

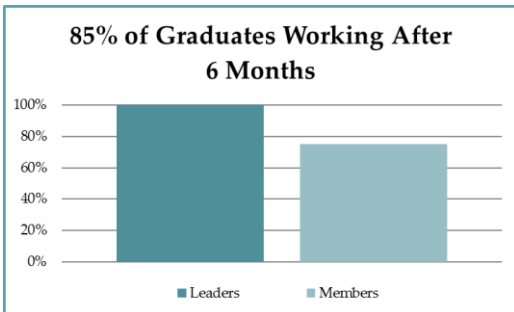


ESPERANZA SAN FELIPE

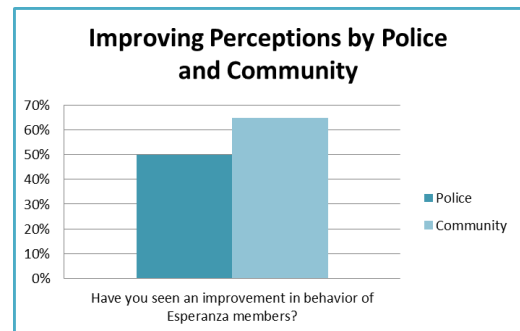
2014 REPORT



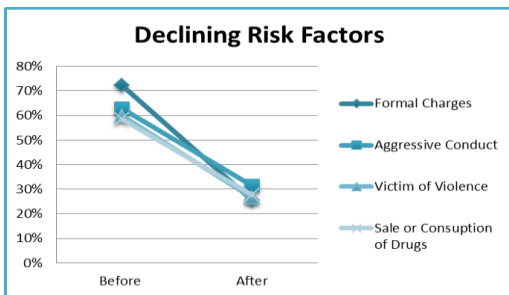
In January 2014, Esperanza began working with the Ciudad de Dios gang in San Felipe. Following graduation in April, the group voluntarily removed their graffiti, turned their weapons in to the police and adopted the name "Forteleza." We had an independent firm, Vitalitas, survey the graduates, police and community six months after graduation, and here is what they found.



Of the 21 members and leaders who joined, 13 graduated, and 11 are permanently employed or have started their own businesses.

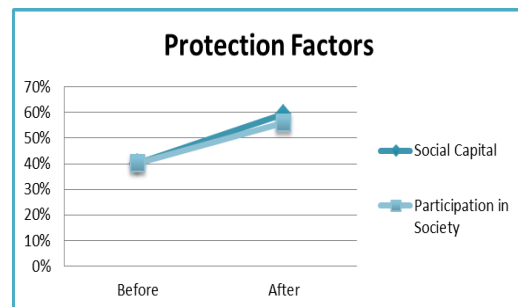


A majority of police and residents surveyed reported a positive change in the graduates' behavior.



The graduates themselves report dramatically lower incidents of crime, aggression, victimization and involvement with drugs...

And significantly higher levels of connection with formal society, a key factor in preventing recidivism and insuring a better future for their children.



While most of the rank and file members took jobs in hotels, the former leaders, aided by members of Casco Viejo's business community, leveraged their entrepreneurship to turn a dark alley into a hotspot of tourism activity, with a tour and food business that has gained international attention.



"If you only have time for one activity in Panama, don't miss the Forteleza tour...The tour was easily the highlight of my trip." Kelly Bevers, Heart of a Tourist Blog



Fotographer: Sean Monesson

Just as important as the statistics are the words the graduates spoke to the interviewers.



"My mentality has changed, my way of making a living has changed. Now I have a vision for the future. I don't think about killing nor in being killed."

Graduate

"I don't live trapped, running from the law, thinking about food."

Graduate



"Before people looked at me with fear. Now they respect me."

Graduate

"Now I can heal wounds I caused to my community."

Graduate

"I can walk with tourists and be part of society."

Graduate



© Tarina Rodriguez

We still have a long way to go to make sure that the integration of these young men into formal society is complete, but we are comfortable saying at this stage that Casco Viejo has one less gang and eleven new community leaders. We look forward to giving the same opportunity to the neighborhood's remaining gangs.



SOCIETY'S CHALLENGE, ESPERANZA'S GOALS

The Challenge

Because gangs are a symptom of complex community problems, short term and simplistic approaches to prevention and intervention don't work, and repression has been shown to make gangs more organized and violent over time. Put simply: *there is no easy solution, and putting gang members in jail simply compounds the problem.*

Even though repression has proven to be counter-productive, it is the tool of choice in Panama and Latin America in general. The reason is that the public asks for it: surveys say that over 70% of Panamanians think the *mano dura* or 'hard hand' is the solution. Street violence is a police problem, they say.

