A Participatory Interim Evaluation of the Pehuen Foundation (IFC 2067)

Theodore E. Downing, Independent Evaluator AGRA Earth and Environment in collaboration with Downing and Associates May 7, 1996

# **Executive Summary**

- 1. The interim evaluation examines a Chilean company's (Pangue S.A.) efforts to mitigate the negative consequences of an International Finance Corporation (IFC) sponsored hydroelectric investment and alleviate extreme poverty on three Pehuenche Indian reservations adjacent to the Project. In a major innovation within the World Bank Group environmental programs, Pangue and the IFC created a financial and institutional arrangement to mitigate long term impacts of a private infrastructure development on indigenous peoples in the form of a non-profit foundation. Pangue agreed to lay the base for sustainable development by providing the Foundation up to and including 2001, the greater of (i) an annual amount equal to 0.30% of the Company's net income and (ii) the equivalent of 5,780 Chilean Unidades de Fomento (roughly 130,000 US\$). After the year 2001, the Company will provide the Foundation with an annual amount equal to 0.30% of the Company's net income. This arrangement was intended to provide a small financial platform to overcome undesirable impacts far into the future.
- 2. The Pehuen Foundation is the institutional arrangement to achieve the IFC/Pangue objectives. Since its beginning in 1992, the Foundation had received 535K US\$, of which 95 percent came from Pangue. Of this, 357K US\$ was spent on direct program costs. Expenditures of two-thirds of these funds were used for bulk discount purchases in combination with over 82K US\$ in Pehuenche family funds.) The program made 5,111 such purchases, moving over 50,000 items. The remaining third of the Foundation funds were spent on charitable gifts to communities (16.8 %), diagnostic studies (7.4 %), road construction (3.7 %), training (4.5 %) and leveraging to capture government subsidies and private donations (1.6 %). Audited administrative costs are high, averaging 52 percent of direct Project benefits per year. If non-audited costs were included, it is closer to 70%.
- 3. The terms of reference for the interim evaluation calls for a comparison of the Pehuen Foundation performance to the objectives set forth in the IFC/Pangue legal agreement (Agreement) and the IFC Environmental Guidelines. The evaluation finds that, after four years, the Company has yet to incorporate four of the five critical elements of the IFC and Pangue Agreement into the Foundation's statutes and operational agenda: i) make the Foundation a vehicle for sustainable development which will provide long-term benefits to the Pehuenche by promoting their socioeconomic development, ii) prepare to mitigate post-boom impacts following construction activities (with construction scheduled to end in 1997), iii) preserve and re-

# Annex 1. Evaluation Methodology

# Scoping and Design

- 1. The evaluation was conducted in two phases. In the scoping and fieldwork design phase, the evaluator, Theodore E. Downing, reviewed relevant background information and documentation on the Foundation at the IFC offices in Washington, D.C. Documents and correspondence after 15 October were not made available to the evaluator. Based on this information, a draft analytical framework was prepared for evaluating the Foundation based on areas of analysis associated with each of its four statutory and/or legal agreement objectives (Table A1.1). Following an IFC and Pangue review of the draft framework, extensive consultations began in Chile with stakeholders who had been identified by Pangue, the IFC, or discovered in the document review (17 Sept 5 October 1995). The evaluator also made a brief site visit to the Alto Bio Bio and attended a Foundation board meeting and an assembly in Callaqui.
- 2. At the time of the review of the analytical framework, the stakeholders were informed about the intended scope of the interim evaluation to avoid any misunderstanding that this was a "special review." Many made methodological suggestions and all exposed the evaluator to the diversity of public perceptions about the Foundation. The framework was reviewed and modified following discussions with over 61 stakeholders in the public sector, NGOs, environmental groups, academics, consultants, the Foundation Board and staff located in Santiago, Concepcion, Temuco, Alto Bio Bio and the United States and leaders from Callaqui, Pitril and Quepuca-Ralco. In some cases, stakeholders proposed specific indicators or measures be examined to determine Foundation progress.
- 3. There was broad based support for the Foundation and IFC's general objectives and all consulted unanimously agreed that the proposed analytical framework for evaluating the Foundation was acceptable and comprehensive. A few stakeholders dismissed the interim evaluation as too narrowly constituted, feeling that the evaluator should focus on the "underlying motives of Pangue and its Foundation as an instrument of penetration of Endesa and its subsidiaries into the Alto BioBio." Since this was not a statutory or an Agreement objective, the evaluator explained that this issue fell outside the terms of reference.
- 4. In many consultations, a hypothetical example of the full development of a methodology for an area of analysis was provided in each consultation. Stakeholders were given blank forms and given an opportunity to provide methodological suggestions. Given the technical nature of this request, they were permitted to complete the forms after the meeting and FAX them back to Santiago by October 2. On 2 October, a secretary in Santiago made follow-up calls, encouraged replies, extended the deadline another three days. The stakeholders were also requested to suggest methodology approaches appropriate to Pehuenche culture and identify perceived strengths and weaknesses of the Foun-

