

The Political Economy of Information in Participatory Rural Development

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Resumen: El presente artículo es un estudio sobre los costos de información que enfrentan comunidades rurales. Describe la economía política de la información y su impacto en la toma de decisiones colectivas para la provisión de bienes colectivos. Discute también los arreglos institucionales que dichas comunidades han desarrollado para enfrentar estos costos.

Abstract: *This paper reports on the information costs rural communities face in the processes of collective decision making for rural development. It discusses the political economic impact of information on community institutions and the mechanisms they have developed to overcome them.*

Introduction

Criticism of development projects was widespread by the late 1960s. It was accepted that over the past decades rural development had largely failed or been insufficient to improve the conditions of living of the poorest sectors of the population. Projects, in general, not only had been unsuccessful in reaching the rural poor, but also had unevenly distributed the benefits of development. Even when there was recognition that some economic development had occurred it was accepted that it had not reflected itself as social benefits (e.g., education, health) accessible to the more marginal sectors of society. There was not only concern that projects were not yielding the desired results, but that the development process itself was contributing to the further underdevelopment of the lower ranks of the rural poor.

The blame for the disappointing results was cast in many directions. In particular, it was stressed, the failure was due to the theoretical approaches that had informed those projects. It was, therefore, accepted that a new mechanism for effectively providing for the rural poor was needed. An increasing number of scholars and development practitioners started then to stress in different ways that beneficiaries

should be brought to actively participate in the projects that affect them. Without participation –they believed– people may benefit but not develop from a project. Thus, from the second half of the 1960s onwards, a new perspective on rural development started to take a stake in the development literature and action.

In 1966 USAID called to place emphasis on “assuring maximum participation in the task of economic development”. The Inter-American Foundation (IAF) echoed this in 1969. In 1973 World Bank’s president, R. S. McNamara, enunciated the Bank’s basic human needs doctrine and the redirection of the organization’s priorities, in which participation had a central stage. Lately in 1975 The Third World Forum declared in Karachi that “the real focus should be on the satisfaction of basic human needs and on a “meaningful participation”. The movement towards people’s participation was followed by the institutionalisation of participatory strategies in agencies and governments policies, its implementation by grassroots, NGOs, and development officials, and by its expansion in the academic literature on development. Is in this context, rural communities development, in which we understand “people’s participation”. Participation for community development is the latest strategy in a tradition of concepts which have guided rural development in a particular direction,¹ and that have moved rural people through specific processes of social change.

This strategy has created large controversy on the way and the extent to which the rural poor should influence or have control over development initiatives, and over the decisions and resources which affect them. Several approaches have appeared presenting different ways in which to conceptualise and implement participation. These diverging approaches have been very influential in different areas of development. Some are more valued by donors and governments and others by non-governmental and grassroots organisations. These approaches’ theoretical propositions and the reports from the field have contributed to a booming literature on participation. However, some of their shortfalls, such as weak conceptualisations and lack of

¹ See Oakley P. and Marsden D., 1984, *Approaches to participation in rural development*, International Labour Organization, p.1.

rigour in the observation and analysis of participation, have contributed to create a “tower of Babel” in which everybody talks about “participation”, but where “participation” has a different meaning for every one.

In this book we will intend to analyse the different languages of participation. First we will present a historical background in which it has develop. We present here how the idea of “beneficiaries involvement” evolved through out different rural development strategies. Second we will briefly explore the different meanings that participation has in different disciplines. In the third part of this paper we will initiate a theoretical review on the major debates, schools, typologies and critics that conform the literature on participation for community development. Finally, in the fourth part, we will propose the basis of our own view on participation. Here we will propose that community participation is mechanism of political-economic change. We also propose that it should be studied by Collective Action theory. We will start to develop on how in this process, people’s values, incentives, and contracting are “dynamically” framed by their institutions. We conclude this book presenting a model to analyse community participation.

However besides the organisational information costs, PSP face others IC for which solutions are more complicated.

These problems can be sintetysed in four, (1) individuals can not easily access complex information on issues as technological requirements, that (2) that in risk environments they have difficulties in asses on the costs-benefits differences of the final output of participation; (3) they have difficulties regarding the behaviour of their neighbours and finally; (4) the control of information is a particularly conflictive issue in rural communities.

On of the major questions in terms of participatory decision making for self-reliant communities is how to access, use and organise information they need to provide services for themselves.

This article discuss how communities manage information for participatory service provision. It focuses on the costs and benefits attached to the process of searching for and managing information for service provision that rural communities have. In particular, it argues that the costs of getting relevant information for service provision are specially high for rural communities, particularly those passing

through a process of modernisation. It contends that these costs can represent serious constraints for communities to provide for themselves. This chapter brings evidence from the Mazahua cases to explain why and how these costs affect community participation and how communities have developed institutional arrangements so as to minimise them.

The Meetings in the Mazahua Self-reliant Communities

Meetings are the heart of participatory decision making. They play a central part in the process of service provision in the communities studied.

Though the old Mazahuas remember that they had meetings before participatory development reached the region, they remember also, that those were of a very different type. Because only the more senior members of the community had voice, and for the leaders, were very authoritarian. As promoted by the government and NGOs, participatory development brought a democratic component to the collective decision making process.

During the time of observation this paper reports about meetings in Mazahua communities had in general high assistance to them. This was precisely one of the reasons the government office, the QUANGO and the NGO gave us to consider the communities studied as self-reliant, the high and participatory assistance to their meetings. In two of the communities, San Lorenzo and El Salto, the field officers even stressed the particular role of women in meetings. These field officers (both women) were highly satisfied for they perceived that as a consequence of the process of participation women had been empowered. The field officer of El Salto said to us “now that they have gained voice in the meetings, nobody will be able to take it away from them”.

In our first visit to the field we had the opportunity to attend to some of the meetings these field officers had with the communities of El Salto and San Lorenzo and indeed we observed a high level of involvement of women. At that time we observed that the community very soundly listened to the information the field officer use to present them when proposing a project. We also observed how, afterwards, the participants asked many questions and openly discuss their opinions. If

there are signals to self-reliance these communities were indeed giving them.

A year later, in our second visit to the field, these communities had been already declared self-reliant and the agent had “taken off”. We were stricken by the radical change the meetings had had.

The communities studied were still having meetings to decide what and how to provide for themselves, just as they had done with the presence of a field officer. The meetings were now, however, very slow, incredibly long and in many cases the actual objective for which the meeting had been called got lost.

To our surprise, and contrasting with what we had seen before, though the assistance to the meetings was acceptable (an average of 65% of the household were represented) most people remained silent and just a few talked and apparently took decisions. Moreover, women that had seemed to us terrible participative before, were now specially silent, and excepting one or two most of them were totally quiet. Men were not behaving very differently and there were only a few that actively involved themselves in the discussions. The role of the large majority was just to be present and vote at the end of the meetings. What they keep on going to the meetings for was a question that puzzled us, as we will discuss later.

The way they voted was also specially interesting. At the end of the meeting a vote session was called and the first ones that rose their hand were precisely those that had been more actively involved in the discussion. Detailed observation of these moments make us realise that there were some individuals that only rised their hands to vote, after a first group had manifested their opinion. They were expecting to see how the more actively involved voted so ass to imitate them. If we had not have observed this pattern being over and over repeated, practically in every single meeting, we would have concluded that it was just part of the same process of some individuals being more involved than others. However, it soon became evident that the participants to the meetings were voting in groups.

We never saw, any participant of a meeting directly opposing others’ opinion. The more open debates that used to take place when the field officers were present had gone. Now, when an individual had a different opinion he/she tried to put it forward once. If his/her opinion did not received support he/she stayed quiet for the rest of the meeting.

The more active members, however, could defend their opinions a bit more forcefully, but if it was not supported they usually surrendered and, in most of the cases, accepted the propositions of others as it had always been theirs.

One of the most common feature of meetings, practically present in all of them, was the fact that when deciding which service they wanted to provide the question of “how do we do it” inevitable came to the table. Most of the times an individual was pointed by somebody else (never by him/herself) as knowing something about the issue. For he/she had once worked, seen or had been told of a similar thing which had been done somewhere else. Then he/she explained his/her experience and the participants discussed again the new information. The case of the construction of a dike in San Lorenzo exemplifies this observation. The meeting was divided between extending the electricity network to cover the poorest households or building a dike to stop the rains washing off the main road. A young man was pointed as once having worked in the construction of a “big wall” in the neighbouring town. He then explained how wide -he thought- the dike needed to be and though some comments were made on the differences between a dike and a “big wall” no body opposed the “expertise” of the young man. The electrification network had apparently been forgotten. There was practically no further discussion on the issue.

Other illustrative example that mirror this pattern is the decision made in El Salto on the construction of a fish tank. The community was divided between the building of a school or a fish tank to serve as a fish farm to increase the nutrition levels of the community. An individual was pointed as having once told the others he had seen a fish tank in a neighbouring community some years ago. He came then to explain what he had seen and how he thought they could replicate it in their village. Though some shy comments on the strength of his knowledge on the topic were raised nobody dared to oppose the motion and the fish tank was approved. The school issue was forgotten.

Our observations in different years seemed to contradict each other. Opposing those of the first year, our observations of the second visit were of meetings in which participation was rather weak, in which more shy members of the community kept quiet and in which the louder ones were apparently deciding on what the community should do. We also observed that decisions were not really made on the basis

of what the community wanted but on the basis of the information they had, even if it was very little.

The striking changes in the way communities were deciding collectively could be in general synthesised in the following:

- (a) Communities were not deciding on what they wanted to provide for themselves, but on what they knew, or at least on what some members of the community knew.
- (b) Some members of the community were apparently “taking over” the meetings.
- (c) There was this evident “group vote” in which people really pay attention to vote in groups.

The question must be asked as to what happened?, how these very participative communities, that had really worked in a participatory fashion had become so quiet and anodyne?

Several explanations could be given. First, a culturalist approach would sustain that the Mazahua culture actually imposed itself at the end of the day, and that the more traditional and hierarchical “nature” of Mazahuas came up once the field officer was not present anymore. However the communities studied were precisely appropriating themselves of the manners and mores² of the mestizo culture and their identity was facing a process of rejection of traditional values and assimilation of more modern ones.