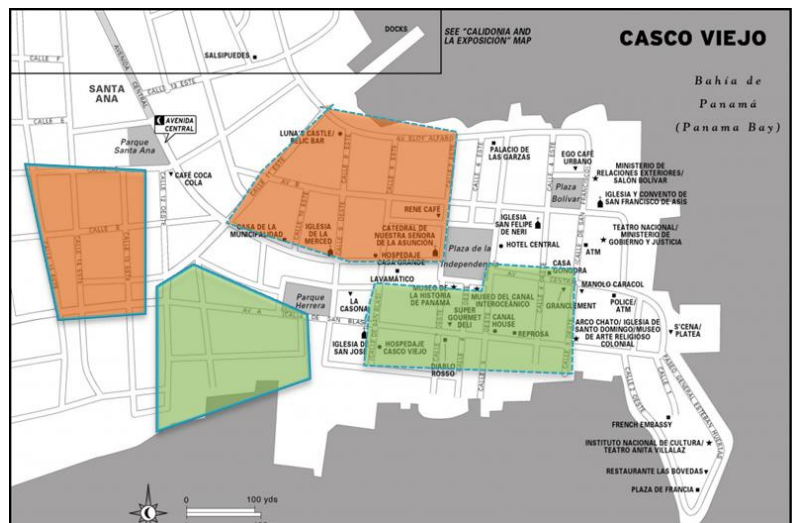
Esperanza San Felipe believes differently. Our mission to protect the human heritage of Casco Viejo led us to ask a simple question: "If we don't tackle the gang problem in our community, who will?" Simply allowing the problem to be exported to another community through gentrification is not a solution.

Though gang members and young men on the periphery of gangs occupy the outermost margins of society, they are still part of our community, and therefore part of our mandate.

Esperanza's Goal

Esperanza's goal is to demobilize the remaining gangs in Casco Viejo within two to three years, integrating their members into the community rather than displacing the problem to prisons or other communities. The process will culminate with the former gang territories being recognized by former members and the community as a Zone of Peace. Beyond making Casco's street's safer, we believe that the former gang members' presence as entrepreneurs, employees and living testaments to Casco Viejo's recent history will contribute measurably to Casco Viejo's social and cultural capital.

Calicanto's mission to protect the human heritage of Casco Viejo provoked the question, "If we don't, who will?" Simply allowing the problem to be exported to another community or jails is not a solution.

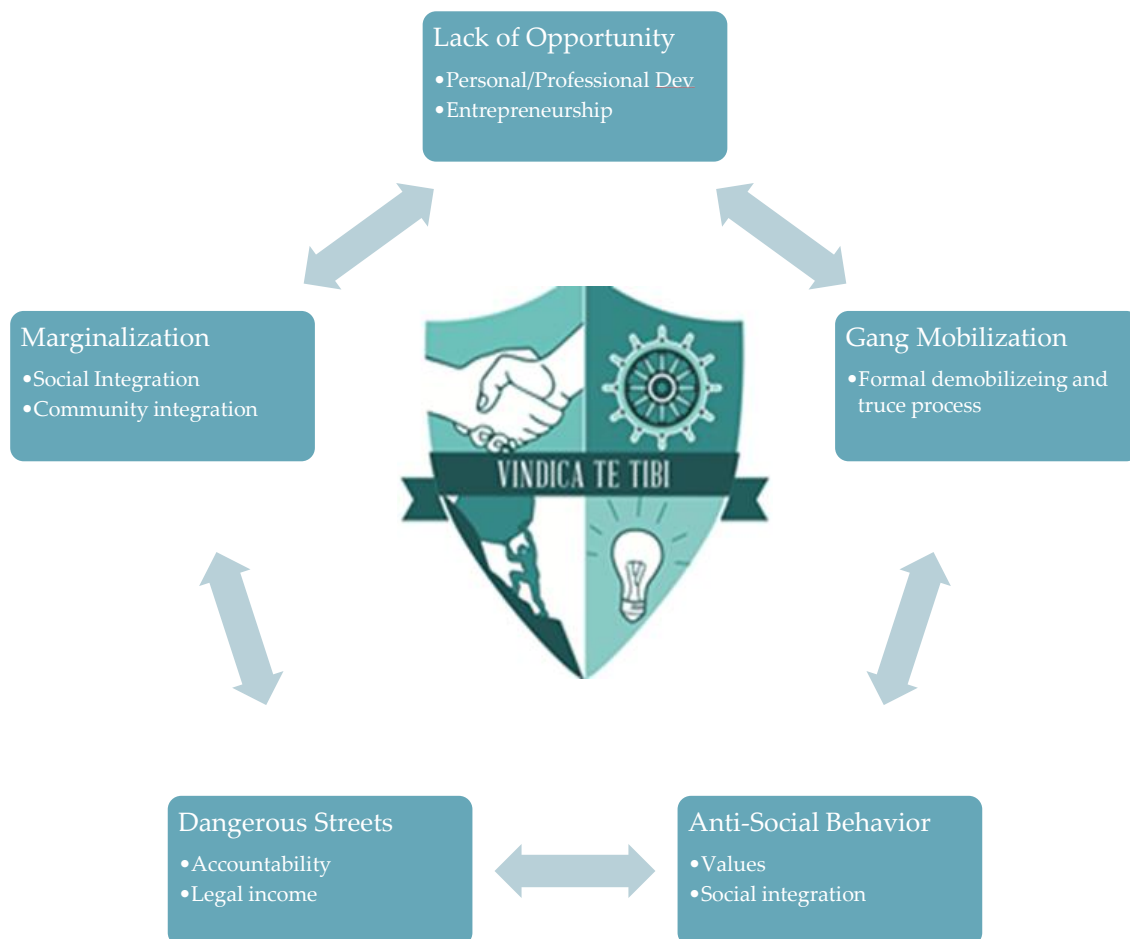


IZONAS DE PAZ (GREEN) AND REMAINING GANG TERRITORIES (ORANGE)

