this theoretical underpinning to better understand work that is directly related to our lives, our work, and our communities. As Albert Einstein once said, “There is nothing more practical than a good theory.”

Local development is a product of and a producer of development that is multi-dimensional. Development is much more than a synonym for economic growth. It has political, social, ecological and cultural dimensions that cannot be ignored. Thus, if our development does not include the conservation of natural resources, it is not development. If our development does not promote education, knowledge and good health for the vast majority of the population, it is not development. We cannot measure development exclusively through Gross Domestic Product. In fact, El Salvador is an example of a country that has economic growth but not development.

You may recall that some years ago El Salvador was being touted as an economic “miracle”. The so-called miracle was comprised of a 6% growth rate, sufficient international reserves, and a stable exchange rate. Despite these impressive statistics, some people started to ask questions about this El Salvador’s miraculous performance: What about poverty? And what about the people who don’t have food to eat? And the people who are going to the United States because they can’t find jobs? Why doesn’t any of this count when we measure economic performance? Since that time, the Salvadoran economy has continued to grow, but at a decreasing rate. This year, we anticipate a growth rate of less than 2%. It is an economy that is diminishing. It is an economy that—as stated by the FUNDE

director—is paralyzed.

Local development is, by definition, linked to a territory. Emphasis is placed on the specific aspects that a territory can call its own, that make it unique and that comprise its wealth. From childhood, we generate a deep relationship with our surroundings. It is not by accident that when someone asks “where are you from?” no one says “I’m from El Salvador.” What they say is “I’m from Piedras Blancas” or “I’m from Metalío.” In short, our identity lies with our people, our community, our canton (municipality). We feel nostalgic about our place of origin, and that’s why we send money back to our own communities.

From the moment we are born, we develop a profound relationship with our immediate surroundings. Local development involves deepening that sense of identity, but not isolating ourselves from the larger world around us. We recognize that our core identity allows us to grow as human beings, recognizing that a love of place requires seeing that place in its full context. My identity is inextricably linked to where I was born, where I became a woman or a man, where I learned about the world and where I discovered who I am. In this sense, the great power of local development is precisely building upon a local reality to understand and intervene in a broader context.

Local development is a process of reaching agreements. Through our 12 years of work in FUNDE, our chief conclusion is that local development is a process of reaching agreements among the sectors and forces interacting in a territory.

In any part of the world, if key players cannot reach agreements, development cannot move forward. We believe one of the main contributions of a local development approach in El Salvador is to provide a structure for reaching consensus. New processes are changing the interactions between local government and citizens, between the local government and producers, and between the local government and the central government. At the local level, we are witnessing the beginning of a new way of developing the country.

These new agreements aim to change the dynamics in a particular municipality or region in order to elevate quality of life for families in a systematic way. And quality of life is also multidimensional, because it doesn’t matter that I have a job, if when I walk out of my house, I see trash everywhere, or if I can’t send my kids to school, because I don’t know if they’ll be raped or killed. There’s no quality of life to speak of in these situations—even if I have money.

If I want to assess whether development is taking place in a given municipality, the first question I must ask is whether the majority of local residents are increasingly improving their quality of life in a systematic way, or, in other words, whether they are consistently better off this year than last year. The ability to produce four wealthy individuals in a given community does not mean development. Producing a new wealthy individual in an isolated manner is relatively easy in this system. Generating a dynamic through which many people can see their income grow, their opportunities increase, and their standard of living rise, poses a much more difficult challenge. And therein lies the thermometer for measuring the success of local development.

Local development is inextricably linked to national development. If we think that one municipality, in isolation, can provide all its residents with opportunities, we will discover this is impossible. That municipality belongs to a country, and if that country doesn’t change, the local community will find its possibilities limited. Therefore, local development requires transformation at a national level. This means we cannot forget that we need policies and changes at the national level that open up the way to local

development. All the local-level plans that have been developed in El Salvador to date fail to consider or include the national territory. This explains why we have a country in which San Salvador, San Miguel, Santa Ana, Usulután, and Santa Tecla absorb most of the country's resources and income, since a plan that takes all 262 municipalities into account has never been developed.

Consequently: local development is an issue for the entire country, not just for mayors. At the grassroots level, we must "place our bet" on El Salvador. We must fight for better national policies, and we must develop innovative new proposals.