Second, a Marxist approach would sustain that the local elites had taken over, not only the meetings, but also the participatory project in order to benefit themselves. They would go then to analyse how the culture and traditional structures of Mazahuas make possible for the elites to reverse the democratic effort and the empowerment that had been achieved by the poor, especially by women. However, the communities studied have a relatively similar income and the large majority of peasants own their own plot of land, ejido, and the complex

² Mores are here understood as cultural units.

net of interdependencies make that in very little relations one could exploit other.³

An alternative explanation is the one we try to put forward in the next part of this chapter, suggests that the changes in the participatory decision making were due to the high costs of information people had and to the institutional arrangements they had found useful so as to minimise them.

Our Argument

In rural communities participation to produce a service, as indeed in every contract, there are information related costs. These costs must be incurred as part of the activities individuals have to engage in so as to achieve agreements. In order to agree to a contract individuals have to obtain relevant information on the product or service they are buying or participating on. When buying a product individuals have to inform themselves on the price, guarantee, and conditions of use. In other types of contracts individuals have to investigate on the respectability and trustworthiness of the other party; on the possible hazards of the transaction. This search for relevant information imply costs, the information costs associated with contracting activities.

When individuals are to provide for themselves they have to investigate the technical requirements of -say- building a bridge or obtain information on who owns the fields that the bridge will affect and more importantly they have to assess on the benefits versus the costs that the construction of the bridge would imply for them.

This aggregation and searching of relevant information is not problem free and when communities engage in participatory decision making a series of information related problems arise. These are related with the access, use and distribution of information within a community.

It is our contend that these problems can be particularly high and that they seriously limit the possibilities of rural communities to effectively provide for themselves.

³ See H. Johnson in Bernstein, H., Crow B. and Johnson H.. eds. (1992) Rural Livelihoods. Crises and Responses, Introduction. Oxford: Oxford University Press,/ The Open University.

In the cases reported by this paper, information costs appeared in three major forms. First, the actual problem of searching for relevant information. It is not that communities do not know what they want but that they do not have the relevant information for effectively producing services for themselves or any other goods they want.

Second, when put to decide collectively is likely that some individuals will use the information they have, regarding their needs, activities and interests, to pursue their own benefit. Third, when individuals have to decide, they search for information in those who they have more trust on. It is also likely that individuals will associate with others with common interests, and hence with common information.

The first and second set of problems are related with incomplete and asymmetric information. The third set of problems is derived from, what we will call here, the political economy of information of a community.

Information related problems in community participation have been very rarely explored. Ostrom's work is the single most important contribution we have found in the area (Ostrom, 1993). Others, such as J. Fox, have detected and reported on information costs in their field work but have not specially explored them (Fox, 1996). The enormous troubles communities face to gather information and the solutions they give to these problems remain largely underresearched.

Until now we have not been really able to understand these problems for the participatory approach is based in assumptions that somehow deny the existence of information costs.

Although they are never clearly stated, the more radical advocates of participatory development seem to base their approach to community decision making in the following assumptions:

- (a) Individuals have perfect information.
- (b) There is unlimited trust. They feel free to disclose and share the information they have looking the benefit of the community as a whole.
- (c) Co-operation and solidarity are the premises of individuals behaviour and choices. Individuals would eventually subordinate their personal interest to the good of the community

as a whole, and conversely, they can expect their points of view to be taken properly into account.

(d) Community is a unity of interests.

Advocates of participatory decision making for self-help rural development have the tacit premise that the community, will behave as a unity of interests. They believe that individuals will easily agree and will choose to cooperate for the construction of the collective goods. For competition between the poor is not acknowledged the possibility that certain individuals can use information as an asset to put forward their own interests and maximise their benefits has not been really recognised.

We believe that this assumptions on participatory decision making are highly partial and naive to say the least. More radical authors working with the question of participation have been led more by the good will to improve the conditions of the poor than by a more rigorous analysis of the reality they face. By building on successful cases of co-operation, that do indeed exist, they have romanticised the overall, largely underestimated real-world problems that individuals in rural areas face when providing for themselves.

Most authors have overseen, for instance, the information problems communities face and its serious implications to participatory decision making, and consequently to community sustainable development.

Important bodies of knowledge have suggested, however, that information related problems are the major constraints individuals face in decision making (Simmon).

These problems have been studied and thoroughly analysed in such different contexts such as markets, firms (Williamson, 1985), genetics () and sustainability of rural infrastructure (Ostrom, 1993). In the city where individuals have all the possible technology to access information participatory groups face serious information related troubles. And is well known that counties have to make big efforts so as to break barriers to accessing information (see Agenda XXI). In rural communities this problems magnifies. Rural people have not always the skills and face serious structural problems to access information that allow them to efficiently and sustainable provide for themselves. This is not a patronising statement, au contraire, is the recognition that individuals in rural communities, though having all the capacity to

decide on their own future not always can for they are missing relevant information that allow them to actually do so. If participatory development is going to work for the rural poor individuals have to have access to the relevant information that allow them to make pertinent decisions. The development of effective mechanisms that facilitate them to reach the information they need is a pressing need on participatory development research and practice.

In order to know how to design these mechanisms we have first to account for what happens, i.e., which are the costs people face when processing information and how have they intended to solve them. This is what this paper explores.

In order to analyse what the information problems the rural communities studied were facing when providing for themselves we applied the analysis of information costs mainly as developed by Akerlof (1970; 1986), Ostrom (1993) and Williamson (1985). To analytically approach the problem we initially divided it in three stages or sets of questions, that we put in form of questions:

- (1) What information did people have?, which has been referred to in the literature as 'local knowledge' or as 'time and place information'(Ostrom, 1993); how people were organising this information to collectively decide on which services to provide; and which were the costs the individuals of the communities studied were facing in the process of bringing together, aggregating and sharing information?
- (2) What information did people need?, how did they access technical information when they needed it; and which were the costs associated to the process of searching for this kind of information.
- (3) How (1) and (2) impacted participatory service provision.

The Mazahua Communities Revisited

It is commonly said by advocates of participatory development that communities have relevant information on contextual factors, such as climate, heights in rivers, drought periods, etc. and on institutional ones such as culture. It is sustained that people know better their needs and that if they achieve self-reliance they will be better able than no-one else to provide for themselves.

In the communities studied people had relevant information they were indeed using to provide for themselves. In El Salto, for instance, when building the water piping network the knowledge of old people proved to be highly valuable in assessing, first, where the better well were and, second, in designing where the network should pass through for they knew which soils were less sandy and therefore less probable to collapse after the first rain season. In San Lorenzo, local information proved also to be very appropriate in the construction of a dike to contain the heights of the lagoon which borders the village. The memories of old people were impressively clear in pointing the heights that the lagoon had reached in years of great heights.

However, as we argue in this chapter, though people have indeed relevant information on time and place conditions, this alone is not enough for communities to make adequate decisions on what and how to provide for themselves. Moreover the actual process of aggregating the information the community already has, sharing it and using it to decide for the common good is not costless. This we discuss in the next section of this chapter.

Incomplete Information

In Mexico technological information tends to be scattered and underprovided in rural areas. Structural conditions of poor and isolated communities create a market for information plagued with failures, and therefore is very likely that communities suffer problems of incomplete information. For the communities studied by this research this was not an easy task. Communities providing for themselves have to incur in a series of costs so as to collect and aggregate the information they need.⁴

Incomplete information costs in participatory service provision, are a consequence of the facts that (a) there is not a single individual with all the information on what the community as whole wants, (b) that community decision makers have not perfect foresight, and (c) that

⁴ These types of information have been identified as time and place information and scientific information (Ostrom, 1993); local knowledge and expertise (Brett, 1996), traditional and technological knowledge, etc.

there is always information that needs to be searched outside the boundaries of the community.⁵

What we observed was that the process of gathering information at the interior of their own communities was not, for the Mazahua people, the easy cake some authors portrait. There were costs associated to the process of aggregating local information. The second point, the searching of information outside the community was indeed more problematic and the incapacity of some communities to solve it was driving the participatory process to a stale-mate. Difficulties to access information were forcing them to make not the choices they want but those they had information for. They chose what they knew.

From people responses in our interviews we found several major costs attached to the problems of incomplete information in participatory service provision. We have classified these as: the development costs, which are the costs attached to the development of an idea; costs of aggregating information, which are the costs of gathering local information; and the costs of searching for information, which are the costs implied in the process of searching information outside the community; ex-post incomplete information costs, which are those costs only realised when the service infrastructure has been finished. The four are very related but is important to analytically differentiate them.

Development Costs

Development costs are the costs of information attached to the process of creating an idea. This imply the time, effort and opportunity costs an individual or a groups of individuals have to sacrifice so as to bring about a proposition to a larger group of associates. To explain ourselves, lets suppose, for instance, that you find a magic lamp with a genius ready to give you one single desire. For whichever reason you chose to have “the house of your dreams”, and so you say to the genius. However, he is not the type that read minds, and therefore he asks, how does it looks like?. The thing is that not even you know the overall picture of how it should look like. You would have then to imagine it,

⁵ It is important to note that Incomplete information in itself is not a transaction cost. For in so far you do not transact the fact of having incomplete information is not costly.

piece by piece asking yourself questions on how many rooms it should have, the size of them, where the windows should go and which colour the house should finally have. As you know that it is going to be the family's home, for several generations, you will be willing to shop around in your own memory of films and holidays and carefully evaluate the possible options. For you as for any individual trying to design his/her own house it may take several hours, or even days to organise the information you already have. The fact that people that can afford it hires an architect to do the job of designing and thinking suggests how costly the process can be.

This is also the case of development products, for firms have realised that the development of new products can be very costly, they have created R&D departments in which some individuals dedicate exclusively to it.

In terms of self-help service provision development costs are those which individuals have to incur in so as to imagine, visualise, and develop an idea of what and how to provide. Development costs are information related for they imply the organisation of already existing information. As a participant in the construction of a school put it :

... one thinks in a classroom and imagine a big room. One never went to a modern school...So you have to imagine everything, the size, where the children will sit, the windows,...everything!