- dation which might be examined. Only a handful responded. Both the field methodology and framework were approved by the IFC on 11 October 1995. The Foundation President, and Pangue S.A. also accepted it as a comprehensive approach to the evaluation.
- 5. During this phase, the evaluator added a volunteer indigenous affairs specialist, Carmen Garcia-Downing from the World Health Organization Collaborative Center at the University of Arizona, a Zapotec Indian from Southern Mexico with extensive experience in working with rural indigenous peoples. She also participated in the field evaluation phase.

# Field methodologies

- 6. The field challenge was to develop a simple, participatory evaluation combining conventional evaluation techniques and participatory methodologies which will be capable of detecting short-term changes in socio-economic and cultural status. The initial field site survey revealed that the Foundation and other government agencies were having difficulty communicating with the Pehuenche. Although many younger Pehuenche are bilingual, some of those over thirty have only marginal command of Spanish and the CEDEP survey revealed that Chedungun is spoken in 61 percent of the households, and, in 23 percent, it was the only language. The evaluator also discovered that the people had never been actively involved in an investigation of themselves, even as collaborative field assistants. Ethnographers, environmentalists, critics of the hydroelectric projects, government agencies, and academics had consistently treated the Pehuenche as objects of study rather than active participants.
- 7. To mitigate the logistic and cross-cultural communication difficulties and increase the accuracy of the work, the evaluator used a multiple method evaluation approach, mixing a battery of participatory and conventional evaluation techniques and advanced ethnographic methods (Table A1.2).
- 8. Logistically, a basic problem was where to meet in order to maintain the independence of the review. The Pehuenche communities lack a central, commu-

nity meeting place. The Foundation had recently built small Foundation headquarters buildings in Pitril and Quepuca-Ralco, but meeting there might have compromised the indepedence of the evaluation. During the scoping phase, the Pehuenche Board representatives cautioned the evaluator that walking to the government service centers in each



Field group meeting tent

community was an imposition. The evaluator witnessed this problem first hand in Callaqui, when a *lonko* assembled over forty residents for a meeting in a freezing rain. On advice of the Foundation Pehuenche representatives and as a courtesy to the Pehuenche, the evaluator held most of the 11 focus groups in a large tent placed at sites designated by the Pehuenche leaders and representatives to the Foundation. The tent proved a useful methodological innovation and Pehuenche sectors requested they be permitted to use it for small meetings. At the end of the field session, it was donated to the Foundation with explicit instructions that it is for the exclusive use of Pehuenche sector meetings, upon their request.

- 9. Only three or four Pehuenche in the Alto Bio Bio were known to have a high school education. To conduct a participatory survey within the time constraints, the independent evaluator and the indigenous affairs specialist hired and trained a 6 person, Pehuenche evaluation team (two from each community, 3 men and 3 women). A seventh Pehuenche research assistant from Trapa-Trapa joined the team in midstream and completed specialized assignments. The team was trained at a rudimentary level to interview, administer questionnaires, assist in participatory voting, translate, record focus groups, and conduct specialized tests. The team demonstrated considerable initiative and provided high quality, reliable data and the community took pride in their participation.
- 10. The advantages of using the local Pehuenche team far exceeded its drawbacks and the delays it caused. Initially, they were uncertain whether or not they could perform the work, but their confidence rapidly increased to such an extent that they requested more formal training so they might form an evaluation team. All were highly motivated and energetic and their horsemanship skills proved most useful as the random sampling seemed to always select the most remote households. The reliability and accuracy of the data was substantially increased. They had extensive knowledge of their communities, were trusted by their own peoples, had personally participated in Foundation programs, and understood Chedungun. The disadvantages were minor and mostly related to the minimal education and inexperience with machines. The training period delayed completion of the evaluation, all data had to be carefully reviewed. Their data entry capabilities were just beginning to show promise at the end of the field session. Most significantly, each community meeting brought positive feedback for the team from the community since this was the first time that Pehuenche had conducted research on their own community.
- 11. Over a seven week period, the team completed 11 focus groups, ranging in size from 5 to 24 people with an average of 15 people per meeting. Meetings were held in different sectors of the community to permit higher attendance and minimize the imposition caused by the evaluation. The gender ratio was 60:40 ratio of males to females. A separate meeting was held with non-Indian inhabitants of Pitril, at their request. The indigenous affairs specialist held an all female focus group of 22 women in Callaqui Alto. Women only meetings are valuable, but unusual in Callaqui, and, within hours, some Callaqui males tried to discredit the focus group, but were unable to make reference to any specifics.

