

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

Evaluation of “Central America in the World Economy of the 21st Century” Phases I and II

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EXECUTIVE SUMMARY

IRDC supported the Association for Research and Social Studies (ASIES) of Guatemala to implement the project on “Central America in the World Economy of the 21st Century” to strengthen research capabilities, increase knowledge and promote an evidence-based policy dialogue on the strategies for the integration of Central America into the world economy. In four years, the project organized four research competitions in which more than 70 research centres and 200 researchers from Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua submitted proposals. During the first and second rounds of competition, proposals were called for widely varied trade issues, which diluted the project's potential to influence public debate. Therefore, in the third and fourth rounds of competition the project narrowed its focus on the Central America Free Trade Agreement with the United States (CAFTA) and on fiscal and taxation challenges of Central America economic integration. Owing to this change and because the project was able to take advantage of the regional debate on CAFTA, its visibility was significantly enhanced, hence improving its impact on public debate, especially in Guatemala where ASIES is located.

The project strengthened the research capabilities on trade in Central America mainly because it created in the region an arena for researchers on trade and international economics to interact and establish links. Face-to-face discussion of common trade and integration problems and cross-border interaction and collaboration were increased by the project. However, it fell short to provide a sustained support to research teams because the participation of a successful research team in the next round of competition was restricted. Moreover, the rather small amount of the grants provided limited both gathering of primary data and the mastering of state of the art methods and research techniques currently in use in the field. Clearly, this reports shows that there is a trade off between capacity building and benefiting a number of researchers and research centres as large as possible. The report also includes suggestions to enhance training and technical assistance for improving the effectiveness of research competitions in delivering capacity building for development research.

Several factors account for research influencing public debate. This study provides evidence and suggests that high quality research is responsive to policy making priorities. However, responsiveness to policy making urgencies can compromise research capacity building, which is a protracted and long term process. In this project, such tension has been offset by commissioning research to renowned regional specialists in trade and international economy issues. While this enhanced the potential of the project to influence regional debate, its contribution to the accumulation of research capabilities in Central America is unclear.

The evidence analysed also indicates that building institutions at regional level is needed for accumulating research capacities. The report identifies some institutional issues underlying the project effectiveness but also the limitations imposed by other institutional factors in the project's ability to reach its objectives. For example, the prestige of ASIES and the advisory group made the project trustworthy in Central America. On the contrary, the participation of subregional research centres merely as bidders in the competitions has been a factor which detracted the project of establishing a stronger trade and international economics research network in Central America. It is, accordingly, suggested that IDRC and the project beneficiaries pay more attention to the institutional component of projects, if capacity building is to be promoted in a more sustainable way.

Acronyms

ALCA	Asociación de Libre comercio de las Américas
ASIES	Asociación de Investigación y Estudios Sociales
CA	Central America
CAFTA	Central America Free Trade Agreement
CEPAL	Comisión Económica para América Latina y el Caribe
ECLAC	Economic Commission for Latin American and Caribbean
GDN	Global Development Network
IDB	International Development Bank
IDRC	International Development Research Centre
LAC	Latin America and the Caribbean
OAS	Organization of American States
PNUD	Programa de Naciones Unidas para el Desarrollo
PO	Programme Officer
SIECA	Secretaría de Integración Económica Centroamericana
TEC	Trade Employment and Competitiveness
ToR	Terms of Reference
UNO	United Nations Organisation
USAID	Agencia Internacional para el Desarrollo
WTO	World Trade Organisation

1 INTRODUCTION

The IDRC program on Trade, Employment and Competitiveness (TEC; www.idrc.ca/tec) has supported for 4 years the project “Central America in the World Economy of the 21st Century” (Centre File: 100721 and 102116.) This project aims to strengthen research capabilities, increase knowledge and promote an evidence-based policy dialogue on the strategies for the integration of Central America into the world economy. The project has been praised by participants and external interlocutors as a unique experience due to its thematic spectrum, funding mechanisms for research and originality in the collaborative strategies applied in research and policy dialogue.

Although there is anecdotal evidence on the project’s impacts, so far there has not been a systematic assessment of the project’s achievements vis-à-vis its objectives. Moreover, there is a need to learn lessons from the project in order to inform similar future initiatives, involved parties, and IDRC decisions over its future involvement in this matter in the region. This evaluation is aimed at filling this void.

1.1 OBJECTIVES

The main objective of this study is to assess the achievements of and draw lessons from the project “Central America in the World Economy of the 21st Century” (the project.) Specifically, the aims of this consultancy are to assess the project’s contribution to:

- (i) The development or strengthening of research capabilities in Central America regarding regional integration into the global economy;
- (ii) Knowledge generation for policy dialogue; and,
- (iii) Promotion of policy dialogue.

Acknowledging that the project’s second phase has not been completed yet, the evaluation seeks to shed light on (i) the extent to which the project has reached its objectives; (ii) the factors that have facilitated or hindered the achievement of the project’s objectives; and, (iii) the project’s effectiveness within the regional context

1.2 METHODOLOGY

1.2.1 Assessment Approach

Although the project has not been completed yet, the main challenge of this evaluation is that it focuses on the project’s impacts rather than its results. The project impacts on intangible phenomena such as research capabilities, knowledge generation, public debate and policy dialogue. Usually, these impacts can be objectively assessed and sometimes measured over the medium- and long-term. For example, contribution to knowledge can be estimated through the times that a study is cited by the scholars who cultivate a discipline. The

accumulation of research capabilities can be assessed, indirectly, through the contribution of research centres and scholars to a body of literature or, directly, identifying research centres and researchers with prestigious reputations acknowledged by their peers, which can be traced back to specific research undertakings in the past. Generally, when accumulation of research capabilities takes place, research centres and researchers have links to regional and international networks that they did not have in the past. Finding this kind of evidence in relation to the impacts of a four-year project close to completion is much harder, mainly because not enough time has elapsed for these impacts to materialize in the social sphere. At best, evaluators can look for indirect evidence that the seeds have been sown by the project for these impacts to occur over time. This evidence might be rather subjective, as it will originate in the perceptions and opinions of the research and policy community to which the project was addressed.

Dealing with subjectivity, however, it is not the main problem for evaluators. At least theoretically, it is always possible for them to develop a compelling and sound explanation of whether or not a specific process such as the development of a research community has been strengthened or set in motion by the project. The main challenge for evaluators arises from a different aspect of social reality, which is its heterogeneity. The research and policy communities are not heterogeneous, budding researchers may be concerned with or be interested in different issues than those prioritised by experienced researchers. Perceptions can be quite different even opposed to each other between the academic and policy communities. Furthermore, the complexity of the analysis increases if countries influenced by the same project are at different development levels and, therefore, they start with significant differences in capabilities of their research and policy communities. In countries with different democratic traditions and culture, the same research result may have quite a distinct impact on policy debate and policy making. In conclusion, social and contextual heterogeneity in different ways condition the impact of an external intervention (a project) to accumulate research capabilities or to inform public and policy debate.

Therefore, in a heterogeneous social context like Central America, assessing potential impacts of development projects aimed at accumulating research capabilities and informing policy and public debate through research may be fraught with difficulties. Rather than establishing impacts, the evaluators can pinpoint a number of potential impacts as perceived by participants and interlocutors influenced by the project. In this situation, instead of providing hard evidence on impacts, the evaluators may need to act as facilitators for the voices of the main stakeholders to be heard on the project's potential impacts. Evaluators can also contribute to the analysis by presenting this information in an orderly and systematic way. Largely, this was the approach adopted by the evaluators in the assessment of the project "Central America in the World Economy of the 21st Century" where the perceptions and opinions of the following participants and external interlocutors were systematized:

- The recipient institution and the project director;
- The project advisory group;
- The researchers and research centres supported by the project;
- Other regional specialists and public servants working on trade; and,
- The IDRC program officer in charge of the project.

Whenever possible and necessary, the analysis distinguishes the perceptions from participants and interlocutors from the more developed countries—Costa Rica, Guatemala and El Salvador—and the less developed countries—Honduras and Nicaragua

1.2.2 Information sources and research techniques

The evaluators reviewed the information available on the project website (www.ca-asies.org/ca1/default.htm), which is very well organized and user friendly. Most of the project documentation and outputs are available there, including the studies supported by the project¹. Another website www.ca-asies.org/portada1.htm which deals with the Central America Free Trade Agreement (CAFTA) in relation to Guatemala, which is a spin-off of the project, was also visited. Complementary project documentation was also reviewed including the background paper², the proposals for the first and second phases³, the memoranda of grant conditions⁴, the technical reports⁵ and other documents such as the grant agreement entered into by the Ford Foundation and ASIES, and the terms of reference for the project's call for proposals.

The main research technique used was extensive, flexibly-structured interviews. Interviews addressed the following topics: (i) the relationship between the interviewee and the project; (ii) the project's influence on human resources and the institutional capacity in the region to do research on trade and international economy issues; (iii) the project's contribution to knowledge; (iv) effectiveness of the mechanisms used to promote research, disseminate results and promote public debate by the project⁶. Interviews were undertaken with IDRC staff, who were directly involved in the project, members of the project and ASIES, members of the project advisory group, project beneficiaries and third parties that may have been in contact with the project⁷. Further archival material and data were collected from the research centres visited.

1.3 PRESENTATION OF THE EVALUATION RESULTS

In this report, the project's achievements and the lessons learned are discussed and documented. Section two presents the project framed within the context of the main challenges faced by Central America in the global economy. It discusses the project's objectives and main components, and the institutional framework, management and funding of the project. Sections three, four and five deal with the achievements and limitations of the project up to the moment—with the project still ongoing. The mechanisms used by the project to achieve its objectives and their effectiveness are also analysed. Section six summarizes the project's achievements and attempts to compile the main lessons learned from the project which may be useful for future IDRC projects to be developed in the region or other regions of the world.

¹ [Hwww.ca-asies.org/ca1/publicaciones.htm](http://www.ca-asies.org/ca1/publicaciones.htm)

² Rodas-Martini Pablo, 2000,

³ ASIES, 2000, "Project: Central America in the world economy of the 21st century" prepared at the request of IDRC; and, ASIES, 2003, "Centroamérica en la economía mundial del Siglo XXI. Phase 2003-05" proposal submitted to IDRC.

⁴ Grant No 100721-001 and Proyecto No 102116-001

⁵ First technical report, one year after the project start-up; second technical report (February 1, 2002 – January 31, 2003); first technical report, second phase (October 1, 2003 – March 31, 2004); technical report (October 1, 2003 – September 30, 2004); technical report October 1, 2004 – March 30, 2005.)

⁶ The interview guide is in Annex 1

⁷ The consultants wish to recognise and thank the project team for their kind help in scheduling the interviews in the cities of Guatemala, San Salvador, San Jose de Costa Rica, Tegucigalpa and Managua. Additional thanks to all those interviewed for their friendliness and openness to discussing the topics proposed by the consultants. A list of the interviewees is included in Annex 2.