This comment is precisely addressing the point that community decision-makers, as providers, have to imagine how things should look like. Development costs are not minimal. In the communities studied some people literally devoted entire days not to decide on what to provide but in imagining how the actual facility should look like. These processes we accompanied and in most cases not only took quite a long time but also imply serious opportunity costs to individuals developing the idea.

Since in some cases development costs can be very high they are the arena where freeriding starts and in which communities come out with very interesting solutions to their problems of information.

If we take the individual as a unit of analysis then it became clear that for some individuals it is easier to rely on somebody else to do the job of developing a project than actually do it themselves. This is not to deny that people do have some joy in participating. We agree that the process itself can be very exiting for individuals. However, when they

have to continuously participate, as is the case of self-reliant communities, for some individuals the activity may lose its enchantment and become a burden. If the decision making process starts becoming more and more complicated, as it tends to do, for the actual type of projects increase in complexity and/or because more conflicting interests develop, then it is very likely that some individuals will try to free ride and leave others the job of thinking issues such as “how many rooms the school will have”.

The following story referred to us by a participant perfectly illustrates this:

...we wanted to make a dike to stop the water flooding to the lagoon and literally washing off our main road every single time. We organised a meeting to decide how to do it. Nobody knew how to do it and I was the only one who had an idea. Finally all the thinking had to be done by myself...

When we asked other participants why they had not contributed to develop the idea they commented :

we knew that he would come out with a good idea, he always do. That is his job as representante [representative] of the village: to have ideas. Our work is to help; all of us, to built them up.... and of course to take care that he does not do everything for himself only..

It is clear that not all the members of the community faced the same development costs. For those more educated the costs were lower and many of them got more satisfaction in getting involved for they felt they could contribute in a useful and credible manner. This was also the case for members with less economic problems for whom the relative opportunity costs of developing ideas were smaller. In these our observations coincide with those of Frideres (1992: 200 and Bacow (1980).

Aggregating Information Costs

It has been suggested that the “problem of aggregating time and place information is frequently more difficult than that of dispersing scientific knowledge” (Ostrom, 1993:53). The process of gathering or aggregating information, i.e., to bring together the information the community already has, also implies a series of costs for participatory decision making. The same informant that had to develop the idea of the dike almost by himself added:

.... after having done all the thinking.... I still had to go and visit every single household to see if they liked the idea and if they were keen to come and work for

it. I still had to do all the sums so as to see how much money we had, what we were going to ask the government and how many hours of work each family should commit.... It is too much work for me alone....

This comment was not isolated. Individuals, that for a reason or another had taken the initiative of putting forwards a project, almost systematically reported on how they had to take the costs of developing ideas and aggregating information by themselves. This is common place in most organisations. However in the communities studied, as in most rural ones, where households are very scattered and isolated,⁶ it may take days just to make sure that everybody knows the date of a meeting. Making thus, the process of gathering and aggregating information costly.

In the communities studied development and gathering information costs were indeed high. This made that three different scenarios were developing, (a) nobody wanted to bear the burden of gathering and aggregating information and develop ideas so as to promote a project; (b) there were some benefits that some individuals derived by taking the initiative; (c) somebody was paid to do the job.

The first scenario was more or less evident in San Lorenzo. There the role of leader was something no-one wanted. Leaders are voluntaries and receive little benefits themselves by doing the job. The current leader told us once,

it is more expensive to imagine and organise things for the provecho [benefit/prosperity] of all than to do nothing. You have to please everybody, spend hours thinking and going to the city. Finally people co-operate randomly, things do not develop as you would have imagine and at the end of the day some will say that you made some money out of doing this.

The fact that in situations of impasse nobody wants to take the initiative to promote co-operation has also been founded in communities studied in Norway (Oska, 1993) and is indeed a common known topic in management of organisations and organisational culture .

The second scenario is the development of alternative mechanisms of reward to those taking the initiative. When individuals perceive that

⁶ See Hapgood's (1965: 6) comment on how the fact that rural decision makers are widely scattered geographically is one of the problems for collective decision-making.

some tangible or intangible benefits can be derived from the hazard of developing an idea and aggregating information they may engage in it in so far as benefits exceed the costs. In the communities observed, particularly in El Salto and San Cristobal, there were mechanisms that served as counteracting institutions helping communities to sustain participation. This we will discuss later.

Mazahua communities information related costs, nevertheless, did not finish with development and aggregation costs. We observed that new obstacles were still present in the process of provide for themselves.

Costs of Incomplete Information

Incomplete information costs refer here to those series of costs that result from the fact that individuals do not have perfect foresight. In service provision, as indeed in any other transaction, many problems become evident ex-post, i.e., only once the actual service is operating. In the communities studied there were severe costs people had to pay once they realised that some of the services they had produced were having problems. Had they known about them they could have solved from the beginning. . Though, at the time of designing and building the service they thought they fully knew what they were doing, when the service was finished and they were facing its shortfalls, they could realise, however, that they have been unable to fully predict and evaluate, beforehand, the problems the services were having now.

People many times lacked a series of important elements needed in making decisions on the services they had to provide for themselves. But precisely because they did not know they lacked the information, they were only capable of realising it once the service was actually built. This point started to become clear from our observations of the second year, and it was repeatedly stated by the people themselves.

In many of our interviews with local people they complained about the lack of information they had originally had and how this affected the ultimate performance of the service. An informant from San Lorenzo, for instance, said about the local school they have built with community participation :

...though we have seen several schools, one thing is to see and another is to do... We did it to the best of our understanding, it only rests to wait and hope it will not collapse soon.

From the same community the charismatic informal leader of the village said about the same school, “we built the school as God made us understand... (which is a say in Mexico meaning we did not know how to do it so we did what we could)” When the facilities of the school collapsed and literally fell down he added:

... thanks God there were not children in the loo at the moment... We did what we can -you know- but we did not have the plans of construction ...we had la voluntad [the will].. but we did not have plans...

These two participants were not the only ones acknowledging this. The school had many problems, most people in the community commented on. The most serious was a terrible humidity problem the two-years old school was already having. The problem was so serious that was already affecting the children’s health and some parents were reluctant to send their children to the school.

A very similar case took place in El Salto where the community very enthusiastically and committedly built a two-classrooms primary school to realise, at its conclusion that the rooms were too small and, as in San Lorenzo, incredible cold during the winter. The school was so badly built that the community was having problems for it to be recognised as a school by the regional education bureau. In our interviews the people that participated in its construction were complaining about the little information they had on the requirements of a school.

The most striking thing is that in both cases, in San Lorenzo and in El Salto, most of the participants that contributed to the construction of the schools were themselves masons in the neighbouring cities. In a focus group meeting we held in El Salto, in which they were faced with this apparent incongruency, one of them stood up and said

even to do a school has its own science - you know-.... None of us had built a school before... how were we going to know that there were specific requirements to meet.... But now that we built it we can see that the classrooms are too small for putting tables for all students and that it is so cold that the children are getting sick all the time.

Another participant added:

... one thinks in a classroom and imagine a big room. One never went to a modern school. How could we know... Now that we see the school finished, even we understand that we could have done it better. But now we don’t have the time to fix it anymore, because we spend so much time in building it that many of us are broken...

What these examples show are evidently ex-post costs of incomplete information. San Lorenzo and El Salto show that the process of designing and building up a school is not as easy as it could be initially supposed. Although these communities had the relevant data on how many children were going to attend the school, where the school was most convenient for most people in the community, and so on, they lacked the basic technical knowledge that even the construction of a two-tiers school implies if it is expected to be an efficient and sustainable infrastructure.

These cases show that communities know best but do not know everything. They may know best what is needed but often not how it could be provided. When providing for themselves, people indeed have relevant time and place information but they face serious gaps in terms of technical knowledge. Even when these communities had solved their development and aggregation of information costs they still could not fully know if the expertise, i.e., information, they had within the community was indeed effective in terms of cost-benefit analysis and in terms of efficiency. The important point to note is that these problems could have been easily solved before hand if the adequate information had been available.

Ex-post- incomplete information costs are not externalities but ex-post costs that should be attached to the service for they are intrinsically related with its performance. Nevertheless, these costs are difficult to predict for communities by themselves for this imply certain level of knowledge and expertise.

The cases presented above show that both local knowledge but also technical expertise is needed if any effort to build rural infrastructure for service provision is expected to be efficient, effective and sustainable. The people that participated in building the schools in El Salto and San Lorenzo spend a good amount of time building their schools. People in El Salto and in San Lorenzo were so disillusioned afterwards that did not want to get involved in the actual maintenance of the school.

From our interviews people constantly stressed how they would have avoided information problems if the government or the NGOs would have helped them "as they used to".

Most radical tendencies of participatory development would argue that ex-post incomplete information costs are important for

communities can “learn” from them. They would say that people in San Lorenzo and in El Salto have learned from this experience and for the next time they will do things better. In terms of information this argument is twofold. On one hand it may imply that communities will have to pass through a succession of trials and errors before they accumulate all the relevant information and expertise needed to build a proper school. This argument is evidently pointless and surely no-one would subscribe to it, for communities will only build a school once. The other side of the argument is that next time that people engage in the production of a service they will try to find out the relevant information they need so as to be more sure that this time they are building an adequate facility. They suppose that for the next time people will do more R&D and will learn to better search the necessary information ex-ante .

This assumption is true to an extent, for communities and individuals do learn, and as we observed people in San Lorenzo and El Salto were indeed more conscious about the need to search for information after they have observed their own failures. However, the argument fails in realising that (a) different services would need different kind of previous information (Sometimes radically different in nature and type. Thus having realised that relevant information is needed ex-ante, does not guarantee that they will have access to it); and (b) if the costs people have to incur, when searching for information, outside the community are greater than the benefits they expect to derive from that information, they will not search for it. The following section develops on this problem.

The Process of searching for information

Because communities have incomplete information, when individuals are to provide for themselves, they have to search for data, on issues such as technical specifications or on requirements of a service, outside the boundaries of the community. This process of searching for information implies a series of hidden costs for the people. These we have called costs of searching for information .

These costs are paramount in assessing why and how individuals respond to participation. Nevertheless, policy planners, and most theorists working with participatory development issues have practically never commented on them.