- 12. Pehuenche research assistants were trained to administer resource allocation priority test to a random sample of 60 households (Callaqui 22, Pitril 14, and Quepuca-Ralco 24). The entire Pehuenche research evaluation team administered a community resource allocation priority test in each community at the close of the field session in which 183 people participated (Callaqui 57, Pitril 71, and Quepuca-Ralco, 55). This permitted the evaluator to determine if Pehuenche voted differently in groups than as individuals.
- 13. The Foundation staff graciously received the evaluation team and granted it full access to Foundation records. The new Executive Director was extremely helpful, but unaware of many aspects of the program. The Foundation has no ongoing monitoring function and the diagnostic surveys were not being used, apart from providing an incomplete list of family numbers and names. On request, the Executive Director and staff culled their files and organized their first complete list of all community members who had obtained benefits from 1992-95. It is hoped that this list should provide the Executive Director within invaluable information for monitoring the DGP and resolving conflicts in the field. The list was finished on the last week of the field session. The result was a 6 week delay while the Foundation office records, CEDEP survey records, and the evaluation team survey data were collated.

# Participatory tests

- 12. A battery of participatory instruments, some proprietary to Downing and Associates, were used (Table A1.3). They include:
- 13. Photographic theme analysis. A random selection of families from the focus group participants were given disposable 35mm cameras. The investigators taught the randomly selected person or another member of the family on how to use the simple camera. The new photographers were asked to take photographs of 1) things of family or community importance, 2) family, 3) favorite purchases from the Foundation and 4) dream projects (i.e. personal or community works) that they would like to see carried out. The cameras were later collected for film development. Once the pictures were developed, the Pehuenche evaluation assistants went over each photograph with the photographer and tape recorded the meaning the photographer wanted to convey in the picture.
- 14. Marginality Pile Sort Test (MPST). The marginality pile sort test provides an indicator of the relative wealth of households within a community. In each community, Pehuenche field assistants were trained to administer a marginality pile sort test. A random selection of 36 households was drawn (Callaqui 14, Quepuca-Ralco 10, Pitril 12). A set of cards were made, each listing the name of a head of household. The Pehuenche research assistant read each name to the respondent, asking them to place the card in one of three piles according to their relative wealth within the community. Once completed, the assistant coded the ranking on the reverse side of the card. For each household, their average rank was calculated. Since people were unfamiliar with the economic station of people in other communities, the MPST had to be community specific. Inter-

respondent consistency tests were used to identify statistical divergence. The ranks were then entered into the master data base created for the population which included the value of all contributions obtained from the Foundation from 1992-95, CEDEP data, and additional information scored for each household by the Pehuenche research team (e.g. migration, source of income for the family, and so on).