2 THE PROJECT

2.1 CENTRAL AMERICA IN THE WORLD ECONOMY⁸

Central America is an economic region with a potential market of around 35 million people and a total product close to 71 billion dollars, according to preliminary data for 2004. Even though in the second half of the 90's the Central America economy was characterized by low growth indexes, the incidence of poverty in all Central American countries decreased in the 90's, with some level of differences among them, compared to the first half of the same decade- when it grew over 5% annually. Notwithstanding, the poverty levels are still very high. Up until 1990, 59.8% of the population was in total poverty and 27.3% in extreme poverty. Estimates for 2001 show that 50.8% of the population were poor, while 23% were in extreme poverty. This decrease did not prevent the total number of poor people from increasing, due to greater population growth. With very important differences between the countries, three out of every five homes have at least one basic need unsatisfied⁹.

The region presents differences in some important macro-economic issues that at the same time are reflected in the poverty indexes and in general, in the regional progress indexes. In one extreme is Costa Rica, with a per capita income above \$4,300 US dollars annually and 11% of the Central American population; in the other extreme Honduras and Nicaragua with a per capita income around \$1,400 US dollars annually and 36% of the population. In mid level are El Salvador and Guatemala with an annual per capita income around \$2,300 US dollars and 53% of the population.

Central America is an open region in economic terms and although there are differences in the degree of openness among these countries, generally an important part of the income is generated through foreign trade. It is also a region that depends on foreign capital flow, including family transfers from the US, which in 2004 reached a consolidated amount of 7.8 billion dollars. Between 2000 and 2004, trade of goods represented around 35% of the regional product. In 2004, the total value of exports of goods reached the figure of 16.3 billion dollars, from which close to 23% represents significant intra-regional trade. The countries which depend most heavily on the Central American market to place their exported goods are: Guatemala, Nicaragua and El Salvador, where regional sales represent 38%, 27% and 26% of the total, respectively. With the development of assembling activities and of the manufacturing industry, the proportion of farm products in exports has decreased. On a global level, the majority of exports of Central America are produced by Costa Rica, whose sales to the exterior in 2004 equalled 38% of the total, followed by Guatemala and El Salvador with 21% and 20%, respectively¹⁰.

⁸ Most of the data used in this section is from ECLAC CD-rom: *Itsmo Centroamericano: Medio Siglo de Estadísticas Macroeconómicas 1950-2000* and CEPAL “*Itsmo Centroamericano: Evolución económica durante 2004 y perspectivas para 2005 (Evaluación preliminar)*.”

⁹ For further information, see PNUD, 2003 “*Segundo informe sobre desarrollo humano*”

¹⁰ See SIECA: *El Estado Actual y las Perspectivas del Proceso de Integración Económica Centroamericana*, (Mayo de 2004.)

In 2004, a moderate increase in Central American exports was accompanied by a rapid growth of imports. This impeded the reduction of the trade balance deficit, which in turn represented a little over 14% of the regional GDP. This helped generate a current account deficit on the Central America balance of payments above 5% of the GDP, without signs of a fundamental improvement in the short term.

A characteristic of the current phase of the Central American integration is the attempt to make it compatible with the commercial openness that all the countries of the region have undertaken over the last ten years. If in its first phases the integration was conceived of as an instrument for expanding and protecting the regional market, now it appears explicitly as a tool to improve the insertion and the competitive capacity of the Central American countries into the international economy. The general objective of this new integration approach is to modernize the regional production capacity and to develop a market economy free of distortions that will facilitate a more efficient allocation of resources. In this new phase, economic integration imposes on the agents, public and private, the need for cooperation, coordination and harmonization, in a wide range of activities that influence the configuration of the regional and national climate of competitiveness.

By those new prevailing circumstances in Central America, the initiative of the IDRC to prompt the project “Central America in the World Economy of the 21st Century”, has been very opportune.

2.2 OBJECTIVES AND COMPONENTS

The project “Central America in the World Economy of the 21st Century” was initiated in February 2001 and approved within the framework of the program initiative “Trade, Employment and Competitiveness (TEC)”, which is an IDRC global program that supports initiatives of diverse thematic contents and geographical coverage. Its purpose is to help developing countries in their efforts to participate more effectively in the global economy.

2.2.1 Project Objectives

The project’s general objective is to contribute through applied research, dissemination and policy dialogue to the insertion of Central America into the global economy. The project has two phases. The first phase was implemented between February 1, 2001 and January 31, 2003. The second phase started on October 1, 2003 and it is still being carried out. The proposed closing date of the project is September 30, 2005.

The definite objectives in the first phase were the following: to contribute to overcoming the lag in Central America in analysis and research of international economic matters and make these results known to the public and have them affect the policy makers of the region.

The specific objectives of the project’s first phase were as follows:

- To promote an improvement in the quality of research and public discussion in CA on the problems confronted by the region regarding successful insertion into the world economy;

- To develop the capacities of the researchers, policy makers and leaders of the civil society on the subject of international trade policy; and,
- To raise interest in CA, at the level of public opinion as well as at the level of public and sector leaders, on key issues of the international economic agenda.

In its second phase, the project kept the same objectives, with a slight modification of emphasis.

The project's general objective is to contribute through productive research, dissemination and policy dialogue to Central American insertion into the world economy.

The following are the specific objectives of the project's second phase:

- To increase CA capabilities to perform research on international economy subjects relevant to development;
- To make available to decisions makers, business and social leaders high quality research to address the genuine dilemmas of regional insertion into the global economy;
- To increase dialogue, discussion and regional debate in alternative policies to maximize the benefits from international economic integration; and,
- To inform middle-ranking officers on international economy subjects relevant to Central America

Largely, the project's objectives were pertinent in relation to the challenges that the region has been facing due to its new strategy for insertion into the world economy and the signing of new free trade treaties. However, the array of specific objectives and the limited resources available to the project have been conditioning factors that should be kept in mind for this assessment. As will be commented on later, it is necessary to visualize the project's results considering that situation. Moreover, one can argue that two of the objectives were in temporary conflict with each other, given the particular conditions of the countries in the region. Thus, it turned out to be difficult to combine the purpose of producing useful documents for national or regional debate with the strengthening of research capabilities.

2.2.2 Components of the Project

Basically, the components of the project have been:

- Promotion of research activities through research competitions and commissioned research,
- Training;
- Encouraging policy debate.

Although [section 4](#) discusses the quality and relevance of the research supported by the project, in this section it can be stated that the project's output is an assembly of documents

that mainly originated in research competitions¹¹. This was a risky procedure in that the region's trade research capabilities were incipient and there is no procedural background for promoting competition. From the start, the fact that the project managed to involve well recognized specialists as referees in the selection process gave a high degree of credibility to the contests supported by the Program. However, in the project's first phase the quality and significance for policy dialogue of these documents was called into question. Therefore, in its second phase, supporting research studies by assignment was adopted along with the research competitions. Commissioned research was assigned to well-recognized specialists in the region, which enhanced the contribution of the project to national discussions on free trade agreements and the fiscal challenges of economic integration.

During the first phase, training was delivered through three courses and various workshops, which are analyzed in [section 3.3](#) of this report. The courses were viewed very positively by the researchers, although they objected that the courses concentrated on the country headquarters of the project (Guatemala). The majority of researchers interviewed praised the first course on its new approaches to analyzing the international economy. They also thought it should be carried out systematically once a new group of researchers for the following cycle was defined. It would seem that this is a contribution to strengthening research capabilities. With the exception of this course, this component was financed mainly by other donors.

Policy debate was encouraged through workshops and meetings (see [section 5](#)). The majority of the interviewees thought that the studies and research results would probably have had a greater impact on the national debate or on the positioning of some sectors, mainly in reference to the CAFTA theme, if there had been more extensive vehicles for dissemination. If an element was constant in the opinion of the people interviewed, there was an urgent need for resources that would allow for greater diffusion of the project's results, which at the same time would give greater visibility to the contributions of IDRC. It was said, for example, that the lack of resources impeded researchers presenting their work across Central American countries, limiting the exchange of research results and the international exposure of their work.

2.3 INSTITUTIONAL FRAMEWORK

The main financial backing for the project is from IDRC, although since the project design the participation of other donors was contemplated. Unfortunately, in the end they have been but a minority.

The program was integrated by a scheme in which the institutional counterpart is constituted by the Association for Research and Social Studies (ASIES), a recognised research centre with a long tradition in Guatemala.

An executing unit - formed by the project director, an administrative assistant and a secretary - was in charge of implementing the project. The executing unit's main responsibilities were running the research competitions, organizing the courses, raising funds from other cooperation agencies to financially support some project activities (e.g. participation in regional workshops, organization of courses, etc.), disseminating the project's output and devising the financial and technical reports required by IDRC and other donors. Finally, to

¹¹ Research competitions are analysed in [Hsection 3.2H](#)

monitor the program on its substantive component, an academic assistant was added to the executing unit.

Additionally, as a non-organic and parallel entity to the executing unit, an advisory group, with ad honorem character and formed by connoted experts on the subject, was established. The advisory group was intended to improve the regional reach of the project, fortify its response capacity to the regional priorities and help in some substantive decisions on the activities of the project. The advisory group definitely strengthened the project and also facilitated in certain ways an institutional endorsement. The generalized opinion on the operation of this group was that it was mature enough in the course of the discussions to help with the best development of the activities. Regrettably, the group managed to meet only when the majority of its members coincided in a determined location.

In the project's second phase, a more active role was intended for the advisory group. First, the number of members was raised when four distinguished Central American professionals from different countries were included. Secondly, funds were allocated to pay fees to the Central American members for their participation in the meetings.

Unfortunately, the objective of increasing the advisory group's contribution to the project and establishing a more structured and organic relationship between the advisory group and the project was not achieved. The advisory group has had a limited participation in the substantive activities of the project. This was mainly due to two reasons. The project director understood that the group had a consulting function, exclusively; and, the functions of the advisory group were not clearly defined.

As for the research competitions supported by the project, a jury made up of prestigious professionals was invited to ensure that the awarding would be carried out with the greatest of transparency and impartiality, and that the best research proposals would be selected for each round of the competition.

2.4 MANAGEMENT AND FUNDING

Undoubtedly, selecting as counterpart the Association of Research and Social Studies (ASIES) contributed to facilitating the project's achievements. This institution not only has human and material resources to support the activities that are developed in a program of this nature, but it is also a prestigious institution in the region, which has appeal in different academic groups, among politicians and, in general, in civil society.

It should be pointed out that the general opinion is that the project director and the project's executive unit performed their activities with professionalism and efficiency. This was an important factor in explaining the project's achievements given the limited resources available. Notwithstanding, the project's ownership and results by the project stakeholders were limited as the project's results were mainly presented by the director, which did not allow the researchers to have a larger role. Thus, it was not possible to build a tight network of researchers and research institutions. Some of the members of the advisory group felt distanced from the project, feeding back only when they were required to do so.

As for the program financing, at least two elements should be indicated that could constitute lessons for similar experiences. In the first place, it would seem that it is inconvenient to condition the execution of some project activities on potential future donations. This is

because the project's effectiveness can be compromised by external factors and diverts the already limited time of the project director, who had already been hired on a part-time basis. For example, even when complementary support from the USAID and the Ford Foundation was obtained, which allowed for the second and third courses to take place, no additional financing was obtained. Therefore, it was not possible to carry out other courses in the second phase¹².