Local development is also a factor in Central American integration. Municipal governments, organized communities, and small and medium-sized businesses in municipalities should participate in designing Central American integration. The debate over integration must move beyond presidents, parliaments, and financial interests, it must integrate local realities and local actors. This is why we say that local development is a new way of reading and understanding our country and Central America as a whole.

Local development is also an important factor in maneuvering in the international arena. In other words, we must develop all our territories in order to confront globalization in a way that allows us to take better advantage of its opportunities and reduce its threats.

If all of this is true, then what are the implications for practical action?

1. We need ongoing, proactive participation by civil society. In order for citizens to participate in a proactive, responsible way, we must build our role as citizens. As citizens we must say: "I take responsibility. I take ownership in the development of my community. I participate in decision-making and I am responsible for the consequences." For municipal governments, this means they must open up mechanisms and opportunities for people to participate in a genuine and ongoing manner—not only in saints' day fiestas and other local celebrations.
2. Local development must generate real economic growth. The remittances emigrants send are not produced within the country, and in the last 12 years, El Salvador has not expanded its industrial sector. In order for local development to take place, we must generate wealth inside the country. Government policy is not meeting the challenge of creating local development, because those in government are fond of the idea that two billion dollars are coming into the country through remittances. This makes it easy for them, but if migrants ever stop sending money to El Salvador, the country's economy will immediately collapse. It's that dramatic.

We must strive for real, sustainable economic growth. We hope that Salvadoran Associations in the United States can make an important contribution to generating wealth in municipalities. This is a very difficult task, because when foreign investment enters the country, it doesn't go to just any municipality. It goes to San Salvador, where we find most of the country's installed capacity. However, we need to bring highways, services, telephones, etc. to all municipalities. We also need to find new ways of distributing wealth. For example, currently the country's major companies resist paying taxes. It will be nearly impossible to develop the country without this tax revenue. The distribution of wealth is an important issue, and taxation is a central point.

3. We need social, ecological, and cultural changes, because development is multidimensional. We need a

medium and long-term vision, because we are talking about development processes, of reaching agreements among actors, of reaching agreements on development projects that cannot be envisioned as only short-term. And here is another problem we face in our country: some mayors are still unable to look beyond a year and a half into the future, because they have to get started on their next political campaigns. Many of them do not live for their country—they live for elections. Their objective is not the development of their community, but to be “elected.” Thus sometimes, the reason for short-term vision is that personal interests are disrupting processes.

4. We must reach mutually reinforcing agreements among local, regional, and national agents. Since efforts made in only one place are not enough, we must seek allies and develop policies with a focus on “opening,” to mobilize resources around the territory’s needs.

Local development viewed in this way is a new way of understanding and building the country, since it makes the country’s territory visible, with all its actors, all its communities, and gives them key roles in generating national development and constructing democracy.

Who makes it happen? Who creates local development?

There are four actors who must participate in a transformative approach to local development: municipal governments, civil society, the private productive sector, and the central government.

We must also take care to include new actors who have not yet been participating in these processes: Salvadoran men and women who have come to live in the United States and who are becoming organized. The four hundred Salvadorans who leave the country every day provide evidence that we lack a process or strategy for development that would make it possible for us to remain and contribute to our country.

If we look at the million Salvadorans who live outside the country, many of whom are now organized into associations, our hypothesis is that these new actors can add a key element to successful, long-term local development. But please take note: we are looking to you as people who have become organized, not as automatic teller machines. Development is not only a problem of money. It is primarily a matter of quality of life and the transformation of municipalities and of the country. In this context, money plays an important role, but so does the heart, so does knowledge, and so do associations, as channels of communication between the United States and El Salvador. I see these associations mobilizing economic, technological, and professional resources. There are countless possibilities; we must work together to change how we do things. What we need from migrants is much more than cash for projects. If we meet this challenge, integrating in a deeper and more comprehensive way, our children will view our country in a different way and emigrants will exercise roles as full citizens of our country.

We do believe that you can become new actors in this process, if we put certain conditions in place:

- Emigrant associations participate in planning processes. This means that local governments must open up mechanisms and opportunities.
- Organized emigrants participate in establishing priorities for municipal development, and orient their collective donations toward these priorities.
- Emigrant associations participate in monitoring and evaluating projects and programs.
- Emigrants establish a proactive, expanding relationship with other actors, including government and the private sector.

We believe this approach to local development lays the groundwork for a new model, in which all the country's territories and many different actors will have a role to play. We are just getting started and we need all of our collective energy to make local development a transformative engine of positive change for our country.