- 15. Discount Group Purchasing Program (DGPP) participation, sources of family financing for each project and saliency test. A random sample of 41 individuals for the three communities (with the exception of two households in Callaqui Bajo) were interviewed. Pehuenche research assistants, working in 2 person teams, asked interviewees to name all group purchases that they made from the Foundation (called "proyectos"). People were also asked which projects they liked most, least, whether or not they had organized a purchasing group, and what was their source of financing for the purchases. If they had not participated in the Foundation DGPP, the reasons were requested. The frequency of shared responses and order of response was used to measure saliency of purchases and source of income. Interviews were conducted in Spanish or Chedungun, as desired by the interviewee.
- 16. Cognitive proximity tests. A test developed by Downing and Associates to determine how people perceive changes in their institutional environment, the evaluator used a cognitive proximity or triad test. Direct interviews determine the elements of a semantic domain (for example, in English, "dog", "wolf", "cat", "horse" are all part of what might be called the domain "mammals"). Within that domain, some elements are closer (more proximate in technical jargon) than others, e.g. in a triad of dog, wolf, cat, most would say that "cat" is least alike the others. Two triad tests were administered, one on the domain of institutions (in Spanish/Chedungun) and the other on "types of material exchange" exclusively administered and answered in Chedungun (data used in para. 51-52 and Figure 1).
- 17. Resource Allocation Priority Test (individual and community versions). This test was designed by Downing and Associates to determine the relative importance of different program options. For this test, a person was given 5 marbles, each representing 10 million pesos (roughly the annual Foundation direct expenditures for the 3 communities). The persons were asked to indicate their preference for allocating this "money" among three alternatives. The alternatives were derived from the focus group discussions and direct interviews. After the priorities were clearly discussed, each respondent distributes his or her secret votes (marbles) into a cloth with three pockets. Explanation in Chedungun was given by one of the Pehuenche assistants throughout the discussion, and while the person stood in line waiting to vote, another Pehuenche research assistant provided additional explanation of the procedure and meaning of the vote to each person. An odd number of marbles is used to force allocation priorities. When the test is administered to individuals, the pocket chart is unnecessary (data used in para. 241-246).

18. Inter-cultural communication test. A young Pehuenche artist prepared five diagrams of different forms of interpersonal communications between two men - one, a non-Indian representing the Foundation (huinca), and the other a Pehuenche (Figure A1.1). In 8 focus group meetings, the pictures were laid on the ground and used to initiate a discussion about the



Voting during the intracultural communications test

ways people communicate with one another. Attendees were given twigs and asked to lay a twig on the painting that most closely represents a) how the Foundation is presently communicating with the people and b) how they would like to interact with the Foundation. The votes were tabulated and the results discussed. Before each vote, a Pehuenche field assistant described the test again in Chedungun. People were very interested in this test. The same test was administered to the Foundation staff.

- 19. Reanalysis of other survey data. The evaluation took advantage of previous surveys. Systematic census data was available from the Foundation sponsored CEDEP household survey of 1993 from household regular interviews and from surveys by municipal welfare agents. Critical, previously unavailable time series data ("running records") were counted to detect changes in resource utilization. This included a laborious count of over 4000 transportation permits for timber or animals.
- 20. <u>Conventional evaluation methodologies</u>. Conventional methodologies also included workshops with the Foundation Board and staff. The Provincial Governor organized a intensive review of the Foundation's regional impact. The workshop included participation from all government agencies and an NGO working in the region.
- 21.A serious methodological and analytical problem emerged during the evaluation as it became apparent that each community had a distinct profile, much of which was a result of differential contact with non-Indians and different access to natural resources. Moreover, factionalism had reached such a level in Callaqui and parts of Quepuca-Ralco that focus groups with different faction members were impossible. Individuals refused to attend meetings if the other faction was present. In one case the evaluator was warned of the potential for physical violence if we combined the factions in a single meeting. This required samples to be drawn for each community rather than all three together, which tripled the work.

### **Evaluation** team

- 23. Team leader: Theo. E. Downing, Social Development, Carmen Garcia-Downing, Indigenous Affairs Specialist. Pehuenche Evaluation Team: Team Supervisor: Luis Vita Vita, Member: Lucrecia Levi Sandoval, Lucenda Levi Levi, Norma Beltran Manquemilla, Jose Feliciano Purran Manquemilla, Segundo Vita Carasco (videographic assistant). Special assistant, Jacinto Manquepi Vivanco.
- 24. There is extensive interest in the Pehuen Foundation throughout the public and private sector of Chile. The evaluator is extremely grateful for the time and energy given to provide a complete perspective. While listing their names and affiliations may be the most efficient form of acknowledgment, it certainly does not reflect the quality of the interaction and the depth of my gratitude. The list is incomplete since it does not include the hundreds of community members who walked many hours to meet us and openly expressed their concerns for the Foundation and the role it might play in alleviating them from their suffering.