In the second place, there was a generalized opinion that a greater endorsement for each study would have had a greater impact on the quality or depth of the supported research. In a few cases, the recipient institution was forced by the circumstances to use its own resources to complete the study. In other cases, the report was possible thanks to the fact that there was material that had already been created under other projects, which partly diverts the objective of the project. Ultimately, it seems advisable to limit the project objectives to the assured resources, which would imply that before initiating the project, fund raising activities with other donors should be exhausted, in order to count on all the required resources for carrying out the project and specifying its activities and timing.

3 CAPACITY BUILDING

3.1 MAIN FINDING

Although the project “Central America in the World Economy of the 21st Century” is still in progress, one of its important accomplishments has been to strengthen research capabilities regarding trade and international economics in Central America. The interviewees — researchers, members of the project advisory group and third parties— agreed that the project created an arena for researchers on trade and international economics across the region to interact and establish links. Face-to-face discussion of common trade and integration problems was rare and cross-border interaction and collaboration even rarer prior to the project. Many researchers, especially the young, stated how much they valued international exposure, the opportunity to meet and discuss different points of view, and to learn about differences and similarities of institutions and policies in different countries.

At the same time, however, the lack of a formal and permanent structure behind this incipient network of researchers and research centres is an important project shortcoming. Mostly members of the advisory group but also some researchers stated their concerns over the sustainability of the regional interaction between researchers and research centres when the project will be completed. Several researchers who participated in the project's early rounds of competition feel that a properly institutionalised regional network has been lacking since the beginning of this initiative. Interviewees, who are not living in Guatemala, consider that the project is too centred on this country. In their opinion the project has fallen short to establish and consolidate a regional network of research centres working on similar issues. Consequently, they identify the need for establishing sub-regional entities or research centres which can deliver the regional objectives and activities of the project better than the current

¹² The USAID contributed \$40,000 dollars, while The Ford Foundation contributed with a total of \$80,000 dollars, of which \$15,000 were used for the [courses](#).

organization. A member of the advisory group suggested that there is a need for the project to be thought of as a coordination space between institutions located in different countries, like a network of research centres, if the project is really to contribute to fostering regional research capabilities in a sustainable way.

3.2 THE RESEARCH COMPETITIONS

For fostering the accumulation of regional research capabilities, the main mechanism used by the project was that of holding research competitions. Since 2001, four research competitions have been held in the region. Each competition comprised four themes. In the project's first phase, the competitions requested proposals for a broad range of issues with a rather weak connection between each other. On the contrary, in the project's second phase the competitions were focused on an issue of acknowledged regional importance, which was validated by the advisory group. The third round of the competitions delve into the Central America Free Trade Agreement with the USA (CAFTA) while the fourth round focused on the fiscal and taxation challenges of Central America economic integration. Narrowing the focus of the competitions in the project's second phase aimed at enhancing the public and policy relevance of the research supported. According to the people interviewed, this adjustment not only improved the regional importance of research but also, in the case of CAFTA studies, allowed the project to contribute to this heated regional debate during its pick reached in 2003-4¹³.

Table 1. Results of Research Competitions

	Research Competitions			
	1 st Round	2 nd Round	3 rd Round	4 th Round
Research proposals	38	30	33	23
Researchers	84	92	76	52
Research institutions	32	35	28	18
• Costa Rica	9	8	6	10*
• El Salvador	10	1	5	6*
• Guatemala	11	10	10	3*
• Honduras	1	1	4	2*
• Nicaragua	1	10	3	1*
• Panama	--	--	--	1*
Source: Derived from the project's technical reports and bulletin				
(*) Figures represent research proposals not research institutions				

Table 1 shows some results of the project's research competitions. The response to the project's calls was significant, involving the participation of more than 25 research institutions and 75 researchers in the first three rounds. Participation in the last competition was less significant, mainly due to the eligibility criterion that researchers demonstrate experience in and knowledge of fiscal issues. According to the project director, this improved the average quality of the proposals compared to the proposals submitted in the previous rounds.

Research centres and researchers from the more developed countries in the region –Costa Rica, El Salvador and Guatemala—had greater participation in the competitions than the less

¹³ The project's contribution to this debate is analysed below in [Hsections 4H](#) and [H5H](#).

developed countries –Honduras and Nicaragua. In order to increase the participation of the latter, in the second round one of the prizes was left aside exclusively for research centres located in Honduras and Nicaragua¹⁴. In the fourth round, the project director found it necessary to turn down a high-quality proposal in order to broaden the regional funding pattern. However, the results of this policy in terms of research quality were disappointing. According to the project director, positive discrimination against researchers or research centres from less developed countries is ineffective because it results in research of lower quality. Consequently, his suggestion for dealing with this problem is to support research in less developed countries through training and technical assistance. One can say that this type of support helps to avoid the false dilemma between building research capacities and promoting high-quality research.

Overall, the competitions were highly appreciated by the interviewees because of

- (i) their transparency and good organization;
- (ii) participation was opened for everyone, leaving aside the 'privileges' that are so common in the region;
- (iii) they encourage looking for the best people when forming research teams; and,
- (iv) the referees were specialists of international renown who not only guaranteed a fair assessment of the proposals but also created an additional incentive to participate in the competitions due to their prestige, particularly for budding researchers..

Most researchers and, to some extent, members of the advisory group consider that there were two shortcomings in building research capacities in the region. First was the lack of continuity for research teams to work with the project, as winners were not allowed to submit research proposals in the next round of competition. Second was the rather small amount of grants, which impaired the chances of gathering primary data¹⁵, affected the regional perspective of the studies¹⁶, and discouraged the involvement of senior researchers in research teams¹⁷. On the contrary, the project director feels that the grants provided were reasonable as smaller grants for commissioned research resulted in good quality studies¹⁸. In

¹⁴ The research theme was "The Central American Agriculture before the Climate, Economic and Technological Challenges."

¹⁵ Research grants for an average six-month study were comprised of two main components: fees and travel costs. Fees fluctuated between US\$ 10,000 to 15,000 to cover the costs of two or three researchers. Several researchers felt that this was a reasonable amount for a short-term study. Research travel costs, not including attendance at workshops or meetings, amounted to US\$ 2,000. A number of researchers and research centres such as CIDH, FUSADES and CAATEC found that this amount was too modest for their actual requirements for data collection in the region. They acknowledged that the grants received were only useful for complementing research that they had been carrying out prior to their participation in the project.

¹⁶ In the opinion of several researchers, the grants could not cover the requirements for gathering primary data through interviews, for example, which in several cases would have been desirable to improve the regional focus of their studies

¹⁷ According to the interviewees, senior researchers in the region consider the grants provided by the project as of little attractiveness to encourage their participation in research competitions. It was said, for example, that competitive bidding by the Interamerican Development Bank usually provides between US\$ 30,000 to 50,000 for socio-economic research projects that have a large participation of senior researchers and consultants from the region.

¹⁸ Studies commissioned by the project and others related to the project by ASIES for the Congress in Guatemala amounted to US\$ 5,000. These projects were usually carried out over a two-month period by a senior researcher or specialist.

this case, however, the research grants were assigned to the researchers avoiding the risks and costs associated with competitions.

Among the researchers interviewed, there is an agreement that a greater impact on capacity building from the project would have been possible had the project's grants supported more ambitious studies to be delivered in a year to a year and a half. In addition, it would have been more effective to allow the successful teams to compete in all rounds of the competition even though a smaller fraction of research teams would have been benefited by the project.

As can be seen in Annex 3, the corresponding call for proposals provided sufficient information on the competitions, comprising guidelines for the presentations of papers and research proposals. In addition, evaluation and selection procedures are explained, including a brief reference to the referees. In general, the information provided is sufficiently clear and detailed for applicants to know the type of proposal that ASIES seeks in these competitions. It would be useful, however, for the applicants to be aware of the criteria to be applied in judging their proposals.

Reviewer comments were given only to the successful proposals, partly because the reviewers provided this service ad honorem. Unfortunately, providing feedback (electronically or in print) increases the workload for reviewers who had already provided a remarkable level of service to the project. As a routine part of competition procedures it is recommended that reviewer comments be provided on all proposals, both those accepted and those rejected. An important and recognized part of capacity building is feedback on research methods and project design. It is suggested that in similar future projects, IDRC may consider an item in the project's budget to pay for the reviewing services which should include written comments on all the proposals evaluated. These comments need not be detailed but they may focus on key issues in relation to predefined evaluation criteria. Evaluators of research proposals in some GDN projects or IDRC programs such as the Mining Policy Research Initiative produce these reports as part of their evaluation work.

3.3 TRAINING AND MID-TERM REVIEWS

Complementary to the research competencies, the project supported and sponsored training courses with the aim of increasing regional awareness and contributing to enhancing regional analytical capabilities on international economy issues. The courses, therefore, have been opened to the public and private sectors, as well as to people from the academia and researchers involved in the project. However, scholarships have only been granted to researchers and regional scholars on trade and international economics.

The courses were favourably evaluated by researchers involved in the project. In particular, the first course¹⁹ on "New Approaches to Analyse the International Economy: Lessons for Central America" was very well received by researchers from Honduras and Nicaragua. It updated the audience on the main issues currently under discussion in this field. Researchers from the region's more developed countries found the course useful but would have liked greater emphasis on methodological tools and techniques for carrying out regional studies. Only this course was supported by project funds, as IDRC felt that finding other donors for this activity was much more likely than for research support activities, which received the bulk of IDRC's contribution.

¹⁹ The course took place in Guatemala from 23 to 28 July 2001.

There were also two courses held during the project's first phase funded by other donors such as Ford Foundation, USAID and the World Bank Institute²⁰. Taking advantage of these opportunities, as done by the project, helps to heighten the project's profile and the region's awareness of relevant international economy issues. The downside is, however, that the effective contribution to building research capabilities from this type of courses is modest, as they do not focus on methodological and technical tools needed for research. For example, although the diagnosis of the state of the art of economics research in Central America²¹, which informed the project design, showed that economic analysis based upon sound quantitative analysis was a major limitation in the region, the courses sponsored by the project have not addressed this drawback.

In each round of competition in different Central American cities, the project organised workshops to discuss mid-term results between researchers and regional specialists, especially invited to these events. For example, the mid-term workshop for the second round studies was held in Managua, Nicaragua, October 21-22. Mid-term workshops were based upon the presentations of preliminary results by researchers followed by questions and comments from the audience. As the advisory group was concerned with the quality of the research studies from the first phase, in the project's second phase was introduced a preliminary workshop after two months of initiated the studies in order to follow-up their progress at a moment when major changes or adjustments could still be done. In this workshop, the project director met with the researchers and the discussions concentrated on methodology and on clarifying the expected output from the studies. In the opinion of the project director, the researchers, and members of the advisory group that were interviewed, these preliminary workshops were useful and timely for enhancing the quality of research. It is worth noting that some researchers would have liked a greater participation of members of the advisory group in the mid-term workshops and would like their feedback and comments added to the drafts.