Take again an example from El Salto. The community had agreed to designate a piece of land for the construction of a fish tank. In the meeting where the idea was approved, somebody suggested approaching the Fisheries Department, but the idea was ruled out. The following testimony, we recorded in a meeting, explains why they rejected the idea and shows how people perceive the costs attached to the process of searching for information:

...we decided not to approach the Fisheries department at the beginning ...because at the time nobody had the time nor the money to go to the capital city... We could not afford to go from office to office investigating where the department was.... just to find out that at the end of the day it was closed.... You can not go earlier because there are not buses from here to there... even if you leave here at six in the morning, you get to Toluca [the capital city] by ten.... it takes you another hour to reach the regional government central offices - that is eleven- ... You still have to find where the office you are looking for is... Then you have to wait... Then if the secretaries treat you as a human being (because there are some that have a character of monsters)... they tell you where it is.... And for a reason that I can not understand it is never nearby.... You have then to go to a totally different place in the city if not yet to another one.... For that time the working day -because bureaucrats only work until mid-afternoon, -you know- is gone. So it took you -if you are lucky- one day to find the address of the office you are looking for and then you have to go another day just to make an appointment.... The problems are still the same because you do not know where the place is and it takes again ages to find it... Once you make the appointment you come back home... Then you have to spend yet another day -and a day's salary- to go back on the appointed date... If you are lucky then you get what you were looking for. But sometimes you just find that in that office they can not help you, or even worst that what the secretary told you was wrong and that in that office they do not actually do what she said!....it is crazy, isn't it?.... That is why we, in our meeting, decided to avoid all these problems and just approach the Fisheries Department once, at the very end, when the tank would be finished.... to ask for the fish, this way we would only would have the pain, and the expenses once... Though it was at the end more expensive for us...

Thus, once they decided not to approach the department until the completion of the fish tank, the community very expeditiously and enthusiastically started to dig. They dig out approximately three thousand cubic meters and filled the space with water. Then they approached the Fisheries department. They got support from them and a large supply of fish eggs they could seed in their tank. However, when an expert from the Fisheries department came to the community he found that the place was not the most suitable one. He stressed that there were problems with the type of soil and with the neighbouring fields, that by using fertilisers could seriously pollute the water and

therefore the fish. The community ignored the expert's recommendations and sowed the eggs they had already been given. Their reaction was understandable for many of them had lost a week's worth salary, four of them even lost their job, and thus they were not keen in listening to somebody telling them that it all had been for nothing.

After three months some people were still fishing but the leakage, resulting from an inappropriate soil, had reduced so drastically the level of water that the population of fish could not reach the required levels to provide for the community. Now the tank has become a big bog area children use to play.

The cases here presented show that it is misleading to suppose that existing local knowledge is enough for sustainable self-reliant development. The call for local knowledge was the result of the alienation in that development bureaucracies were having in meeting the poor's needs. Though very scientifically planned infrastructure languished under-utilised when people were not considered. However, it is as misguided to propose central planning as to propose autonomous self-reliance, for the use of local time and information alone may produce faulty structures that cost more to construct, operate and maintain than well designed alternatives.⁷

As Ostrom has stressed, combining local knowledge with existing technological one is a crucial prerequisite for developing a more self-sufficient, sustainable infrastructure that really contribute to people social and economic development (Ostrom, 1993: 52).

The problem, as she stresses, is how to make these two types of information available to the relevant decision-makers. Technological information regarding public services is usually developed by a small number of people; the problem is how to make it available to widely dispersed communities that could make use of it (Ostrom, 1993: 53). This poses significant problems that can not be left out of design. As Ostrom puts it, the key task of institutional design is to formulate rules that enhance the likelihood that both types of information will be

⁷ The fallacies of exclusively rely on local knowledge and the need to bring together experts knowledge with the local one has been stressed by Brett, 1996 and Gardner and Lewis 1996.

brought together to bear in the various phases of infrastructure development (Ostrom, 1993: 54). To increase the capacity of rural communities to access relevant information is core if self-reliant participatory development is to be expected to work.

To further illustrate Ostrom's argument we will take another example from the communities studied by this research, San Cristobal. In this community, things were working very differently, compared to the cases presented before. Here, the equation government-experts and people's organisation, or in other words, the combination of scientific knowledge with the local one was giving positive results. A simple but very illustrative case is the extension they were doing to the local secondary school (lower high school). After in a meeting the community decided that this was what they wanted the school extension, they approached the local government. The local government sent an architect to the following meeting to discuss with the community in situ their needs. He came back some weeks later to show the community a plan of construction and some photographs of a school he had designed before. So they could imagine how it would look like when finished. The community presented him with a desired location for the extension. However he easily persuaded them that the school should be facing south so as to avoid being cold during the winter. He also persuaded them to built it in row with the previous building so that -in the future- the children could use the remaining space as sports area. The architect, recently graduated, reported to a senior member of the local Social Development Office. He practically visited every day the obra (the site of the construction of the school) checking that it had the quality standards required by his office. And as he himself put it:

if I don't come by my own will, they go an pick me up... Once I was sick they even went to my place to see how I was, and by the way, to tell me that they were planning to built an auditorium at the top of the extension - in the future-. Therefore, they said, the place where we had located the stairs -which was in the middle of the building- was not the most adequate, for it would cut in half the future auditorium. I explained to them then, that the reason for the stairs to be there was so that they could serve better the classrooms, they were also more secure that way for the children. However, - I said- if you would have told me before I could have designed it differently. At that time it was too late for changes, for the foundations were done following the original plans... It was nice for them to come. I enjoyed the visit...

When the roof of this same school was going to be built, the architect persuaded the community to hire out professional masons, for the size of the roof needed some expertise to be done. They discussed a little bit and decided that though they could not hire the ten masons that the architect was proposing they will hire five, and select other five of the members of the community that had experience in building to serve them as assistants. At that meeting the architect proposed also that a mechanical compactor was needed to consolidate the ceiling of the school and to avoid future humidity. A strong ceiling he stressed should allow to built the second floor when the community needs would require. The local development office, where the architect worked, made the necessary arrangements for the community to get the mechanical compactor borrowed from the local public works department.

In our third visit to the community, a year after, the school was in perfect conditions. The community was already debating with the architect and the principal of the school on the construction of the auditorium or on the expansion of the library in the second floor.

The architect and the people binomium was accomplishing the task of bringing technological information and local one together. The architect was serving as, what Hart calls, the middle man so needed in village development. Hart, from the perspective of a development planner, founded that traditional peasants were unable to cope with specialized proposals, and therefore it was needed a middle man -for him an external agent- that could make technology and technological language accessible to the village (Hart,1971: 34 emphasis added).Somebody that could bring together the community time and place information with technological knowledge required to achieve efficiency and sustainability in rural infrastructure. In the case of San Cristobal the architect filled this role.

Until now we have been discussing the problems related with the fact that in rural communities information on how to provide is incomplete. We presented how our communities were facing obstacles in terms of developing ideas and aggregating information. We also argued how sometimes community only realise that they had incomplete information when the service they produced fails. Finally we discussed the problems the Mazahuas have to search for the information they lack outside the boundaries of the community. All

these costs we presented as caused by incomplete information. However, the communities studied here were still facing another set of information costs caused by the way in which information was distributed within the community. These costs we discuss in the next section.

Differentials in Information

While the development costs, gathering and aggregating information costs and costs of incomplete information, we discussed before, arise from the relation of the community to information in the external environment, there are a series of costs that are more internal. These we refer here as “differentials in information costs”. These cost are a direct consequence of the fact that information is not evenly distributed within a community.

Because rural communities are not homogeneous, but aggregates of individuals with different interests and different life expectations, the time and place information they have is not the same. This means, as we develop here, that there is not a local knowledge. Individuals in rural communities, as the reported here, have different informations, or in other words, there are differentials in the information individuals have at the interior of a community.

Because the rural poor compete between themselves for resources, they used the differentials of information they have to maximise their benefits and minimise their costs.

In participatory decision making differentials in information can make that some individuals can use the information they have strategically. In the communities studied this strategic use of information was causing two types of costs to decision makers (a) costs caused by dissimilarities in the information they had, and (b) costs caused by asymmetric information. These we discuss now.

Dissimilar Information

Dissimilar information costs are the result that a community is not a unity of interests.

Because of different occupation, kinship, religions an other factors, different groups of individuals have different types of information. As the information they have is related with their activities, so are their interests. Moreover, a large part of the needs they have are a direct

consequence of the activities they are involved in. Needs, activities and information, are mutually reinforcing factors that determine individuals interests and, therefore, their choices.

For service provision this means that individuals will choose those services, they perceive they need in relation of what they do, but also on what they know about. It also means that some individuals with more relevant information will be better positioned for putting their point across and therefore will be able to lead the community.

In order to better explain what are dissimilar information costs we will discuss why in the communities studied the rural poor have different information, after which we will argue that differentials of information creates costs for participatory service provision.

Community Diversity of Interests

In the communities studied not all the rural people are farmers; not all of them are equally poor; not all them are equally rural, and therefore not all of them have the same interests.

Though farming is still a dominant activity, it does not account for the whole of the Mazahua rural economy. Farming was only one of the many activities people were involved in, because agricultural production has not historically been enough to assure the Mazahua household's survival, Mazahua peasants have had to diversify their sources of income.⁸ Rural households in the Mazahua country combine subsistence farming with agricultural or other urban wage work, and/or with other activities such as artisanal production or petty trade. These people have indeed become what De Janvry, founds common through out all Latin America, 'semi-proletarian' (De Janvry).⁹ By diversifying their income generating activities individuals in the

⁸ Bernstein argues that for Latin America diversification has been the result of economic recessions of the 1980s and 1990s. In the Mazahua country this phenomenon occurs historically and to a large extent is due to the fact that traditionally they have had strong links with the capital cities to which they serve with eventual cheap labour force.