Pehuen Foundation Participatory Interim Evaluation Team, 1995 L to R top (C. Garcia, T. Downing, J. Purran, L. Levi, N. Beltran L to R lower (L. Vita, S. Vita). Not pictured (J. Manquepi, L. Levi) Anonymous Field Dog

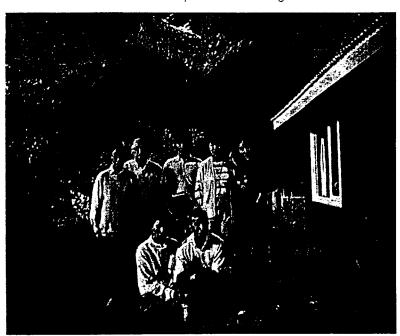


Table A1.1 Analytical Framework

rable AT. FAnalytical Framework	
Foundation Objectives	Area of analysis
A. Poverty reduction. Improvement of the socio-economic conditions of the Pehuenche communities of Callaqui, Pitril, y Quepuca Ralco in a sustainable manner	Reduction of marginality  a) housing  b) health  c) education  d) income
B. Cultural identity. Promote and reinforce Pehuenche culture	Pehuenche self-identity     "Ownership" of the Foundation by the Pehuenches
* C. Sustainable development. Provide a sustainable development which will provide long-term benefits to the Pehuenches	1. Sustainability of the Foundation, as an organization  a. governance b. management c. fiscal affairs d. program design and development e. external relations  2. Long term development of resources a. Pehuenche human resources b. community and family physical infrastructure c. renewable natural resources d. community organizational capacity
* D. Impact management. Mitigate the potential post-boom impacts following construction activities of the Pangue hydroelectric project	Impact risks commonly associated with unmanaged impacts  a) health risks b) landlessness c) marginalization d) homelessness e) socio-cultural disintegration f) loss of food security g) loss of access to common resources h) loss of income

<sup>\*</sup> IFC and Pangue jointly agreed upon this objective which is not part of the Foundation's statutes

Table A1.2 Major methodological decisions

Unit of study	Entire populations of College Distilland
Offic of Study	Entire populations of Callaqui, Pitril and Quepuca-Ralco, including people who are not members (socios) of the Foundation
Cultural considerations	<ol> <li>Extended period in the community</li> <li>Identified and trained local Pehuenche as research assistants</li> <li>Adaptation of field techniques for illiterate or minimal literate population</li> <li>Use of translators</li> <li>Distinct focus groups: men and women together, women only</li> <li>The energy and time which Pehuenche gave to the focus group and community-wide polling participants was rewarded with raffled tickets for a lottery at the end of the field session. This method was judged culturally appropriate and exciting by the Pehuenche evaluation team.</li> <li>Chedungun-Spanish bilingual to assist in focus groups</li> </ol>
Confidentiality and independence	<ol> <li>Names of interviewees were coded and remain confidential</li> <li>Held interviews inside a tent rather than holding them at the Foundation's local storage room. This was to create an atmosphere of neutrality so as to allow non-members of the Foundation to express themselves Lonkos' suggested strategic meeting points so as to minimize participants travel time to the focus sessions</li> </ol>
Field period	Oct - December field session (before transhumance to summer pasture begins)