3.4 INSTITUTIONAL STRENGTHENING

Arguably, strengthening research institutions in Central America may have been the project's weakest impact. The project enhanced ASIES visibility to multilateral financial institutions and other public and academic institutions in Central America. Partly as a consequence of ASIES greater visibility, with the support of the IDB it is carrying out a project on the unification of labour laws and regulations in Central America. Trade and international economy issues were unknown to ASIES before the project. Also, as a result of the project, ASIES entered into a cooperation agreement with FIDE.

Other research centres in the region, such as FUSADES and CIEN from El Salvador or CIDH and CAATEC from Costa Rica, received support from the project for their research agendas on trade and international economics. The representatives interviewed from these institutions were grateful for the support received from the project, but none of them considered it as decisive. There were also research centres such as Universidad Francisco Marroquin in Guatemala or FUDECI in Costa Rica that entered into the debate on international trade

²⁰ Both courses were also held in Guatemala. One was about the challenges for small economies of ALCA and WTO, February 18-23, 2002. Another held on 16-21 September 2002 focused on the relationship between trade and labour in Central America.

²¹ See, Rodas-Martini Pablo, 2000.

agreements due to their participation in the project. However, a lasting effect neither on their research agenda nor on their academic priorities could be identified.

There may be four reasons which underlie this situation. First, the project's objectives seem to be over ambitious for its actual financial and human resources. The project director was hired part-time and had the support of a remarkably committed but small team. Networking and fund raising activities are very time-consuming if a significant result is to be accomplished. Second was the project's reliance for its regional reach on an advisory group of outstanding persons but with little resources and an unclear mandate as an institutional body. In fact, the advisory group had very little, if any, hands-on experience with the project. Third, according to the project director, IDRC was reluctant to invest in institutional building such as paying fees to members of the advisory group. This may also have restricted the contribution of the advisory group for the establishment of a regional network centred in the project. Fourth, among other factors, the limited role of the advisory group and the absence of a regional network of research centres based around the project seem to be related to a centralised leadership style exercised by the project director. For example, in disseminating the project's results the researchers and research centres involved in the project had very limited, if any, regional or international participation. Most of them complained that although the terms of reference required their participation in dissemination meetings to be held outside their country of residence, this actually did not happen. Researchers and research centres were directly related to the project director. Limited relationships between researchers and research centres across the region took place, as the project did not provide sufficient space for coordination or networking.

4 RESEARCH QUALITY

4.1 MAIN FINDINGS

The main purpose of the project has been to promote research on international economy issues relevant for Central America to be carried out by research centres and universities located in the region. Most of people interviewed thought that even though there are valuable contributions in some documents, the quality of the research supported by the project is heterogeneous and the majority of the documents show that significant development of research capabilities was not achieved. Some interviewees, especially the members of the advisory group, thought that the quality of research improved in the second phase as compared to the first phase.

A highly qualified external evaluator in charge of the final revision of the work submitted was probably lacking in order to induce further quality improvements of the research undertaken. Such an external evaluator may have a decisive opinion regarding the quality of research produced and its dissemination, including its merits for publication. This mechanism can also foster healthy competition among the research centres which were awarded research grants.

4.2 CONTRIBUTION OF RESEARCH BY CONTEST

As said before, research studies were supported by the project through awards granted in research competitions and awards granted by assignment. This section analyses the quality of research output from the former and the next section does the same for the latter.

In a review of the studies supported by grants awarded in research competitions, it can be seen that, in most of them, researchers made a significant effort to satisfactorily comply with the approved research proposal. As the project advanced in its rounds of competition, the quality of research reports improved as well.

In the first cycle, the studies were mainly descriptive, with little application of analytical economic tools and, generally, with little rigor. Such was the case of two pieces of work related to foreign exchange systems and one related to the advantages for Central America from unilateral, bilateral, regional or multilateral trade liberalization. Nevertheless, in the first phase, there were two documents produced with some degree of depth and a fresh approach: the Central American FTA's as an insertion strategy into the globalization process, by Eduardo Gitli and Randall Arce (Costa Rica) and the study which deals with the integration of labour issues into the commercial negotiations by Andrés Jiménez (El Salvador).

In the first phase, the bulk of the research supported by the project only systematizes existing information or presents new information related to the issues under analysis. In other cases, the studies' contributions were limited to ordering the elements subject to discussion or, in others, offering points of view with sufficient objectivity, without partisan or stiff ideological positions. In any case, they managed to contribute elements that clarified parts of the issues under discussion.

In the third cycle (second phase), as briefly discussed below, four out of five studies are of greater quality and make contributions to knowledge leading to a significant improvement in the quality of research due to the relevance of the issues considered, a greater depth in the analyses and the growing application of quantitative tools in the reports. In part, this was probably because the competition was centred at CAFTA as its central axis. The accumulation of experience in the implementation of the project and the early supervision of the work in progress by the project director, mentioned above, also explain this result.

Thus, for example, the report by Ricardo Monge (Costa Rica) on the comparative advantages of the region finds new elements related to the competitiveness of some of the region's sectors that were not explicitly identified before. The report by Diego Salgado (El Salvador) on the social impact of CAFTA objectively warns of the sectors that could be damaged. The report by Jairo Acuña on the reforms needed to optimise benefits and reduce damages from CAFTA signals the potential risks with a balanced point of view. Finally, the document by Amy Angel (El Salvador) on CAFTA's impact on regional integration, although inconclusive and leaving many unresolved questions, does open a research path that is highly relevant to Central America.

Some of the research reports were cited in the mass media and used by civil society. Also, some reports such as "The FTA with the United States and the new Round of the WTO", "Impact of the CAFTA on the comparative advantages in the region" and "The social Impact of the CAFTA" may have had some effect on the academia, specifically universities. Mainly, the subject of the relationship between the region and the global economy might have been included in the curricula of some universities. Also, a more objective basis was offered for

academic discussions and an interdisciplinary perspective of the treatment of the subject was encouraged in the corresponding research community.

For the study on “The TLC with the United States and the new Round of the WTO”, the research report was presented to the business sector, and as a result of this, one of the researchers is currently working for the Department of Economy, devising the list of future tasks for operating the CAFTA in Guatemala. In several universities, the subject of the insertion of Central America in the world economy, particularly the CAFTA issue, was introduced into the curricula due in part to the academic push given to the subject by the project. Another relative contribution of the research supported by the project is that the importance of fiscal issues in the discussions regarding CAFTA was explicitly accepted by public officials.

As for the contribution of the project's research to the regional debate on the subject, its impact has been modest and limited to some documents from the third round, such as the one related to the impact of CAFTA on regional integration, the social impact of CAFTA, and the one on the reforms necessary for optimising the benefits and reducing the damage caused by CAFTA. These studies were most appreciated by the majority of the interviewees, who felt that they could exercise some influence over the debate, at least within forums and workshops organized by the project, which are discussed in [section 5](#) of this report.

4.3 CONTRIBUTIONS OF COMMISSIONED RESEARCH

Aside from the research grants awarded by contest, the project commissioned four studies²² to well known regional specialists during the third cycle of the project. The purpose of this was to improve the project's contribution to the debate.. These pieces of work turned out to be particularly important as they showed that capacities do exist in the region which can be strengthened and promoted.

The four reports penetrated into civil society and were frequently cited in the mass media. At least within the academic, intellectual and organized civil society circles, they stimulated discussions, and they have also been used by university students. They are sound, well documented reports, which apply different research techniques and contribute to systematizing the subject. Undoubtedly, these studies account for the greatest quality of the work undertaken in the third cycle.

Of particular importance is the work entitled “The negotiations of CAFTA: main difficulties, main results and lessons for future negotiations”²³, since it presents some little known information on the dynamics and practice of negotiations. This study was entrusted to the current Vice Minister of Economy of Guatemala, who at that time was responsible for that country's negotiations.

²² See: Enrique Lacs (Guatemala) *Las negociaciones del CAFTA: Principales dificultades, principales resultados, y lecciones para futuras negociaciones comerciales*”; Laura Rodríguez y Alfonso Lozano (Costa Rica) *Las negociaciones del CAFTA: Principales dificultades, principales resultados, y lecciones para futuras negociaciones comerciales*”; Miguel Gutiérrez (Guatemala) “*Impacto del CAFTA sobre el modelo de desarrollo en Centroamérica*” y Alexander Segovia (El Salvador) “*Impacto del CAFTA sobre el modelo de desarrollo en Centroamérica*”

²³ See: Enrique Lacs (Guatemala) *Las negociaciones del CAFTA: principales dificultades, principales resultados y lecciones para futuras negociaciones comerciales*

The best level of the ad-hoc research is evident in part because most of the workshops and regional and national forums were centered in two subjects of the four requested reports. The best quality of the reports stem from the fact that it was possible to contact the experts directly, which otherwise would not have taken part. This is one of the areas where apparently there are some trade offs between the contest mechanism and the possibility of generating important reports to generate dialogue.

Other investigations carried out by assignment, contained in 13 documents, were performed as a response to an express request from the Congress of the Republic of Guatemala. Although this activity was not financed by project resources, it was narrowly linked to the capacities developed by the project.

By the end of 2004, the project and ASIES received the invitation of the Congress to carry out a supporting research process to discuss and reflect on the Central America Free Trade Agreement with the United States, in the case of Guatemala. This request from politicians and policy makers, shows, on the one hand, the esteem earned by the project and, to some extent, acknowledges the importance of the research supported by the project. On the other hand, the response to this request shows the capacity that ASIES possesses as an institution and the critical mass built up around the project.

These studies turned out to be highly useful and enlightening regarding the controversy surrounding CAFTA. Although the study reports and their highly valued presentations had a marginal effect on the actual decision-making of the Guatemalan Congress, they have had some significant impacts. To begin with, they are part of the persuasion activities that are carried out by the Congress. Evidence was found that the information generated by this initiative is being used by secondary level students. Furthermore, these studies are guiding the definition of the "Complementary Agenda" for economic policy in order to neutralize the potential negative impacts of CAFTA.

In the rest of Central America, the majority of the interviewees thought that this activity was worthwhile and an indicator of the project's contribution to the regional discussion on CAFTA. More than seeing it as a much localised effect on the country headquarters of the project, it is seen as a case of good practice. It acknowledges the capabilities developed by the project, which could have been used as well by another country.

5 INFLUENCE ON PUBLIC DEBATE

5.1 MAIN FINDINGS

Despite its limited resources, the project has managed to contribute to the regional public debate on CAFTA. This was because of two main conditions. First, the project coincided with the heated discussions on the Free Trade Agreement with the U.S.A. being, at that time, the only regional research initiative focused on international economy issues in Central America. Under this favourable context, the project director, with the assistance of the advisory group, took advantage of the situation and positioned the project in such a way that

it could provide less partisan and more objective information to the debate. Second, to optimise its contribution to the CAFTA debate, the project developed two interrelated mechanisms. First of all, the project disseminated its output through several means discussed below in [section 5.2](#). Then, the project promoted multi-stakeholder workshops and forums on key issues where regional experts and specialists from multilateral and bilateral cooperation agencies participated actively, which is analysed in [section 5.3](#) of this report.