⁹ Bernstein stresses that "semiproletarianization" is a structural rather than transitional or temporary condition. Many political economists argue that the extent and continuity of semiproletarianization expresses a specific feature of capitalism in the third World". For him "it seems misguided to try to decide whether rural semi-proletarianians in general are really farmers (or 'peasants') who also work for others, or really workers who supplement

communities studied have developed an insurance against the environmental hazards that may destroy their crop and the possible fluctuations of demand in labor markets.¹⁰

Many of them move constantly between the country and the neighboring cities. In El Salto, San Lorenzo and San Cristobal, they do so for longer or shorter periods, and each community have relatively regular patterns of migration. In the first two the principal reason is work in the construction industry in the cities of Mexico and Toluca. In San Cristobal is petty trade. However, in the three communities there are also other people that have engaged in other activities, such as maids, gardeners, workers and many others jobs that require considerable mobility over different periods of time.¹¹

Though different activities generate different incomes these have not created a harsh social differentiation.¹² And since most families still own their own ejido and are part of the same ethnic group, there is no clear difference in terms of class or ethnicity observable at the interior of the communities.¹³ However, depending of the different activities people engage in, the pressure they have on the reproduction of both capital and labor varied. Individuals had also succeed to different degrees in assuring themselves and their families a livelihood,¹⁴ and

insecure and adequate wages with farming and other 'own account' activities. According to their circumstances, different groups of rural people at different times might be closer to the former or the latter"

¹⁰ It is interesting to note that changes in the demand not only affect the size of it, rural people has to be very aware of its variations in time -for different seasons may have different needs of labour force location and type. They have also to be clear about its changes in terms of real wages.

¹¹ Seasonal migration in these communities occurs in weekly terms and mainly to Mexico city.

¹² Social differentiation has been defined as social relations of systematic inequality along lines of class, gender and other divisions (eg. ethnic or cultural) and the processes through which these social divisions and relations are created, (See Bernstein, H., Crow B. and Johnson H. eds., 1992).

¹³ There were certainly problems of inequality in terms of gender, that affected the different costs women face for participate.

¹⁴ In the San Lorenzo case, Pancho an information broker, could dedicate himself to plants growing because he was the owner of land and had the skills, while Odilon presented problems because he was landless and unskilled.

therefore some of them have been more or less able to accumulate than others.¹⁵

We indeed were capable of observing several of the classifications that Chambers, has outlined so as to desegregate rural poverty (1988:6-8).¹⁶ And by so doing we could distinguish different kinds of rural poverty and identify different kinds of strategies the poor use to deal with it.¹⁷ By using this analytical framework we observed, something that Chambers himself, as well as some authors working on PD, have apparently neglected.¹⁸ That, Mazahuas, even within the same community, have different interests, that are determined by the way they experience their poverty, and by the different strategies they have developed to deal with it.

Johnson (1992: 274-300) has very clearly presented this:

.... It is becoming clear that poor rural people do not necessarily have a commonality of interests. What they have in common does not always outweigh their differences, nor do they necessarily express their interests and demands in the same way....It is obviously important to try to understand action from the

¹⁵ Following the criteria of their ability to accumulate Bernstein has classified peasants in

¹⁶ Chambers establishes an interesting analysis on how different poor people experience poverty in different way. He distinguishes, for instance, between the poor and the ultrapoor, and understand that they have different needs and behaviour. A second issue is "ascribed deprivation"...: certain categories of people are more likely to be poor (and poorer) according to ascribed characteristics such as gender, membership to ethnic minority groups or elderly, caste, etc.... in some rural societies women and daughters have lower levels of consumption and higher levels of insecurity, morbidity and mortality than men and male children in the same households. A third specification of the poor is by their spatial location- particular regions, rural localities, or types of villages are poorer than others.

¹⁷ Using the metaphors of "foxes" and "hedgehogs" from the Greek proverb that the "fox knows many things but the hedgehog one big thing". The "foxes" build a repertoire of different petty enterprises and activities: diversification. "Hedgehogs", on the other hand, are looked into one predominant source of livelihood. We believe that Chamber's distinctions are to a large extent linked to communities' structural conditions. Foxes may be able to be so because they have structurally the conditions that allow them to dedicate themselves to more "petty enterprises", while "hedgehogs" may be tight to one kind of activity because maybe they lack the land or any other resource for being more entrepreneurial". This was evident in the Mazahua area.

¹⁸ P. Oakley states, for instance, that "rural areas are harshly differentiated between those who have and those who do not have access to productive assets, e.g. land, water and credit, and this differentiation is reinforced by the political and social privileges which accompany the ownership of such assets".

actor's perspectives and to recognize that their interests might well differ radically from those of development agencies such as the state or aid organizations. But it is also important to try to distinguish the meaning and significance of different types of action: whose interests are involved (in terms not only of class and gender, but also of communities, ethnic groupings or groups with shared cultural identities), whether the interests are immediate or longer term, and whether the issues are about survival or transformation....

In the Mazahua country this diversification of livelihood strategies and interests has created a multidimensional and culturally complex environment, in which, as Johnson puts it, people's responses to their material conditions and to the effects of change are also multidimensional, and reflect the complexities of cultural values and different aspects of rural life (Johnson, 1992). It is in this context that community participation for service provision takes place in Mazahua communities studied here.

Individuals, even within the same community, were subject to a considerable variety of differing institutional connections.¹⁹ These connections were the result of the different livelihood strategies they have engaged in, and of the different fields of relation they had created.²⁰ These differences were cause and effect of individuals having different information and different needs.

Moreover, in the Mazahua area different information brought people to have different mental maps (North, 1996), that created differences in the subjective consciousness and in their understanding of their constraints and possibilities. This, reinforced by the way different groups of poor experience their poverty, shapes their interests differently, and explains why, when individuals within a community engage in collective action they exhibit so different patterns of attitudes and motivations.

Dissimilar information costs arise from the simple fact that different individuals have different information-interests-needs when they sit to make a decision on what service to provide for themselves. These costs do not refer only to the costs individuals have to pay in terms of time and effort to understand the information others have. More

¹⁹ For a very similar kind of observations see Hapgood 1965:6.

²⁰ See Redfield (1956) and Oskay (1993).

importantly, they refer also to the different relative value that a specific kind of information may acquire in an specific situation. Take, for instance, the case of two friends traveling together through France and Italy. One speaks Italian but not French and the other French but not Italian. The information each of them have -the knowledge of the language- will have different relative value depending on which country they are. Each of them have different dissimilar information costs depending on the country they are at in a specific moment. Dissimilar information costs are similar to asymmetric information for both form part of, what we have called here, problems of differentials in information. They are, however, different for dissimilar information is structural, and do not imply guile. Different individuals have different information regarding the many different events that conform their lives. This is structural. Asymmetric information is also related to the differentials in size (quantity or value) of information, but it is related to the same event, i.e., who holds more information about a particular situation. The information our friend that speaks French has -the knowledge of the language- serves mostly in France, i.e., he has asset specificity with value dependent on being in France, and loses it in the moment he cross the Italian border. At the very moment of crossing our Italian-speaking friend will have more relevant information in Italy and therefore will be in a better position to make acquaintances, listen the radio and order food. He/she can then have more control over the situation. While our French-speaking friend will have to incur in some costs, in terms of time and effort so as to do the same. He/she will be in a relation of dependence to the other.

If our italian-speaking friend starts behaving opprotunistically, taking advantage of his/her knowledge of the language in a way that may impact our french-speaking one, then we will be talking that the latter is paying asymetirc information costs.

In the communities of this study, dissimilar information in terms of language represented indeed costs for those whose Spanish was not good enough. In meetings it was immediately clear that those that remained silent were, in general, those whose command of Spanish was poorer. But also those that lacked other types of information, such as knowledge on city-life, urban manners, and even names of government's offices. These types of information were assets for some and represented costs for others. Those for which information was a

cost had to put themselves under a relation of dependence with those for whom information was an asset.

Dissimilar information costs are also the costs attached to the process of the reproduction of information. For within a community different members bear different costs of access and of reproduction of the information they have. In our communities it was evident that those with a proper command of Spanish had less problems understanding a new proposal than those that did not. Those that were already streetwise were more able to contact bureaucrats and donors. They had less costs. They were, therefore, systematically in control over other individuals with higher costs. The latter had to *confiar y cobijarse* [trust and cover] -as they told us-, putting themselves “under the umbrella” of those for whom the command of Spanish, for instance, was an asset.

In this line of ideas some authors have also identified problems related with what we refer here as dissimilar information costs. Analysing how individuals exert their voice or not, Frideres suggests that in processes of participation there exists a self-selection process at the community level in which the less educated choose to remain silent. He observed that large segments of communities auto-segregate themselves and remain outside the assessment process. This autosegregation is for Frideres not always a result of conflict or class distinction, but often a matter of personal choice (Frideres, 1992:199). In the Mazahua communities studied individuals make the choice of being silent for they have not previous information that allows them to participate, and the dissimilar information costs they would have to incur so as to be able to participate were higher than the benefits.²¹

Until now we have been discussing that our case of study as self-governing communities were facing a series of problems to develop, aggregate and access information that seriously limited their capacity to provide for themselves. We also argued that in a participatory decision making process for service provision communities do not act as a unity of interests.

²¹ This observation is not exclusive to ours. In the 1981 American Association for the Advancement of Science' Symposium participants on risk analysis and social impact assessment agreed that this structural separation was present in nearly all large-scale natural resource projects in which we have been involved.

We have analysed how information is a crucial element in decision-making process, and that those with access to the relevant information will be more capable of putting forward their points and manipulate collective action towards their own interests.

What we intended to present with these arguments was a rather different picture of the integrated and solidaristic rural life many authors intend to present. We do not believe that rural people act always solidaristically or with unity of interests.

Nevertheless it is important to note that while dissimilar information costs focus on the individual stock of information and experience of poverty, we do not pretend to say that individuals in the rural communities of our study are totally individualistic actors. On the contrary, they are part of strong and complex networks of reciprocities and alliances in which rural life in the Mazahua area is structured. Individuals do perceive and respond to poverty differently, but their responses are also groupal and related to factors such as kinship, occupation and religion. As we will develop in the next section of this chapter.

Asymmetric Information

Information by its very nature is unevenly distributed. The communities studied here are not an exception.

Following the arguments presented in the last section here we present evidence on how, for services have different impact in different groups of individuals, when this individuals are confronted with the possibility of choosing what to produce different interests spring up. In our three cases of study individuals associated with other similar so as to reorganise the information they needed to put forwards their interests. Groups of interest became then pools where the information of a particular group was stored. We explain here how these groups hid and used information in an opportunistic manner so as to maximise their benefits and minimise their costs. And how this created another type of costs, asymmetric information costs.