Advanced ethnographic	1. Marginality Pile Sort Test	<ol> <li>Cognitive proximity tests in Chedungun</li> <li>Intercultural communication test</li> </ol>	Cognitive proximity test	Discount Group Purchasing Program (DGPP) participation, sources of family financing for each project and saliency test     Resource allocation priority test     Voting with marbles
Conventional	<ol> <li>CAS II Poverty indicators</li> <li>Select Running records</li> <li>Selected quantitative indicators in areas of concern, extrapolation from key indicators</li> <li>Further analysis of Pehuen Foundation survey data</li> <li>Direct observation (using guide)</li> <li>Analysis of Pehuenche participation in the DGPP from Foundation files</li> </ol>	<ol> <li>Directed observation</li> <li>In-depth interviews</li> <li>Analysis of Foundation purchases</li> </ol>	<ol> <li>Reanalysis of CEDEP survey</li> <li>Analysis of Pehuen methodology, including delivery mechanisms and outreach</li> <li>Review of Pehuen Foundation reports, minutes, consultant reports</li> <li>Case studies of projects</li> <li>Comparison to NCIB standards</li> </ol>	<ol> <li>Selected quantitative indicators in areas of concern, extrapolation from key indicators</li> <li>Reanalysis of other survey data (running records)</li> </ol>
Table A1.3 Evaluation Methodologies  Participatory	1. Community focus groups 2. Photographic theme analysis 3. Individual, directed interviews 4. Discussion groups with service providers (e.g. health, education, agriculture and livestock extension and municipal officials	<ol> <li>Community focus groups</li> <li>Individual, directed interviews</li> <li>Group interviews with Pehuenche leaders</li> <li>Photographic theme analysis</li> </ol>	in focus group with Pehuenche Board Members only 2. Reflection group w/Board of Directors 3. Reflection group w/Foundation Staff 4. Group interviews with Pehuenche leaders 5. Workshop hosted by the Provincial Governor	<ol> <li>Community focus groups</li> <li>Reflection group with Pehuenche leaders</li> <li>Group interviews with Pehuenche leaders</li> <li>Reflection groups w/Board of Directors and w/Foundation Staff</li> <li>Discussion groups with service providers (e.g. health, education, agriculture and livestock extension and municipal officials</li> </ol>
Tabl Area of Analvsis	A. Reduction of marginality	B. Cultural identity	C1. Sustainability of the Foundation	C2. Sustainable, long term development of resources

Table A1.4 continued

	Free listing using a spowball sample									
	7. Selected quantitative indicators in areas of concern	extrapolation from key indicators	8. Running records							
able Alit collinged	C2. Sustainable, 1. Community focus groups	2. Voting with marbles	3. Reflection group with Pehuenche leaders	4. Group interviews with Pehuenche leaders	5. Reflection groups w/Board of Directors and w/Foundation	Staff	6. Discussion groups with service providers (e.g. health,	education, agriculture and livestock extension and mu-	nicipal officials	
2		- 2	<u>ෆ</u>	4	5		9			$\dashv$
-	C2. Sustainable	long term devel-	opment of re-	sonrces						

### Annex 2: Public and Private Consultations<sup>1</sup>

#### National

- 1. Bralic, Sonya, Min. de Educacion
- 2. Etchegaray A., Alberto. Comsion Nacional de Superacion de la Pobreza
- 3. Garrette, Nury. Vice-Presidenta, Junta Nacional de Jargines Infantiles
- Guitierrez Valdebenito, Tibor , National Department Head, Dept. de Desarrollo, CONADI (CorporacionNacional de Desarrollo Indigena) - Dirrecion Nacional
- 5. Quintana, Ana. MIDEPLAN
- 6. Valdez, Ximena , Almirante Barroso 60 , , Comsion Nacional de Superacion de la Pobreza

#### Province and region

- 1. Alverez V., Rodrigo Ivan Servico Salud BioBio
- 2. Brantes, Hirma, Lincoyan. Junta Nacional de Jargines Infantiles, Region XIII
- 3. Coronata Segure, Juan C., Gobiernador de Bio Bio,,
- 4. Cortez Guiterrez, Rosa. Direction Atencion Primaria, Servico Salud BioBio
- 5. Duran S., Maria Cristina, Servico Salud BioBio
- 6. Hozmazabal V., Eduardo, Servico Salud BioBio
- 7. Montecinos, Mauricio. Former Provencial Director, Corporacion Nacional Forestal CONAF
- 8. Rivera M., Gonzalo. Dept. de Programas de las Personas. Servico Salud BioBio
- 9. Urrutia Burn, Marcelo , Dept. de Programs sobre el Ambiente. Servico Salud BioBio
- 10. Venegas, Carlos. Asuntos Indigenas, Gobernacion, Provencia BioBio

#### Local (Communa)

- 1. Bruno, Hidalgo Riffo (Mayor), Municipalidad de Santa Barbara.
- Maltrana Torres, Antonio R., INDAP, Santa Barbara office of the Min. de Agricultura
- 3. Santa Cruz V., Patricio. INDAP, Min. de Agricultura
- 4. Torres N., Gonzalo , Servico Salud, Santa Barbara Hospital

### Non-Governmental Organizations

#### Grupo de Accion BioBio

- 1. Gorreton, Rodrigo
- 2. Jaron C., Dario
- 3. Opata, Cristian
- 4. Orrego S., Juan Pablo
- 5. Wackwitz, Birgit

#### Fundacion San Jose de la DEHESA

1. Pinto Miquel, Cristian.

#### Professional Organizations

- 1. Inaipil, Luis, Director, Sociedad Mapuche Lonko Kilapan
- 2. National Charities Information Bureau (Washington, D.C.)