5.2 DISSEMINATION OF RESULTS

The results from the research supported by the project were disseminated through the project's web page; a magazine was published electronically; and, through workshops and forums where researchers involved in the project participated. In addition, the project director disseminated some of the project's results in workshops, forums and meetings organised by the project itself, such as those discussed in the next section, or by other agencies such as the Latin American Trade Network or the Hemispheric Conference on "Integrating the Americas."

As said in section 1, the project's web page www.ca-asies.org/ca1/default.htm is well organised and user friendly. After the studies commissioned by the Congress of Guatemala were included in the ASIES web page, the site received more than 30 visitors per day. The project managed to assemble a list of around 15,000 recipients of bulletins and an economic virtual magazine²⁴ was used, among other things, to publish the project's results. The project also attempted to establish an electronic discussion network which, however, did not have a good response from their potential clients, probably because they are not used to engaging in electronic discussions.

The main mechanisms for disseminating the project's results were forums held in different countries of the region where research results were presented by the project director and the local research teams. For example, to disseminate the results of the project's third round on CAFTA, forums were held in Guatemala on February 22 and March 11; in Tegucigalpa on January 27; in San Jose on March 1 and Managua on April 13 2005. While the events in Guatemala, Honduras and Nicaragua were widely attended, i.e. with over 200 participants in Guatemala, the forum in Costa Rica was attended by no more than 35 people mainly because the event was advertised too late. The latter indicates that greater involvement in dissemination activities from sub-regional partners would have furthered the project's regional impact

Typically, the workshops and forums where the project's results were issued had the following format. There were presentations from speakers especially invited to the event such as specialists from multilateral financial institutions, CEPAL and so on. Then, the presentations from researchers were followed by questions and comments from the audience. Some researchers think that this format is unfitted to optimise the impact of the project on public policies and debate, as it does not promote ownership of the research results. An alternative would be workshops where the audience is divided into several groups and encouraged to reach their own conclusions based upon the information received and their own ideas. Definitely, a majority of researchers interviewed feel that they should have been able to participate more in the regional dissemination of their studies' findings. They would have

²⁴ The "Revista Centroamérica en la Economía Mundial del Siglo XXI" is a quarterly publication. Its first issue was concentrated on CAFTA.

liked to discuss and present their results across the region rather than exclusively in their own country²⁵.

Finally, several interviewees feel that the press column that the project director has in newspapers in Guatemala has also been an effective vehicle for disseminating the project's output. This is because the project director, Pablo Rodas-Martini, is widely read in Guatemala.

5.3 CONTRIBUTION TO POLICY DIALOGUE

The project has not been able to directly influence the political dialogue of the region. This is largely because of the studies' heterogeneity in which very general criteria and considerations prevail, or, in other cases due to the fact that academic analytical processes can be very distant from the pragmatic focus demanded by policy makers. The contribution of the project's output to the national dialogue was limited, because in most cases the studies did not have sufficient quality to make a difference²⁶. Additionally, there were insufficient resources to divulge the results more extensively and, the decisions to sign CAFTA were more motivated by political negotiations than by the rationale of the debated arguments.

However, the forums, workshops and presentations sponsored by the project, as well as participation in other activities not organized by the project, did have a partial influence on public opinion. The project contributed to moderating the tone of discussions, which at first seemed irreconcilable, or to clarify ideas, which at the beginning seemed more antagonistic than at the end of the events.

As for the Project activities designed to stimulate dialogue and regional debate, the most important mechanism was the workshops. Besides the workshops for examining and discussing research in progress, six more workshops were conducted, of which four from the third round stand out, and focus on the CAFTA issue.

The first of those regional workshops was carried out in San Salvador in March 2004 and it centred on the subject of "Reforms to the Development Model of Central America". Its goals were to assess the socio-economic progress of the region and analyse CAFTAs impact on the region's prevailing development model. The workshop method was original in that it allowed the open presence of anybody who wanted to attend the debate between well recognized invited professionals (first circle) and the rest of the participants (the second circle) who had the chance to make observations or raise questions²⁷.

Other regional workshops of similar importance were conducted in Guatemala (May 2004), Tegucigalpa (January 2005) in San José (March 2005) and Nicaragua (April 2005). In those workshops, regional and national dialogue was stimulated on the central subject of CAFTA, at least within an important group of intellectuals, civil society members, non-government organizations and political activists. Additionally, two other forums to present the new regional studies were held in Guatemala in February and March 2005. Unfortunately, the participation of the report authors in all these events was very limited, as discussed above.

²⁵ During the third round, for the presentation of the CAFTA studies researchers also participated in the forum held in Guatemala.

²⁶ This is a common opinion among the Central American members of the advisory group.

²⁷ See First Technical Report from the project's second phase.

Additionally, the project was linked to or took part in other external activities (always with the main participation of the director), in which the availability of research documents was taken advantage of, to promote discussion. Among those events, the round table on CAFTA that took place in Mexico at the Economic Research and Instruction Centre (acronym CIDE by its initials in Spanish) stands out, which was part of the annual board meeting of the Latin American Trade Network, and in which some of the reports were presented.

Acknowledged by most of the interviewees, an important contribution of the project has been its attempt to produce objective research based upon sound evidence, instead of relying on opinions and ideological arguments. Because of this, the prestige of the members of the advisory group, the referees for the research competitions and the presence of ASIES, the project created a meeting place for people with different political viewpoints and socio-economic interests. Finally, some interviewees thought that any direct impact of the project on policy makers was scarcely noticeable. However, as long as researchers involved in the project are somehow related to government think tanks, industrial associations and interest groups with a stake in the subject, some elements, arguments or points of view derived from the research can percolate down into the social process of policy making.

6 CONCLUSION

6.1 MAIN ACHIEVEMENTS

The project's aims have been accomplished commensurate with the available resources. No major project contribution was found regarding the strengthening of regional research capabilities, influencing of public debate and policy making, and the generation of new knowledge pertaining to the integration of CA into the global economy. However, the project opened an arena for researchers to network and exchange ideas and experiences on issues of international economics at a regional level. A gradual improvement in quality of the research was achieved but the wide difference in capacities between the countries was not reduced. Moreover, the project was able to fit its priorities and activities to the CAFTA regional debate, partially bridging the gap for objective information and analysis. A clear impact of the project on policy debate was found in Guatemala, where the project's headquarters were located. Less significant impacts can be found in the other countries in the region, with somewhat marginal impact taking place in Costa Rica.

6.2 LESSONS LEARNED AND SUGGESTIONS

Given the project's limited resources and rather ambitious objectives, in this assessment, three main trade-offs have been identified. Trade-offs were found (i) between accumulating research capabilities and research competitions as the main way of supporting research; (ii) between capacity building and influencing policy debate; and, (iii) between influencing policy debate and research competitions. Each trade-off and their implications for IDRC and the project beneficiaries are discussed below.

6.2.1 Capacity building and research competition

First and foremost is the trade off between building regional research capabilities and involving in the project a group as large as possible of researchers and research centres located in Central America. To achieve this two-pronged objective the main mechanism used was holding competitions to provide rather small research grants for short term studies. Winners of a round were not allowed to present a proposal in the next round in order to have as much project beneficiaries as possible. As said before, the novel mechanism of using research competitions in the region was much appreciated by the majority of the people interviewed. The downside of this approach is that it discouraged the involvement in the project of senior researchers and specialists in the subject within the research teams. More important, increasingly sophisticated research capabilities have not been accumulated through the short-lived studies supported by the project. In these studies, gathering primary data and processing it by using state of the art methods and analytical tools is difficult or unlikely. As the reports from the competitions have shown, actual contributions to knowledge do not come from research based mainly upon secondary sources of information.

A couple of suggestions can be put forward for IDRC and ASIES to deal with these shortcomings in future similar research initiatives as the one evaluated in this report. A project 's wider focus on building capacities could be more effectively achieved using research competitions to select subregional partners that could be in charge of implementing a research program during the lifetime of a project. For example, for the project "Central America in the World Economy of the 21st Century" this would have entailed choosing five research centres through a competition hold in each beneficiary country, namely, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. Although the number of research centres benefited by the project will be reduced, this approach results in a significantly larger and more consistent support for building capacities than the scattered support provided in the project's four rounds of competition.

Another possibility would be keeping the basic design of this project but increasing the amounts of the grants provided without restricting the participation of successful research teams in different rounds of competition. In such a case, however, a greater complementary and synergistic relationship between training, workshops and research competitions is strongly suggested. To a certain extent, these activities were independent from each other in the project design and implementation. With the exception of the first course, the other courses were not specifically aimed at building research capacities. The project's built-in mentoring approach was quite weak, although it significantly improved during the project's second phase with the introduction of the preliminary workshops to deal with methodological issues after two months of initiated the studies. Exposing research teams to an international discussion of their results, which was quite limited in the project, would have significantly improved the 'learning by doing' approach underlying the project. As a suggestion for good practice, Annex 4 details how the Economics, Education and Research Consortium integrated training and workshops into research competitions in the former Soviet Union.

In summary, capacity building and mechanisms for promoting competition do not exclude one another. The effectiveness for capacity building of research competitions largely depend upon the design and implementation of training and mentoring activities and the incentives provided by the research competition. The context of a project is also an important factor for competition to foster or inhibit the accumulation of research capabilities. For example, in the Central American context the evaluation shows that positive discrimination as a way of

addressing the lack of balance in research capacities between countries at different levels of development is ineffective. Capacity imbalances can be better dealt with by increasing training and technical assistance for researchers and research centres in less-developed countries. Again, the ERDP system of the EERC competition discussed in Annex 4 provide an example of good practice in this area.

6.2.2 Public debate influence and research competition

The evaluation shows that for a research project to contribute to public debate the synchronization between research outcomes and policy discussion by civil society is very important. Most of the people interviewed acknowledged that the project's third round of competition was the unique research initiative in place when the CAFTA debate was most heated in Central America. This especial situation of the project was enhanced with studies commissioned to specialists who produced well acknowledged papers that fed the public debate in the subject. Not only did this increase significantly the project's visibility but also it was an important reason for the Guatemalan Congress to request ASIES for technical assistance. This is certainly research that informs policy debate. However, the urgencies of policy making gave only room to commission studies to renowned specialists in the subject under tight terms of reference. Therefore, research competitions, which are also responsive to academic oriented research, are not well fitted to address the urgencies of public policy debate. However, if the policy agenda can be anticipated as the project did with the CAFTA regional discussion, results from research competitions are likely to contribute to public debate in addition to address academic concerns and questions.

This is not, however, an automatic by-product of good quality and fine-tuned policy research. Taking into account the favourable context of the CAFTA debate that the project was able to take advantage of, the executing unit demonstrated creativity in combining web-based mechanisms, workshops and forums for disseminating the project's output. One issue that merits attention is that of considering dissemination mechanisms not only as means for communicating information to the public but also for giving ownership of the project's results to previously targeted groups. In addition, budgeting for dissemination activities may need more consideration during project design.