Asymmetric information classic example is that of the quality of a second hand automobile, in which the buyer does not know if he is buying a “peach”, i.e., a good performer, or a “lemon”, i.e. a bad performer (Akerlof, 1970). The seller has certain information on the state of the car that the buyer can not access unless the former disclose

it. However, the seller has little incentives to do so for this could mean a weaker position in the negotiation of the price. In terms of participatory decision making, this means that there are sellers of information on what and how to provide (those having information on how to contact NGOs or government agencies, those with communication skills or that know how to read, for instance) and buyers of it (those for which information is a cost). Individuals who sell are those who possess relevant information which being underprovided becomes a valuable asset, as we described in the previous section. For communities providing for themselves Akerlof's "information paradox" means that the seller may not be willing to make public his information on how to provide a specific service because of fears that it will be underpaid (as information is almost anywhere) and the buyer may not be willing to buy for fear to buy a lemon. In other words, because the market for information on what to provide is full of imperfections and because the rural poor are competing for resources people that have relevant information may only bring it to market if they perceive that it will be fairly "paid", i.e. that they will receive a fair share in the benefits. The buyers, the rest of the community, will only buy that information (a) if they can trust that the sellers are not cheating or will capture of the benefits of a project for themselves; and (b) if they perceive that the information the sellers have is indeed relevant for the production of the service they are aiming to develop.

Asymmetries in information have been highlighted as a door to opportunistic behaviour. When one party to a contract knows something about the contract the other does not, it is likely that he/she will use it to maximise his/her own benefit.

In particular asymmetric information tends to manifest itself in those goods in which "essential quality attributes... are difficult to measure without investing substantial amounts of time and other resources..." (Ostrom, 1993:55). The point to be realised is that when there is asymmetric information various adverse selection and moral hazard problems arise. Guarding against these will substantially increase the costs of transaction. And more importantly that, as Ostrom puts it:

"at the minimum, these increased costs can be expected to reduce the volume of beneficial trades or productive activities. In the worst case, when no counteracting institutions have been devised, information asymmetries can

eliminate some types of mutually productive activity entirely” (Ostrom, 1993:55).

In terms of participatory service provision this means that the most the sellers will perceive that their benefits of a service will be minimal and the buyers won't believe that sellers' information is valuable and/or their behaviour will be honest, then the outcome will be closer to lack of co-operation and viceversa. In the communities reported by this paper asymmetric information was exerted not by single individuals but by groups of interest. This we develop in the following section.

Counteracting Institutions

Several authors have stressed the importance of counteracting institutions to reduce information costs, particularly those related with problems of asymmetries in information. For Akerlof institutions such as guarantees, brand-name goods and chains are important institutions to counteract the effects of quality uncertainty (Akerlof, 1986). For Williamson the state and the market reduce uncertainty in contracts (Williamson, 1985). Ostrom finds that kinship, nepotism and corruption, are counteracting institutions that solve asymmetries in information in rural infrastructure maintenance (Ostrom, 1993: 62-8). Though in the communities reported by this study these institutions did exist, we believe however, that besides them there were other three that were playing a more important role in terms of reducing information costs for individuals. These were, development brokers, reputation effects and solidarity networks. The three were, mutually reinforcing and very interlined but that analytically worth a separate analysis.

Development Brokers

Those individuals with more relevant information helped the community to reduce the costs of co-operation, in particular those of information. These individuals were acting as community development “brokers” for they played the role of “opening up” the barriers of information the community as a whole faced to get access to the relevant information they needed to provide for themselves. These individuals bore what Hansmann calls, for the process of establishing a firm, the costs of entrepreneurship. He stresses that :

If, initially, the prospective owners of a new firm had to assemble and organise themselves on their own before establishing the firm, then it would generally be

impossible for any numerous and widely dispersed class of patrons to assume ownership. But in fact the organisation of a firm is generally brokered (Hansmann, 1996: 45).

As entrepreneur act as brokers of firms launching and development, communities' information brokers served as counteracting institutions for they reduced the various costs of accessing and managing information we have discussed before. Their role could be summarise in three main areas. First, they were fitting the information space left by the retreat of the agency's field officer. Second, they were acting as information reservoirs of relevant information on everyday life important issues they community could not any more find in their traditional institutions. They were, in most cases, the open book of "modernity". Third, most of the Mazahua information brokers were putting their best to lead the community to success in participatory service provision. They were doing so because it was in their best interest to do so. We now expand these points:

- (a) Mutatis mutandis, information brokers in the Mazahua communities studied have a similar role -in terms of access to information- to that of money lenders in India, as described by Darling (1932). For their knowledge of the community needs, the strengths and weakness of the people around them, and so on, allow them to more clearly explore the feasibility of an particular project and to be able to foresee who will oppose, who will participate and who wont. They are similar to Darling's money lenders for they can easily fit the information space left by government and NGOs field officers, and provide people with information that otherwise would imply expenses, time, travels, efforts of speaking a more correct Spanish. They are there for people to see them at any time they want, au contraire of bureaucrats. Moreover, they speak the same language of other members of the community and in contrast with the bureaucrats there is not need for formalities and inconvenient questions. They are, however, different from Darling's money lenders in India, in that Mazahua information brokers -we observed- are more liberal and conducive to development and institutional change.
- (b) Information brokers posses relevant information to the community needs. Communities are information hungry and

since information is a scarce resource, information brokers possess a very valuable asset. It is particularly important to know where the job opportunities are, how to get there, where the office of this and that is, be able to get around in the city and so on and so forth. This information is fundamental for it reduces the costs of time and effort people would have to expend to acquire it. Although for some to acquire this information may sound an easy-cake, for many Mazahua people it involves serious costs and indeed constraints they think twice before undertaking. Therefore they are keen to go to somebody who has the adequate fields of relation with the exterior.²² Those who have lived in the cities, who speak better Spanish, who are more assertive and, as an informant put it, are *de razon* [knowledgeable persons], that know the manners of “modernity” the Mazahuas are trying to learn.

In the communities studied those that have lived in the city for a while, those that can read and/or speak fluently Spanish, those that have worked in factories or can drive have had what Akerlof refers as licensing practices, that certify the attainment of certain levels of proficiency (Akerlof, 1986:33-37). These activities are, as Akerlof states for the education system, a certification of the quality of the information the individual possesses.

- (c) We deliberately apply Hansmann’s description of the role of brokers in bearing entrepreneurship costs because we believe that it perfectly mirrors, as we have tried to show, the role of Mazahua’s information brokers. Moreover, the idea of broker has implicit the idea that he/she gets some benefit out of the voluntary job of bearing the costs of entrepreneurship. Therefore, for information brokers it is in his/her best interests to maintain their image as knowledgeable persons, and to try to lead the community to success in collective action so as to be consulted and followed in future ventures. This is equal to say

²² This concept is quite complicated. The main problem is that the exterior is actually where many mazhuas live -Mexico city- .

that information brokers will try to build themselves a reputation, for they believe its benefits would exceed the entrepreneurship costs.

Reputation

Because development brokers were “status entrepreneurs” in the Mazahua villages, they were particularly concerned with “to be known as a concerned member of the community, to be respected”, as they repeatedly commented.

Reputation was, for the Mazahua communities studied, both (a) a very important by-product of participation and (b) a catalyser of it.

- (a) Reputation was a by-product of participation for though it was not one of the objectives of collective action, when a participatory process was successful, those that had been its brokers were gaining recognition as good leaders. This is illustrated by the comment presented above when one informant said “we knew that he would come out with a good idea... he always does...”.

But in order to maintain that reputation within their neighbours individuals have to bear huge costs. The following case exemplify this:

Andres, one of the brokers of San Cristobal, pushed forwards the idea of building the extension of the school. One day we arrived late at night to his house and found him very busy with calculations and papers. He had been for several days planning the termination of the school. He was extremely worried because there had been delays in the arrival of some materials and the school was going to be finished and inaugurated one week after the expected date!. We manifested our very positive impression for we thought, that given the conditions, a week delay was actually an achievement rather than a failure. He then explained to us that a week later would mean that the school would be finished after his period as delegado [voluntary representant of the community] had finished. He had always wanted the school to be inaugurated the day in which he was precisely leaving office. He then commented that he was ready to even “plaster bricks at night, if necessary”, as he said to achieve his due date. For, as he latter explained to us, “if we inaugurate the school and we make a party and people enjoy it, this

would mean that somebody from my own group²³ would be elected as delegado for the next period”

- . This case mirrors a common feature of participation in the Mazahua country. Though reputation of leaders is not an objective of collective action it becomes a by-product leaders gain out of it. Then reputation is a counteracting institution for it forces leaders to be honest and to search for relevant information.
- (b) In the communities studied reputation has been a catalyser of participation for it has allowed brokers that have it to have more convocation power . Their leadership was a guarantee of collective action success at the eyes of community members.

As written guarantees are to formal markets, reputation was between the Mazahuas to co-operation, mainly because uncertainty was high. In their process of gaining reputation Mazahua information brokers could be seen as brand-name goods. Brand-name goods are a counteracting institutions that by building contestable markets serve as insurance mechanisms for individuals, that will even be willing to pay more than the fair price if they can be assured that the product will maintain the quality from one purchase to another. Mazahuas were keen to tight their votes to those of their preferred brokers, for they believed that “in their hands they could have more chances to properly do the things”, as they put it. As a participant said to us “because he [the information broker] knows about these things”. When, in a reunion, some of them discussed the possibility that some of the brokers where capturing more benefits than anybody else, one of them concluded “that is the price to pay, for he is always so good in getting the things right. It is preferable that he gets some things for himself and organise things properly than to have somebody else who is very honest but that does not know where to go and what to say”. Most people nodded in agreement. They were ready to pay the price.

In our communities brokers, as “sellers” of information, had the will to share their information, in so far they could have a proportional

²³ People used words such as “mis cuates” [close people in my network], “los mios” or “mi gente” [my people] to refer to their group, and “sus cuates”, “su gente” and even “su grupo” [his/her group], or more despectively “su grupito” [his/her little group], to denote others’ group.

share, generally larger than that of the others, of the benefits derived from that information. So, in order to gain the confidence of “buyers”, they had to give signals that the information they possessed was valuable. They had to build a reputation, and by so doing they were building a contestable market for information on how to provide.