### Pehuen Foundation

Board members

<sup>&</sup>lt;sup>1</sup> In accord with professional code of ethics for anthropological research, an interviewee's name was kept confidential if the person so requested.

1. Covarrubias Fernandez, Francisco. Presidente, Funadacion Pehuen

#### Pangue S.A.

- 1. Benavente Zanartu, Gonzalo. Member of the Board of Directors and Head of the Environment, Empresa Electrica Pangue S.A.
- Maturana Barona, Cristian.Gerente, Empresa Electrica Pangue S.A.

### Pehuenche representatives

- 1. Llaulen Rapi, Lorenzo, Levi Sandoval, Jose del Carmen.
- 2. Ormeno Manquemilla, Segundo

#### Staff

- 1. Fresno J., Patricio. Executive Director
- 2. Lederman, Jorge. Director of Operations
- 3. Carcemo, Jorge. Community Assistant
- 4. Rodriguez, Eugenio. Community Assistant

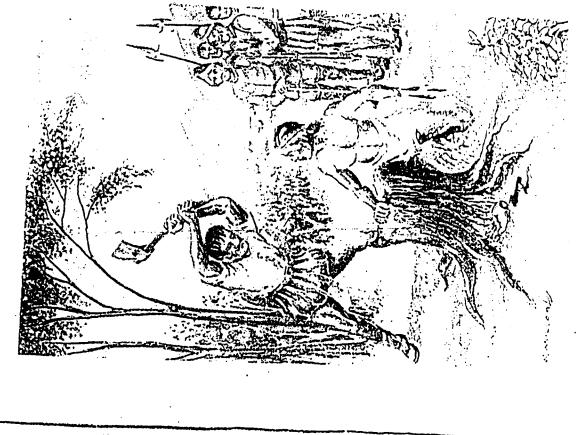
#### Consultants

- 1. Curilen, Jose Eduardo. Associacion de Profesionales Mapuche
- 2. Danneann, Manuel. Professor. Former consultant for Agrotec Ltda.
- 3. Edwards G., Marta. Centro de Estudios de Desarrollo y Estimulacion Psicosocial
- 4. Fuentes, Ivonne.
- 5. Galaz Rebolledo, Hector. Statcom
- 6. Huq, Wahida, Field Museum, Chicago, Illinois.
- 7. Peinan Catrifol, Anselmo. Asociacion de Professionales y Tecnicos Mapuche.
- 8. Ramirez, Juan. Educational Consultant to Pehuen Foundation
- 9. Sequel, Ximena, CEDEP
- 10. Valenzuela Araneda, Paulina. Statcom
- 11. Vidal Cruz, Maria Teresa, PLANING

#### Academics

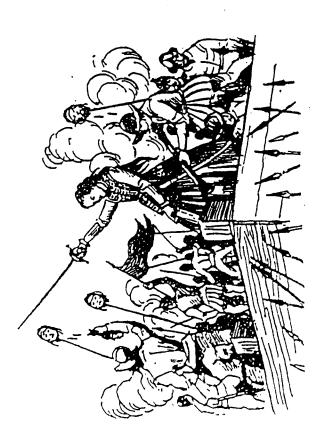
- 1. Alwyn, Jose, Former Director of Consejo Nacional de Pueblos Indigenas,
- 2. Dillahay, Tom. Chair, Dept. of Anthropology, University of Kentucky.
- 3. Irarrazaval, Ignacio LL.. Estudios y Consultorias Focus Ltda.
- 4. Stephens, Lynn. Dept. of Anthropology, Pomona College
- 5. Valenzuela, Rodrigo. Univer. Austral, Fac. de Ciencias Sociales, University of Concepcion, EULA Center
  - 6. Parra, Oscar O. Director
  - 7. Rojas Hernandez., Sociologist
  - 8. Azocar, Gerardo, Univ. de Concepcion, Centro EULA