6.2.3 Public debate influence and capacity building

It is widely known that there is a strong tension between research capacity building and influencing public debate. While public policy debate has immediate requirements and it is highly influenced by political processes, building research capacity is a protracted process which demands for objectivity and non partisanship. Indeed, the pressures created by political processes could compromise research capacity building. The project also shows that it is difficult to simultaneously achieve the objectives of influencing public debate and building research capacities. The simple fact is that resources invested in using existing research and analytical capabilities have a greater payoff in terms of policy-relevant knowledge than resources invested in creating or strengthening research capacities. This is well illustrated by the results of the research grants awarded through competitions vis-à-vis the results from the research by assignment. Nevertheless, participation in public debate especially at the international arena can be an effective mean for researchers to enhance their analytic capabilities. It is suggested that regional projects budget funds for researchers to present and discuss their results in several countries or at international events in order to increase

their exposure. Limiting the international presentation of the results to the project's director deprives projects of a powerful mechanism for accumulating research capabilities.

6.3 FINAL REMARKS

An advisory group made up of prestigious personalities and specialists in the field was constructive, as it brought reliability and gave a serious image to the project. The advisory group, however, was unable to make greater contributions to the project, such as providing it with an effective regional influence, mainly because it was established on an ad-hoc basis. The suggestion is, therefore, that the structure and functions of the advisory group should be laid out in the project design. Moreover, it is strongly suggested that the project includes a budget for the advisory group, so that it can fulfil its responsibilities in bringing about the successful implementation of the project. In particular, it is suggested that IDRC pay much more attention to clearly establishing the rights and responsibilities of the project director and the advisory group during project design. Making adjustments to functions and responsibilities later on can create tensions within the institutional structure of the project.

Finally, we would emphasise the importance of ensuring the availability of the total resources required for the project, prior to the project start-up. This includes those coming from "other donors", and will help establish the project's specific objectives, activities and timeframe with greater precision. In addition, the project shows that fund-raising activities can be very time consuming for the project director, and can thus end up with only modest results. A cost-benefit analysis would demonstrate that is not efficient to allocate researchers' time to fund-raising activities which can be much better performed by specialists located near the corresponding markets. It is likely that IDRC itself may provide this service more effectively than most of research centres located in developing countries.

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Annex 1: Interview Guide**Guía Temática para las Entrevistas****Evaluación del Programa: Centroamérica en la Economía Mundial del Siglo XXI**

Evaluador: Fernando Loayza

Componentes: Generación/fortalecimiento de capacidades de investigación y difusión de resultados

1. Impacto del proyecto en los recursos humanos de la región para la investigación en economía internacional
 - a. Capacitación en enfoques y aproximaciones teóricas modernas para analizar la economía y agenda internacional
 - b. Capacitación en uso de estadísticas y técnicas cuantitativas aplicables a problemas de economía internacional
2. Impacto del proyecto en la capacidad institucional regional para la investigación en economía internacional
 - a) Contribución al establecimiento de una agenda de investigación en economía internacional e integración para Centroamérica
 - b) Contribución a una reorientación de enfoques y prioridades en centros de investigación desde una agenda de investigación centrada en las temáticas locales hacia una agenda de investigación enfocada en las relaciones entre países de la región y con el resto del mundo
 - c) Participación de centros de investigación en redes regionales e internacionales de investigación en economía internacional e integración
 - d) Promoción de alianzas o relaciones entre centros de investigación en y entre países de Centroamérica para realizar investigaciones en economía internacional, logrando una mayor aceptación de financiadores o contrapartes externas
 - e) Fortalecimiento/promoción de centros de investigación en países de la región con capacidades de investigación más débiles: Honduras y Nicaragua.
3. Relevancia/pertinencia para las necesidades y problemas de la región de la agenda de investigación y estrategia de difusión del programa desde la perspectiva de:
 - Centros de investigación/investigadores
 - Grupo asesor
 - Hacedores de políticas/negociadores
 - Empresarios
 - Prensa especializada
4. Eficacia de los instrumentos o medios empleados por el programa
 - a) Han contribuido los cursos dictados por expertos internacionales a actualizar la formación teórica y/o el manejo de instrumental cuantitativo en investigación aplicada a problemas de economía internacional.
 - b) Han fortalecido los concursos de investigación las capacidades de realizar investigación aplicada en Centroamérica en economía internacional e integración regional.
 - Condiciones de elegibilidad
 - Evaluación por jurados

- Retroalimentación mediante talleres preliminares y de discusión de medio término
- Financiamiento y plazos otorgados para la realización de las investigaciones
- c) ¿Cómo las investigaciones por encargo han fortalecido las capacidades de investigación aplicada en economía internacional de la región?
- d) Efectividad de la discriminación positiva de los países con capacidades más débiles
- e) ¿Cuáles han sido las principales ventajas y cuáles las mayores debilidades de los mecanismos de difusión de los resultados de la investigación y de la promoción del debate público por el Programa?
 - Giras de la dirección del proyecto por Centroamérica
 - Publicación de boletines con resúmenes ejecutivos de los estudios
 - Revista económica virtual
 - Talleres regionales relacionados con la investigación
 - Talleres regionales adicionales con formato de primer círculo (expertos) y segundo círculo (interesados)
 - Foros nacionales
 - Publicación electrónica en la WEB de los estudios y sus resúmenes ejecutivos
 - Artículos de prensa producidos por los investigadores

Evaluador: Rómulo Caballeros

Componentes: Contribución al conocimiento y al diálogo de políticas

1. ¿Cuales son los elementos fundamentales del programa?
 - a) Componentes
 - b) Funcionamiento
 - c) Financiamiento
2. ¿Cómo se interrelacionan los diferentes elementos en la dinámica del programa?
3. Respecto a las investigaciones por encargo
 - a) Cuales conoce usted
 - b) Cuales le han resultado útiles
 - c) Cuales le parecen poco novedosos
 - d) Qué opina sobre los temas que se han desarrollado
 - e) Opina que los temas son novedosos
 - f) Opina que son suficiente profundos
 - g) Cual ha sido el destino final de esos estudios
 - h) Han contribuido al debate publico
 - i) Han contribuido a la toma de decisiones en la definición de políticas y/o negociaciones
 - j) Cómo piensa que puede aumentar la incidencia de los mismos
4. Respecto a los trabajos de investigación por concurso
 - a) Cuales conoce usted
 - b) Alguno le ha resultado útil
 - c) Ha percibido una mejora en la calidad de estos trabajos
 - d) Qué opina sobre los mecanismos de convocatoria
 - e) Qué opina sobre el procedimiento de calificación de los mismos
 - f) Cree usted que los mismos han conducido a un enriquecimiento del conocimiento sobre el tema
5. Áreas o campos del diálogo nacional en los que se utilizaron los resultados generados por el proyecto
6. ¿Qué mejoras propondría para aumentar la eficiencia del programa?

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Annex 3: A Sample of the Competitions' Call for Proposals**Investigaciones a Concurso
Segundo Ciclo****Términos de Referencia Investigación # 1**

Título: “La agricultura centroamericana ante los desafíos climáticos, económicos y tecnológicos”

Antecedentes:

La agricultura centroamericana ha experimentado transformaciones profundas en las últimas décadas. El sector agrícola sigue sujeto a amenazas tradicionales, a la vez que nuevos desafíos han emergido. El impacto climático, por ejemplo, ha cobrado fuerza a raíz del Huracán Mitch o la sequía que asoló a la región en meses pasados. El desplome del precio internacional del café ha puesto con crudeza los riesgos de las fluctuaciones de precios. Las negociaciones comerciales en la OMC, el ALCA y la posibilidad de un TLC con los EE.UU., han traído a debate el grado de preparación de los sectores agrícolas de la región para sortear las importaciones mayores en ciertos productos y fortalecer la capacidad exportadora en otros. A lo anterior, hay que adicionar las oportunidades y desafíos que conllevan las nuevas tecnologías agrícolas, en particular la biotecnología. Todos estos factores, aunados al hecho que la agricultura seguirá siendo importante en la región y que, por ende, hay que lograr su desarrollo sustentable en las próximas décadas, plantean la necesidad de llevar a cabo este estudio.

Objetivo:

Se pretende que el estudio analice las amenazas principales que acechan a la agricultura centroamericana. El estudio debe presentar un diagnóstico preciso de la situación actual y lanzar propuestas para enfrentar esas amenazas.

Preguntas de investigación:

Se espera que el estudio responda a las siguientes interrogantes:

1. ¿Cuáles han sido los éxitos y fracasos en la diversificación agrícola regional (en un sentido amplio: económico y ambiental)?
2. ¿Cuáles son los principales riesgos climáticos que confronta la región y qué puede hacerse para sortear esos inconvenientes?
3. ¿Cuáles son las opciones que tienen los países centroamericanos para reaccionar a la volatilidad en los precios internacionales de los productos agrícolas?
4. ¿Cómo se pueden aprovechar las nuevas tecnologías para lograr un desarrollo sustentable del sector agrícola centroamericano?

5. ¿Cuáles son los retos que la negociación agrícola en la OMC, en el ALCA, y en el TLC con los EE.UU. plantean para Centroamérica?

Se espera que las respuestas estén sustentadas fuertemente en estadísticas de producciones agrícolas y comerciales de los países centroamericanos, y que se recurra a la literatura económica respectiva. El estudio tendría que arrojar propuestas de política económica comunes a la región o individuales a cada país centroamericano. Como se indica más abajo, en esta investigación # 1 solo podrán concursar centros de investigación y universidades de Honduras y Nicaragua.

Términos de Referencia Investigación # 2

Título: “Inversión nacional y extranjera en Centroamérica: ¿Cómo fomentarla en el marco de la OMC?”

Antecedentes:

Centroamérica necesita alcanzar tasas más altas de crecimiento económico. Para ello, sin embargo, precisa de mayores niveles de inversión doméstica y extranjera. Desde los 80, los países han promovido reformas de diversa índole para incentivar la inversión privada, las que van desde la privatización hasta la aprobación de leyes de inversión extranjera; aún así, los países continúan con niveles relativamente bajos de inversión -salvo excepciones como Costa Rica-. Las zonas francas y otros estímulos fiscales han contribuido a cierta ampliación de la inversión, pero a la vez han provocado otro grado de dificultades como la erosión de la base tributaria. El nuevo marco de la OMC dificulta el otorgamiento de incentivos tradicionales a la inversión por la vía fiscal, lo que exige replantearlas políticas de fomento a la inversión en la región.

Objetivo:

El estudio debe proponer medidas para estimular la inversión privada en Centroamérica respetando el marco internacional estipulado por la OMC.

Preguntas de investigación:

Se espera que el estudio responda a las siguientes interrogantes:

1. ¿Cuál ha sido la evolución de la inversión doméstica y extranjera (incluyendo la intra-regional) en Centroamérica desde 1990 a la fecha?
2. ¿Después de un buen número de años de implementación, qué conclusiones sobre el impacto en la inversión se pueden extraer de la creación de zonas francas y otros estímulos fiscales en Centroamérica?
3. ¿Cuáles son las determinantes de la inversión privada nacional y extranjera en Centroamérica?
4. ¿Qué plantea la literatura económica reciente sobre estímulos a la inversión en países en desarrollo?