This proved to be particularly important given the periods of uncertainty that Mazahua areas are passing through. For as Harris, Harris and Lewis state that uncertainty makes people get together around leaders and others that have knowledge or what they perceive is a relevant information that may reduce their costs of accessing to that information (Harris, Harris and Lewis, 1996).

We observed that in our cases of study these individuals became the centre of groups of interest. They were generally the leaders of a web of relations of dependence and reciprocity based in relations such as kinship, occupation and religion. They were the head of these groups of people that trusted them, for they have proved to represent their interests. People grouped around them for they could no longer find in their traditional institutions relevant information to deal with the changing and complex reality they are inserted. These leaders have arisen to solve the gap of information on how to provide. By so doing contributed to create a market for relevant information in which people can literally shop around.

Formation of Groups: The Political Economy of Information

Differentials in information between the Mazahua have created various sets of motivations, attitudes and social relations. Individuals in these communities have grouped themselves with other similar, i.e., with those with the same activities-needs-information trinomium. At the centre of the group, there is in general one of the better informed persons in the community. As this phenomenon is common to the large majority of individuals within the community it is an integral part the villages life. Group formation is cause and effect of a series of social relations that structure rural life in the Mazahua area. We believe that this structuration²⁴ posed different costs to different groups of

²⁴ See Giddens, 1974, for further references on structuration.

individuals, and therefore determined the choices they took and types of actions they engaged in when they were providing for themselves.

This structuration has turned life in Mazahua villages more multidimensional and culturally complex. Multidimensional for individuals play now three or more roles at the same time. Culturally complex, for two reasons (a) as traditional institutions -especially culture- do not any more provide of information for dealing with the new reality, individuals have to pick new ways and mores that allow them to survive in a new, changing environment; (b) as their fields of relation have grown towards the outside, much of their behaviour is now occupation-related.

In this new arrangements a whole series of societal forms have indeed appeared including celebrations, rituals and other non-material activities. As shown by Redfield (1956: 26-33), in our communities these new forms were very related to up-rises and changes of religion (San Cristobal and El Salto), a rediscovery of their traditional culture (San Lorenzo and San Cristobal), and a new political identity (El Salto, San Lorenzo, San Cristobal). In the three of them Solidarity and indeed collective action were one of these new rituals.

For people in the Mazahua area the talk of solidarity was common place. They exhibit a lot of enthusiasm and commitment to it. Insistently they refer to the projects they have undertaken and how much they were going to do. They even stressed how important was their community solidarity for “developing together as a whole”. For an external observer visiting and reporting on the basis of a short visit things would have seemed as a very adequate continuation of the field officer and the agencies’ participatory development. However, once one established in the place, on a long time basis and gained the confidence of the people many internal contradictions revealed themselves, and showed that the problem-free participation rhetoric was indeed a façade and that at the back of the stage many things were in the cooking. Costs were extremely high and information was organised around special persons that were jockeying and bargaining for positions of power within the community. They themselves were the most interested in cover and maintain participation as an object of workshippiness for it helped to maintain their position as leaders. Marsden has highlighted this point, when warning us on the hazards of

naively exaggerating the possibilities of local knowledge in participatory decision making:

...The essence of all communities resides in sacred places, symbolically represented by cultural objects: The Ashanti stool, the Muslim ka'aba, the sacred grove, the American Flag, the war memorial. These are, at the same time, both public and private, where the symbol of communal solidarity is displayed in rituals of public affirmation, and where legitimacy and authority is conferred on particular people.... At such rituals the public rhetoric of solidarity often disguised jockeying for position, or is accompanied by less formal opportunities to exchange 'secret' information or to gossip... (Marsden, 1994: 53).

Tough we have disagreed before with some of the positions of Marsden (see chapter two), we also believe that he has a very important point in this respect. For in our communities of study information was so important that individuals who had more relevant information were ready to use it opportunistically to maximise their own benefits and those of the group of they have a reciprocity network with.

These two examples mirror this argument. In San Lorenzo, the NGO working with the people was exploring the possibility of developing a mushroom farm. They organised, thus, a visit of experts from the ministry of agriculture to the village. For any reason the experts visit was programmed with very little time in advance. And therefore the field officer did not had the time of publicly announce the visit. She could only ask one of the leaders of the village to spread the information as quickly as possible. He, however only did so to his group of friends, his reciprocity network.

The field officer told us after the event:

when he and his group new that the people from the ministry were coming they positioned themselves in the road to wait for them. They brought them to their own houses and fancy them so as to get from the all the information first. After that they only told the community part of it. Keeping for them the key information. This group wanted the Ministry to give them the funds to they alone pretending they represented the whole community. Fortunately the experts found it strange to be receive in a private house and not in a public meeting and refuse to do anything before contacting me. This, shows you, how hypocrite some people in the community are and how there are secret alliances and groups 'beneath the water'....

A situation referred to us by an informant in San Cristobal also exemplifies our argument:

... When the government gave the community the funds to restore houses, they were intended to reach the poorest households. However the delegado [the

voluntary representant of the community], for he was the one that knew when the funds were going to arrive, only informed his people. They made a meeting and distributed the funds among themselves, only within their own group ...but we did not say anything for some of these people are also friends of ours or even relatives and there is not point in conflicting with them. Money comes and goes, but we got to live together for the rest of our lives...

In this same order of ideas, Haviland reports on how “factionally based talk in Zinacantan²⁵ seems most often to mask rather than to expose the basis of conflict” (Haviland, 1977: 9). He, as the field officer of San Lorenzo, finds that there is much going “beneath the water”, and that despite the apparent co-operation groups are using information to “bring water to their own mill”, as an informant in San Cristobal very illustratively has put it.

What Haviland reports for Zinacantan, as indeed what was happening in the Mazahua communities studied here was that, in relation with solidarity, individuals had an ethos in theory and another ethos in practice, as Banfield show for rural communities in Italy in which resources were also scarce and poor were competing for them. Peasants in 1940’s Italy were, as the Mazahuas now lived, at the edge of the sword of co-operation/competition. On one hand, for rural life is very interdependent, Mazahua communities, as those of Banfield, know they have to co-operate with each other, this is their ethos in theory. Yet, on the other hand, co-operation has to be systematically weighted against its costs and possible benefits for risk and survival are major concerns of rural people. And they, without doubt, will not cooperate and become selfish and opportunistic if their family survival is menaced. This is their ethos in practice (see Banfield, 1958).

Banfield’s approach helps explaining why for service provision in the Mazahua area, decision-makers tended to apply an ethos in theory in the rhetoric and ritual of solidarity. And to apply an ethos in practice in its actual implementation. For information is costly and the door to the cherished resources it was the first area where this duality manifested itself.

²⁵ Zinacantan is a town in Southern Mexico. The population is mainly indigenous people, as in the Mazahua communities studied.

These examples illustrate something we observed in many other situations, the fact that factionalism was indeed a reality of the new social structuration of the Mazahua communities. Though it had not the adversarial characteristic sometimes attached to the concept it was very clear that people were organising themselves in groups to defend their interests groupally and to first capture for themselves the scarce incoming resources. This observation is not particular to our cases.

Though they have not built on information costs analysis other authors have reported on how groups organised to make more efficient use of the information they had. They have reported on very different fields as urban regeneration (Skelcher, McCabe, and Lowndes, 1996), local politics (Bosco, 1992), and community cultural studies (Haviland, 1977). Skelcher reports on how community networks base their transfer of information on “who you know”. Bosco shows how in Taiwan local politics, information was distributed on a groupal rationality.

What these studies have hinted at and the Mazahua cases have shown is that one of the reasons because individuals organise themselves in groups is to minimise transaction costs, specially those of information. They also hint to the fact that groups are ready to behave opportunistically if that implies a maximisation of their member’s benefits.

In terms of participatory service provision, this implies that because there are groups at the interior of a community, and because they may behave opportunistically, not all the “public information” is equally public. The point to realise is that information is unequally distributed within the community and that its aggregation is necessarily embedded in the community’s political economy.

In this order of ideas Marsden has noted that in a community information is not fully shared, and that indeed some groups keep it, making it more private, so as to maximise their benefits. Marsden says:

...There are ..at least two circuits of knowledge -the private and the public- which interact in very complex ways. In addition to this crude characterisation there are different types of public knowledge. It is in the nature of interactions within and between ‘knowledge systems’ to make manifest certain sorts of information and to keep other sorts hidden... (Marsden, 1994: 53).

Groups’ formation and the opportunistic use of information represent both costs of information and a catalyser of participation.

On one hand groups have dissimilar and asymmetric information, and because they are competing between themselves for scarce resources, they strategically manage that information. By so doing they are causing the community as a whole costs of asymmetric information.

On the other hand by serving as counteracting institutions groups are catalysers of participation. For groups at the interior of the Mazahua villages accomplish a very similar function to those reported by Akerlof in Indian industrial scene. He stress how caste, or more accurately, communal groups...[serve for they] establish a reputation for “honest” dealing...[and] or.... use communal ties to encourage honest dealing within the community (Akerlof,1986: 35). In the Mazahua community groups served as solidarity networks through which individuals minimised risks, They were alternative counteracting institutions to those stressed by Williamson, the state or markets. For in Mazahua communities market and state failure are both present.

Now it is important to have a look to the mechanisms through which communities exchange information.

Gossip as Flux of Information

Much of the behaviour of Mazahuas in the meetings was a result of the costs of information they had to face, as we have tried to present in this chapter. However, this by no means, implies that information was stagnant or that there was a total absence of it. Even if in the meeting people were silent and there were problems of incomplete and opportunistic use of information communities were indeed actively searching and discussing it. The mechanisms they used were rather informal and not easily observable. Moreover they were secretive and in general, difficult to access for an observer external to the community. Maybe because we look like the Mazahuas, or because we have sit long hours to talk about nothing we were granted with the opportunity to enter a more intimate world, the world of gossip.²⁶

²⁶The importance of gossip as a method of community analysis has been stressed by E.C. Parsons. In her study of Mitla , Mexico she concludes: “In any systematic town survey

In the Mazahua communities studied gossip plays many roles. Maybe the most evident is that gossip serves as a counteracting institution for it reinforces individual behaviour regarding the rest of the community. However, we preferred to analyse it as a web through which other counteracting institutions are linked and as a mechanism through which information is shared and distributed. Gossip can also be seen as a mechanism in which ex-ante the meeting things are discussed, values and opinions shared and even agreements reached.