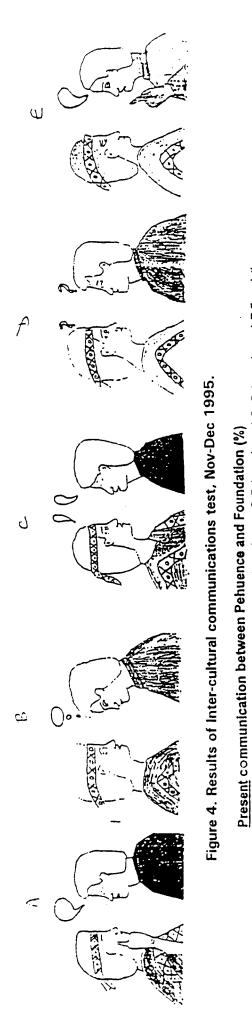
Figure 5. Plates from a book distributed by the Foundation to the Callaqui, Pitril and Quepuca-Ralco libraries.





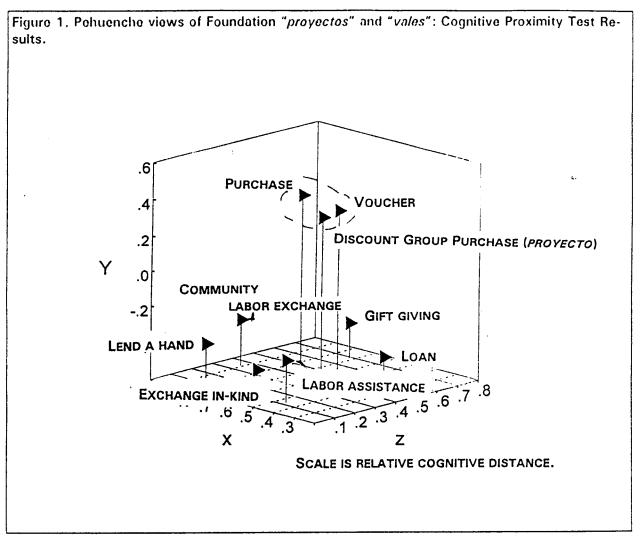
SUPLICIO DE GALVARINO





	A. Foundation talks and Pehuenche takes time to think	B. Peheunche C. Pehuenche speaks Foundation ca Foundation listens on a dialogue	C. Pehuenche and Foundation carry on a dialogue	C. Pehuenche and D. Pehuenche and E.Foundation Foundation carry Foundation do not lectures on a dialogue understand one Pehuenche another	E.Foundation lectures Pehuenche	
Pitril Center	17	22	11	9		44
Los Perales	0	0	50	20		0
Pitril Baio	<b>L</b>	13	13	13		53
Los Avellanos	10	-	0	0		06
Malla	0	0	909	0.		20
Palmucho	0	14	-	0		98
Quepuca-Estadio	0	0	0	0		100
Callagui Alto	0	•	98 (	0		4
3 Communities	4,	5	3 25			09
N=119						
Desired communication between Pehuence and Foundation (%	ication between l	ehuence and F	Foundation (%)			
Pitril Center			100	-		0
Los Pera!es		0	0 100	-	•	0
Pitril Bajo	<del>-</del>	18 82	2		0	0
Los Avellanos		0	0 100		0	0
Malla		0	0 100		0	0
Palmucho		0	50 50		0	0
Quepuca-Estadio	4	42	0 58		0	0
Callaqui ,भार		8 0	86 14		0	0
3 Communities		0 2	24 66		0	0

focus groups buttress this finding. A common expression supporting the Foundation heard during the focus groups was that "I believe the Foundation is of benefit to the community because things can be purchased very cheap through the Foundation." When referring to participation in Foundation programs, people frequently commented that "those that have money, are able to buy from the Foundation, those that don't, cannot buy."



53. Based on this evidence, and coupled with a desire not to become entangled in idiosyncratic terminology, the evaluator will henceforth refer to the Foundation "proyectos" as discount group purchases (DGP). This decision should not be interpreted as a criticism of the program component. Since 1992, this component has become increasingly important, rising from 32 to 82 percent of the annual direct expenditures on the communities (Figure 2). Discount group purchases dominate the staff, Board and community time. In the four years, community members completed 5111 transactions with the Foundation. The staff handled