5. ¿Cuáles son las exigencias que impone la normativa de la OMC impone en materia de inversión, y cómo tendrían que ajustar sus políticas domésticas los países centroamericanos para estimular la producción bajo ese nuevo marco normativo?

Se espera que las respuestas estén sustentadas fuertemente en estadísticas disponibles en los países centroamericanos en materia de inversión. El estudio tendría que arrojar propuestas de política económica comunes a la región o individuales a cada país centroamericano.

Términos de Referencia Investigación # 3

Título: “El TLC con los EE.UU. y la nueva ronda de la OMC: Temas sensitivos para Centroamérica y recomendaciones para optimizar la negociación”

Antecedentes:

Los países centroamericanos tuvieron fuertes preocupaciones cuando México ingreso al NAFTA pues creían que esto podía provocar distracción de comercio en desmedro de ellos. Como respuesta, insistieron por varios años para que los EE.UU. les otorgaran la llamada paridad NAFTA, lo que no consiguieron. El reciente anuncio del presidente Bush, sobre la posibilidad de que los EE.UU. suscriban un TLC con la región, tomó por sorpresa a los gobiernos centroamericanos. Al momento se podría afirmar que los países centroamericanos ingresan a esa negociación con una mezcla de optimismo y preocupación al no tener una percepción clara sobre el posible impacto del tratado. En el plano multilateral, los países centroamericanos se enfrentan a la realidad de una nueva ronda de negociaciones, la cual también es recibida con una actitud ambigua. Una de las principales dificultades en relación a la ronda multilateral es la ausencia de estudios del impacto que las medidas de la ronda Uruguay pudo haber tenido sobre los países centroamericanos. En ambos casos –TLC con los EE.UU. y la ronda de la OMC- no existe una percepción clara de como puede aprovecharse la experiencia acumulada a través de las negociaciones del ALCA.

Objetivo:

El estudio debe analizar los retos que el TLC con los EE.UU. y la nueva ronda de la OMC imponen para Centroamérica, y debe proponer recomendaciones para optimizar los procesos de negociación en ambos foros.

Preguntas de investigación:

Se espera que el estudio responda a las siguientes interrogantes:

1. ¿Qué beneficios obtuvo Centroamérica de la ronda Uruguay?
2. ¿De la agenda de Doha, cuáles son los puntos sensitivos para los países centroamericanos?
3. ¿Qué cambiaría un TLC con los EE.UU. respecto al estado actual que la región tiene bajo la ICC y el SGP?

4. ¿Cuáles deberían los puntos de negociación principal para Centroamérica en un TLC con los EE.UU.?

5. ¿Qué enseñanzas pueden derivar los países centroamericanos de sus negociaciones en el ALCA para abordar las negociaciones de la ronda Doha y del TLC con los EE.UU.?

Se espera que las respuestas estén sustentadas fuertemente en estadísticas comerciales de los países centroamericanos y en los documentos oficiales de las negociaciones comerciales en mención. El estudio tendría que arrojar propuestas de política económica comunes a la región o individuales a cada país centroamericano.

Términos de Referencia Investigación # 4

Título: “La ayuda internacional hacia Centroamérica: Perspectivas para el próximo quinquenio y retos que conlleva”

Antecedentes:

Centroamérica ha sido receptora importante de ayuda internacional, principalmente desde los 80 a la fecha. El impacto de la ayuda es asimétrico geográficamente pues existen países como Honduras y Nicaragua, para los que la ayuda tiene una gran importancia, mientras otros como Costa Rica, donde la ayuda ya es marginal. Guatemala y El Salvador, pese a tener niveles de ingreso superiores a los de los dos primeros países, también han sido receptores importantes de ayuda después del retorno a la democracia y la firma de acuerdos de paz. Hasta el momento, no hay una evaluación de impacto de la ayuda para la región. La ayuda, asimismo, no es un flujo con una continuidad garantizada; su permanencia depende de razones internas –como una reducción apreciable de la pobreza y mejoras en la transparencia del gasto- y externas –tendencias internacionales de ayuda, y la geopolítica de la ayuda de los países cooperantes según la importancia que otorgan a las regiones en desarrollo del mundo-.

Objetivo:

El estudio debe evaluar el impacto que la ayuda internacional ha tenido en la región en los últimos años, proyectar sus flujos de mediano plazo y plantear los desafíos que representa para la región.

Preguntas de investigación:

Se espera que el estudio responda a las siguientes interrogantes:

1. ¿Qué plantea la literatura reciente sobre la ayuda internacional hacia países en desarrollo?
2. ¿Cuáles han sido los flujos de ayuda hacia Centroamérica desde 1990 a la fecha y cuál ha sido el impacto que ha ejercido sobre estos países?
3. ¿Cuáles son las dificultades principales que confronta la ayuda internacional en Centroamérica, ya sea por el lado de los países receptores como por el de los países donantes?

4. ¿Cuál es la perspectiva de la ayuda internacional hacia Centroamérica en el próximo quinquenio y cuáles son los desafíos que plantean para los países?

Se espera que las respuestas estén sustentadas fuertemente en estadísticas disponibles sobre ayuda hacia los países centroamericanos y en documentos oficiales, entre los que destacan los presentados en los grupos consultivos. El estudio tendría que arrojar propuestas de política económica comunes a la región o individuales a cada país centroamericano.

Procedimiento de participación

Podrán concursar centros de investigación (entidades no lucrativas) y universidades de cualquiera de los cinco países centroamericanos. Las investigaciones no estarán abiertas para consultores individuales, consultoras privadas, instituciones de gobierno, organismos regionales u organismos internacionales.

ASIES, por ser la entidad sede del proyecto, no concursará por las investigaciones. Con el fin de estimular nueva participación, los centros y universidades ganadores del primer ciclo (CIEN de Guatemala, CINPE/FUNA de Costa Rica, ESEN de El Salvador, FEPADE/ISEADE de El Salvador, y FUDECI de Costa Rica) tampoco podrán concursar en este segundo ciclo de investigaciones. Esta restricción aplica no solo a los centros sino también a los investigadores seleccionados en ese primer ciclo (es decir, los investigadores ganadores del primer ciclo no podrán concursar a través de otro centro o universidad).

Con el fin de estimular la participación de centros y universidades de Honduras y Nicaragua, que fueron los que menos participaron en el primer ciclo, el tema 1 será exclusivo para instituciones de estos dos países. En los temas 2-4 podrán concursar instituciones de los cinco países.

Cada centro o universidad podrá competir en un máximo de dos investigaciones. De competir en dos, los investigadores no podrán ser los mismos. Como mínimo, el equipo postulante tendrá que incluir: a) un investigador principal, y b) un investigador secundario, o: a) un investigador principal y b) un asistente.

Se valorará en forma positiva que las propuestas especifiquen mecanismos de colaboración con investigadores o instituciones externos a la institución postulante. Esto podría producirse mediante la inclusión -aunque sea en forma ad honorem y ocasional- de un investigador de fuera del área o de otro país centroamericano.

También se valorará en forma positiva la obtención de financiamiento adicional por parte de otra entidad o la colocación de recursos adicionales por el propio centro de investigación o universidad. Es decir, sería positivo si la institución postulante gestiona financiamiento adicional con entidades de gobierno, cámaras empresariales, organismos internacionales o si contribuye con recursos propios con el fin de aumentar el equipo a cargo de la investigación.

Se pretende que el procedimiento de aplicación sea ágil y sencillo; en ese sentido, los centros y universidades interesados tendrán que someter la siguiente documentación:

1. Una carta firmada por el investigador principal y una autoridad del centro o universidad respectiva indicando en cual de los cuatro concursos temáticos está concursando. De ser la misma persona el investigador principal y la autoridad de la institución, bastará con que lleve su firma.
2. Una propuesta de entre cinco y siete páginas en donde se desarrollen los términos de referencia. Se esperaría que esta propuesta permita identificar si se han interpretado los términos de referencia, la familiaridad con los antecedentes teóricos o empíricos en el tema respectivo, el grado de reflexión que le estuvieran dando a las preguntas de investigación, y la contribución creativa de los postulantes. Se pide a los participantes que presten especial atención a la propuesta pues será el principal elemento para efectuar la escogencia de la institución ganadora.
3. Antecedentes de los investigadores y/o asistentes, con mención del tiempo esperado que cada persona le dedicaría a esta investigación (una página). También se tendrá que anexar la currículum de los investigadores (no más de dos páginas por persona) y/o asistentes (una página). De incluirse algún investigador de fuera del área, también se tendrá que presentar su currículum (no más de dos páginas).
4. Currículum institucional (no más de tres páginas). De ser una universidad, el currículum sería de la facultad, departamento o centro postulante. Habrá que hacer mención de la agenda de investigación que el centro o universidad tiene en temas de economía internacional o, de no tenerla, de la forma en que esta investigación contribuiría para generar una línea de trabajo en esa dirección.
5. Copia de, al menos, una publicación relativamente reciente llevada a cabo por el investigador principal y, de haber investigador secundario, también copia de una publicación realizada por éste. Los trabajos que se adjunten no tienen porque ser en el mismo tema en que se está concursando.
6. De haberse gestionado financiamiento adicional, bastará con incluir una carta de la entidad financiadora en la que se manifieste el monto adicional que se estaría asignando y las razones de la entidad copatrocinante para contribuir a esa investigación (lo mismo aplicaría en el caso que el financiamiento adicional fuera de la propia institución). En estos casos, obviamente, también se esperaría que el equipo investigador fuera más numeroso.

Los centros y universidades interesados tendrán que enviar: a) una versión por mail (como files adjuntos; no será imprescindible la versión electrónica del numeral 5) a las siguientes tres direcciones: pablorodas@yahoo.com, arius@idrc.org.uy y ca@asies.org.gt y b) una versión impresa (incluyendo las publicaciones solicitadas en el numeral 5) a la dirección postal de ASIES: 10a calle 7-48, Zona 9, Guatemala, Guatemala.

La selección de las propuestas ganadoras se hará por jurados internacionales integrados para el efecto, similar a como se hizo con el primer ciclo de investigaciones. Como ejemplo véase: www.asies.org.gt/ca/Propuestas.pdf Esta mención como ejemplo, no significa que los jurados vayan a ser los mismos. Se reconocerán honorarios de 13,000 US dólares para cada una de las cuatro investigaciones. En adición a estos honorarios, el proyecto financiará: a) una gira para entrevistar y/o recopilar información (de ser esta necesaria), b) la participación del investigador principal en el taller de discusión de los borradores de los trabajos, y c) la publicación de los estudios. Los 13,000 US dólares, por tanto, son honorarios netos para los

centros de investigación y/o universidades seleccionados. La remuneración efectiva bruta realmente excede esa cantidad.

Calendarización de las investigaciones:

Las entidades interesadas en participar tendrán que manifestar su intención de hacerlo (y el tema en el cual concursarían) a más tardar el martes 30 de abril a las siguientes tres direcciones: pablorodas@yahoo.com, arius@idrc.org.uy y ca@asies.org.gt

Las propuestas electrónicas e impresas tendrán que arribar, a más tardar, el lunes 13 de mayo a las 17:00 horas. Aquellas que arriben después de esa fecha, no serán tomadas en cuenta.