Gossip has several dimensions in the political economy of information in Mazahua communities studied. We will briefly discuss those which help us to understand the costs and counteracting institutions of information. First, it is an important mechanism for groups 'integration. Second, it is a conflict minimiser. Third, it is a mechanism to spread important information on reputation of community members, and fourth, gossip is both a reservoir of values and collective morality, and also the arena where patterns of social change are discuss.

Gossiping and Groups Integration

Our observations of the Mazahua groups corroborate Gluckman's arguments when he states that gossip is possible only within the boundaries of a group and that it constitutes a "social weapon" by which a group protects itself from incursions by outsiders (Gluckman, 1963, 307-16.). Mazahuas were particularly attached to this practice and indeed we could observe that in different groups there were gossips about others, and about what others groups had done and were planning to do and how that would eventually impact on the interests of the gossiping group. Learning to gossip in a group, in the Mazahua country, not only implied learning what to say and what not to say to whom. It gave individuals important information on who to

much detail is necessarily omitted and the life appears more standardized than it really is; there is no place for contradictions or exceptions or minor variation; the clasifications more or less preclude pictures of people living a functioning together... From these impression will be imparted, I ome appreciation of the disposition of the townpeople, what they laugh at, what hey are willing to talk about ,and what they keep to themselves; the kind of behaviour they condemn or are indifferent about; how they feel about custums they know are lapsing ; their manners and convetionalities...."

transact with and how. Moreover, provided individuals with “conceptions about the kinds of information which they could use in their interaction” (Handelmann, 1971:396), and helped them to create similar mental maps about the world.

Because gossip was undertaken mainly within the boundaries of a group, and the groups already were integrated through the trinomial needs/information/activities, groups became more and more integrated and more similar in the information they had.

Because they had gossiped before the meetings individuals within the same groups could leave the task of negotiating to the group's member with more communication skills. He/she in general was a development broker, and possessed a large part of the relevant information the groups needed, he could therefore better represent the group's vis a vis other groups.

Gossip and Conflict Between Groups

If gossip serves to maintain the boundaries, i.e., the “unity”, of a group. It can also serve as a mechanism to minimise groups open and harsh conflict. In the Mazahua cases when there was a harsh topic to be discussed in a meeting the contendant groups generally tried to explore the opinions of the opposing group before the meeting took place. Generally a good gossip was approached so as to obtain that information. Once the information was “milked”, many times they send back -through that gossip- messages to the opposing group. In many cases we observed that there was indeed an active “exchange” of information between the opponent groups through this way. And it was incredible interesting to observe how after a time he/she came back or “let them know” what was the opinion of the other group.

A similar, “under-the-table kind of negotiations” through gossip has also been reported by study of the Tzetzales indigenous group in Mexico (Haviland, 1977: 1-15).

We also found that ultimately this negotiations brought consensus prior to meetings, and therefore the actual meetings merely served to fill a formality. This coincides with Gluckman's study on Welsh vilolages in which he shows that gossip serves to reduce intergroup conflict for continuous gossip between groups serves to unify ideas and somewhat brings conformity with community objectives (Gluckman, 1963:312)

Gossip as a Contestable Market

Gossip as mechanism of conflict minimisation serves the community also in other forms. Gluckman observations of Welsh villages, show that people, “evaluate ...leaders, as good villagers, and the like”, through gossip (Gluckman, 1963). This was indeed also the case in the Mazahua area.

In the absence of perfect information markets, when Mazahuas individuals are to get themselves involved in a collective action, they evaluate the brokers’ reputation through gossiping. They also evaluate projects and analyse how they may impact their interests as a group and as individuals.

On the other hand because brokers are very aware that gossip is a mechanism through which they themselves will be evaluated, they give special importance to having a better than average involvement in collective action and of leading the community to success.

Almost every time we interviewed the community development brokers they stressed how important was for them to establish themselves a reputation as a ‘participadoesr’ [committed to participation] and ‘buenas gentes’ [non-selfish individual]. Brokers knew that specially these two aspects played an important part in their “evaluation”.

Entrepreneurs seeking to built up social capital, refer to us that by being buenas gentes [good fellows, ready to cooperate] with others and by showing that every time they were asked to participate they were there, they could maximise the favores [favours] that others would own them, and use then them whenever they needed it. One of them put it like this “this is all about ” today for you, tomorrow for me”.

Brokers had clear that every single of their acts was going to become public information through gossip.

Gossip and Self-interest Oriented Behaviour

It was not only the brokers who had a strong awareness of being evaluated. In the Mazahua communities studied here there was indeed a very close relation between reciprocity and participation. Individuals perceiving themselves as more likely of needing help in the future (mainly the poor) were by far more keen to cooperate than those, who believed they may not need (because they have a stable job or money)

their neighbours -unless they were seeking to increase their “social capital”. Gossip served always as a reinforcing mechanism through which favours had to be paid back. For through gossip the community had access to all information on who owns favour to whom. If an individual did not help others (specially those to whom he/she owed a favour) when they were in need, gossip became so strong that he/she was literally pushed to repair the favour.

In terms of participation for service provision gossip was very strong against freeriders and , thus, a very good mechanism to refrain them. Gossip was in the communities studied a very powerful tool to reduce orotunisticbehaviour. However, this does not means that individuals therefore became simply altruistic. In the Mazahua area, as Paine claims, people appealed to group values in gossip and to reciprocity only insofar it furthered their own self-interests. What we observed corroborates Paine argument that gossip is “a tool individuals use to attain certain ends, to protect their individual interests” (Paine, 1967: 280).

Gossip as a Reservoir of Values and the Arena to Discuss Social Change

In the Mazahua communities studied by this research, gossip was not only a mechanism to learn to avoid rudeness.²⁷ It was clearly the code of what Bailey calls a “moral community” that is a group of people “prepared to make moral judgements about one another” (Bailey, 1971:7 :1-15)

Members of the different Mazahua groups were trying to maintain their reputations, and one way they did so was to be strong judges of others. They did so through gossiping. In almost any gossiping session values were implicitly the subject (see Haviland, 1977:chapter four).Gossip was the reservoir of Mazahua values and traditions, that as Gluckman suggests for the Makah persist in no other way (Gluckman,1963: 311).

²⁷ He characterizes a new member of a group as follows: “He may learn the rules of technique which keep the group in being, and he may be on excellent terms with other memebbers of the group, but he does not belong to the group until it is impossible for him to be rude to one of its memebbers unintentionally”

However in the Mazahua communities gossip was also a mechanism individuals use to draw conclusions on others' behaviour and to evaluate the value, i.e., usefulness, of their traditional values. Though, despite that in general gossip is seen as maintaining the status quo, for the Mazahuas it was serving as a mechanism to contrast new information with the traditional one,²⁸ and indeed as an arena to discuss the alternatives of social change.

Summary

In this paper we have discussed the various real-world information problems, which rural people has to deal with when they decide collectively. This is not to say that a more equalitarian participatory decision making is impossible. Instead we need to recognise and try to understand this kind of problems if better mechanisms to improve collective decision making are to be found.

Literature has identified some costs associated with collective decision making. These costs are generally related with the organisational problems individuals face when participating. These are costs common to any process of collective decision making, such as being time consuming; the need for communication skills; and the different world-visions that may diverge on what and how things should be done. However, little attention has been put onto these costs and we do not know of any systematic and/or organized study of them.

In this paper we have tried to go deeper in the analysis of the costs of participatory decision making. We focuss in the analysis of rural community's decision making for the provision of collective goods. By so doing we were able to present a another set of information-related costs that impact decision making in rural development. We believe that these costs are particularly important for their presence or absence drastically conditions community development.

These costs were divided into 'incomplete information' and 'differentials in information' costs. The 'incomplete information'

²⁸ This idea may have suggested before by Gluckman when he suggest that though gossip asserts or supports existing values also addresses, there is also a elusive relationship between gossip and the "morals and values of social groups". See Gluckman, 1963, : 308)

costs of participatory decision making are a consequence of the difficulties participants face when having to search and organise information so as to produce a service.

In the Mazahua communities reported by this study we could identify a set of costs within ‘incomplete information costs’, namely, development costs, aggregating information costs, ex-post incomplete information costs, and the costs of searching for information.

Another type of information costs can be related to the differentials in information between individuals in the community. What we called here ‘differentials in information costs’ were broken down into dissimilar information and asymmetric information costs. Dissimilar information costs arise due to the fact that at the interior of rural communities there are a multiplicity of activities, needs and interests. As a consequence, the levels and types of information different individuals have vary dramatically. Because the management of information is fundamental for individuals to participate in decision making these differentials of information are particularly important to determine who participates and how, and who does not.

Asymmetric information costs arise from the fact that the Mazahua rural poor were competing between themselves for resources and were ready to use information opportunistically, to maximise their benefits.

For the rural poor it is important to know, for instance, when cheap medicines or food will arrive, where there are jobs on offer, and so on. Because they live in an environment of particularly scarce resources, they compete between themselves to be the first to get information on these issues. This will give them an advantage which may be crucial for survival. In the Mazahua communities information was underprovided and there were only some individuals who, in a changing environment, had access to the relevant information the community needed. This placed other individuals on a position of dependence in relation to these more knowledgeable individuals.

In these communities, therefore, information was power. However, because it was not evenly distributed within rural communities, who controlled what kind of information was a core question to assess in the analysis of participatory decision-making.

The observation of these issues in the Mazahua area has made us believe that information costs, particularly in communities passing through a process of modernisation, re-organise their political

economy around those who have relevant information, creating groups of interests.

Groups in the Mazahua cases are the way individuals have found to defend their interests and to manage information. They constitute here what we called the political economy of information since in participatory decision making they represent both a costs and a facilitating mechanism.

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