La Dirección del Proyecto enviará el viernes 14 de junio un e-mail informando los nombres de las instituciones ganadoras. No se mencionarán en lo absoluto los nombres de las instituciones no seleccionadas.

En los días posteriores se enviarán los contratos a los centros y/o universidades seleccionadas. La primera transferencia (un tercio del pago total) se efectuará a más tardar una semana después de recibir el contrato de vuelta y la información bancaria correspondiente.

A partir del jueves 20 de junio comenzarán a correr los cinco meses de investigación. Los centros y/o universidades que consideren necesitar una gira por los países centroamericanos tendrán que formular la solicitud a la Dirección del Proyecto a más tardar el lunes 19 de agosto, indicando a) razones de la gira (no más de dos páginas), b) países a visitar, y c) lista preliminar de personas a entrevistar o instituciones a visitar. La gira podrá o no ser autorizada, dependiendo de si la Dirección del Proyecto la juzga relevante. De aprobarse, se financiará la gira de una persona por investigación. Este financiamiento es adicional a los honorarios que se reconocerán por investigación.

La primera versión del trabajo tendrá que ser enviada por e-mail a más tardar martes 04 de octubre (a los 3 meses y medio de iniciada la investigación). En la segunda semana de octubre tendrá lugar el taller para discutir esas primeras versiones. Su duración será de dos días completos. El segundo pago (segundo tercio) se efectuará después de recibido el borrador y efectuado el taller.

La primera versión también será distribuida por Internet a expertos centroamericanos y foráneos, y se colocará en la página web del proyecto para recibir comentarios. Se espera, por tanto, que la primera versión ya sea un producto bastante desarrollado.

La versión final del documento tendrá que ser enviada por e-mail a más tardar el viernes 22 de noviembre. Tendrá que tener un mínimo de 15,000 palabras, sin contar los anexos. El tercer y último pago se efectuará días después de aprobada la versión final de los estudios.

El proyecto publicará la versión final en su serie Documentos de Trabajo, y también procurará publicar en libro las cuatro investigaciones por período, y publicar una versión resumida (posiblemente traducida al inglés) de los trabajos en alguna revista o journal internacional.

ANNEX 4: Good Practice. The EERC Research Competition²⁸

The Economics Education Research Consortium (EERC) is an attempt to address the critical need in the former Soviet Union for well-trained economists for policy, research, and teaching. By the mid-1990's, Russia possessed perhaps the most advanced programs in economics education in the region. Hence, the Russian program focuses on research. At the beginning of this decade, a series of technical/methodological seminars has been added to help upgrade research skills of individual economists proposing to or actually participating in the program. Further, with support from the Global Development Network, activities of the Russian program of EERC have been extended to other countries of the Former Soviet Union, leading to the creation of a CIS-wide research network.

At the heart of EERC's activities is the Economics Research Grant Competition (ERGC) which supports research projects in Russia. The ERGC initially reached only the Russian network. Since 2000, however, its geographic coverage has been extended to include all CIS countries. As Russia was ahead in the process, a special program—Economics Research Development Program (ERDP)—to foster economics research capabilities within CIS countries other than Russia has been set up. A key aspect of ERDP is the emphasis it places on capacity building.

The grant competition in Russia (ERGC) has reached most of Russia, including quite distant cities from the capital as Irkutsk. For the ERDP competition, applications are submitted from all CIS countries, excluding Russia. In the ERDP a two-tier competition and training system is established. Chart 3.3 depicts the evaluation flowchart for proposals under the ERDP competition.

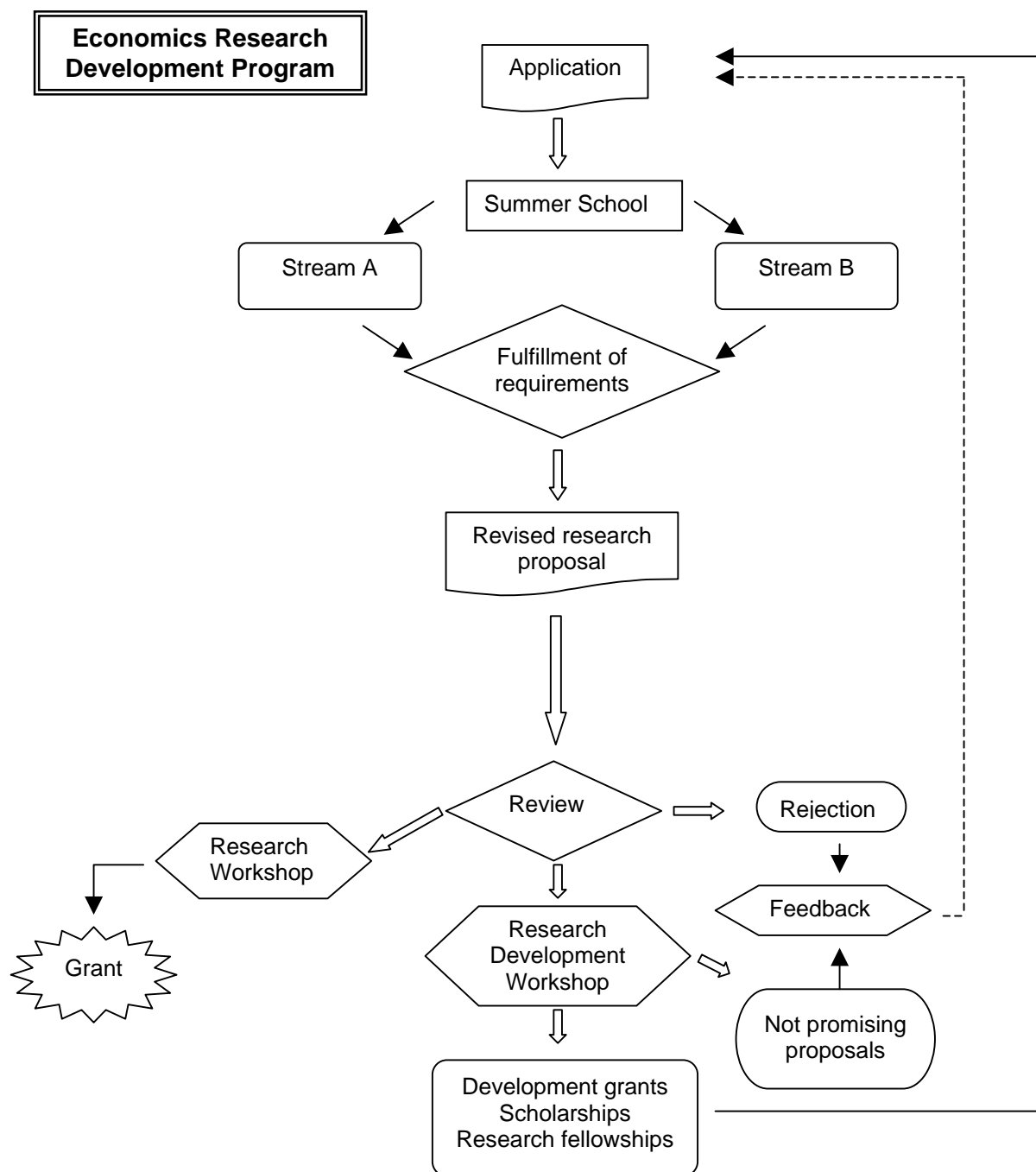
Participants apply to a Summer School where they are trained for two weeks to improve their proposals. The Summer School provides training in two areas or streams: (a) Agents' behaviour in transition and (b) Macroeconomic and public policy in transition. Selection of the applicants is made by EERC staff and experts based upon the following criteria²⁹:

- "Quality of the proposal from the academic and policymaking viewpoints: choice of research topic, precision and originality of the research hypotheses, use of appropriate research methods, relevance of the proposal for economic policy discussion;
- Applicant's familiarity with modern research literature and research methods related to the subject of the study;
- Applicant's potential for professional development".

²⁸ This Annex is based upon the "Evaluation of Regional Research Competitions: Middle East and North Africa, Former Soviet Union, and East Asia" carried out by Fernando Loayza for the Global Development Network on January 2002.

²⁹ Economics Education and Research Consortium, *Call for Proposals*, Economics Research Development Program, Application Deadline – May 28, 2001, Page 6

CHART 3.3 ERDP: Proposal Evaluation Flow Chart



Source: Loayza F. (2002), Chart 3.3, p: 33

EERC understands that an applicant's potential for professional development is reflected in "open-mindedness and flexibility (willingness to follow professional advice given by the panel) and ability to learn (as reflected in the quality and originality of the project, the author's presentation, his/her reaction to questions posed from the floor, etc.). Ceteris paribus, younger scholars are given priority, but age is by no means an absolute criterion." Panels have freedom to assess applicants' potential for professional development based on face-to-face interaction at the workshops, described below.

Provided that the participants fulfil the course requirements, they are invited to submit revised research proposals. Thereafter, the ERDP competition, while handled separately from the ERGC, follows quite a similar review process to that of the ERGC.

Applicants submit a proposal to apply for a grant. EERC's Program Director and Research Director screen the proposals submitted, making a first selection of about 60 proposals. For each priority research area these are sent for further review to four research advisors, who are also members of corresponding thematic panels. The advisors' recommendation is reviewed by the EERC's Director and Research Director and heads of the thematic panels resulting in one of the following outcomes:

- (1) Invitation to the EERC research workshop. The purpose of this workshop is to review the best of the new research proposals and reports on work-in-progress implemented with EERC support. Subject to a positive recommendation of EERC's International Advisory Board, the best projects will receive research grants.
- (2) Invitation to the EERC's research development workshop. This workshop is designed to facilitate further project development with guidance from the Program's resource persons. As a result of this workshop, the authors of the promising proposals may be awarded smaller-scale financial support up to \$3000, subject to further preparatory work and resubmission of the proposal. Also they may be awarded scholarships grants to register for one or two courses at New Economic School in Moscow or visiting research fellowship grants to spend a month at the New Economic School, EERC KYIV Research Center or another regional center of excellence. These grants are expected to facilitate the resubmission of research projects for consideration in one of the competition's next rounds.
- (3) Rejection. The authors will not be invited to any of the above workshops and will not be offered any financial support for further project development. These authors will receive detailed feedback and suggestions for improvement of project design. Proposals may be revised again in the light of these comments, and resubmitted for consideration in subsequent [competition] rounds³⁰. Fine and Patterson³¹, who evaluated the Program, "were especially impressed by the sensitive manner in which resource persons treated participants, even when it was clear that a proposal or project was not especially promising. The excellent team of resource persons assembled to date clearly meets the needs of the ... participants in providing theoretical and methodological assistance, as well as access to literature.

³⁰ *Ibid*, page 4.

³¹ Jeffrey C. Fine and Perry Patterson, January 2000, The Russian Research Program, Mid-term Evaluation Economics Education and Research Consortium, p.6