EPERANZA'S HOLISTIC APPROACH

Esperanza intervenes in active gangs with the intention of demobilizing them by integrating their members from the margins of society into the mainstream. In the process, young men whose only contacts to formal society are through the police and an occasional politician earn a stake in society, learn its norms and gain social capital and skills that allow them to earn the financial capital ultimately needed to help themselves and their dependents out of the cycle of poverty.

To make this transformation happen, we take a “holistic” approach, meaning that we are as interested in the root cause of their becoming gang members—lack of opportunity and education, marginalization and social disorganization on the streets where they live—as we are in the symptoms that manifest themselves as gang mobilization and anti-social behavior. We take this holistic approach because it simply isn't effective to continuously treat individuals coming out of gangs while the machine that creates the condition continues to churn out more members.



What holistic means in practice is that Esperanza addresses the problem on the same three levels that the problem exists: individual, group and community, which are discussed below in the Activities section.

Individual



- Personal Development
- Work Training
- Individual Therapy
- Establishment of "loose ties"
- Entrepreneurship

Group



- Re-position group's self identity from anti-social to pro-social: make them part of solution
- Formal demobilizing and restorative justice process

Community



- Active participation of wide section of community
- Partner with other community groups
- Declaration of "Zona de Paz"

HOW WE MEASURE SUCESSS

We measure success on the same three levels where we act: individual, group and community. At an individual level, social integration requires the establishment of ties between the individual and society. This level of connection can be measured by factors such as formal employment, licenses and use of public services and, very importantly, establishment of "loose tie" relationships beyond family and former gang mates. We sum these and other factors into a score and we test them periodically to see if the individual is moving closer to or further from society.

Individual Level



- Arrests Before and After
- Social Capital Growth
 - Employment/Business
 - New Contacts
 - Civic Participation
- Formal Housing
- Use of Public Services
- Understanding of Legal Rights

Group Level



Self-Demobilization

- Name Dropped
- Graffiti Removed
- Formal Declaration of Zona de Paz
- Pro-Social Self Identity

Community Level



- Resident Survey
- Police View
 - Removal from national gang registry
- Crime Statistics
- Economic activity of entrepreneurs businesses

At a group level, integration means that the group has demobilized itself. To do so, the members (and especially the leaders) must formally and publicly renounce their self-identify as a street gang and cease to depend on or regularly engage in illegal activity¹. Our job is not to take apart groups, as members are often family with many interdependent relationships in their community. We focus instead on helping them reorient to pro-social activities such as improving the conditions of their streets, starting micro businesses and helping their neighbors. Because we do not intervene unless the leadership invites us and demonstrates a willingness to change course, this is actually easier than it sounds. These formal renouncements, combined with empirical evidence of crime statistics and legal sustenance of members, will form the basis for petitioning the *Ministerio de Seguridad* to remove the former gangs from the national gang register.

One thing we have learned is that integration is a two-way street: the community embracing the participants' change is almost as important as the change itself. So we involve the community in the program, bring in partner programs such as Fundacion Calicanto's CAPTA, and measure whether the broader community and the police see a change in the group's behavior, and whether they feel that the former territory has become safer.

¹ We use the commonly accepted Euro-gang definition of a "durable street-oriented youth group whose involvement in illegal activity is part of its group identity" broadly to also include young men who commonly associate with local gangs but may not registered as or self-identify as members of that gang.

ESPERANZA'S ACTIVITIES

Demobilizing a gang requires a wide range of activities over a long period of time. There are no short cuts and because the street dynamics are fluid, flexibility is important.

Esperanza's activities divide into two main phases. The initial intervention phase consists of a bridge building period, a diagnostic retreat outside the city, eight to twelve weeks of all day workshops on personal and professional development and a graduation ceremony. Because of their different personalities, during the workshops leaders move to a special professional track focusing on project management, entrepreneurship and community leadership, while receiving more personalized psychological counseling. This separation also allows the regular members to participate more freely in group activities.

Following an intervention, Esperanza shifts into the support stage, during which its psychologists and support staff monitor and coach graduates as they transition into formal society. This stage lasts a minimum of two years to reduce recidivism. It is during this stage that community involvement is most critical. Leaders launch businesses which benefit from networks in the community, and members are placed in jobs, begin to



Bridge Building
(1-6 months)



Diagnostic / Retreat
(2 days)



Workshops
(8-10 weeks)



Graduation
(1 day)



Ongoing Support
(up to 2 years)

look for formal housing and receive ongoing psychological counseling. Local business owners and professionals volunteer to mentor the young entrepreneurs, simultaneously building their skills and networks.

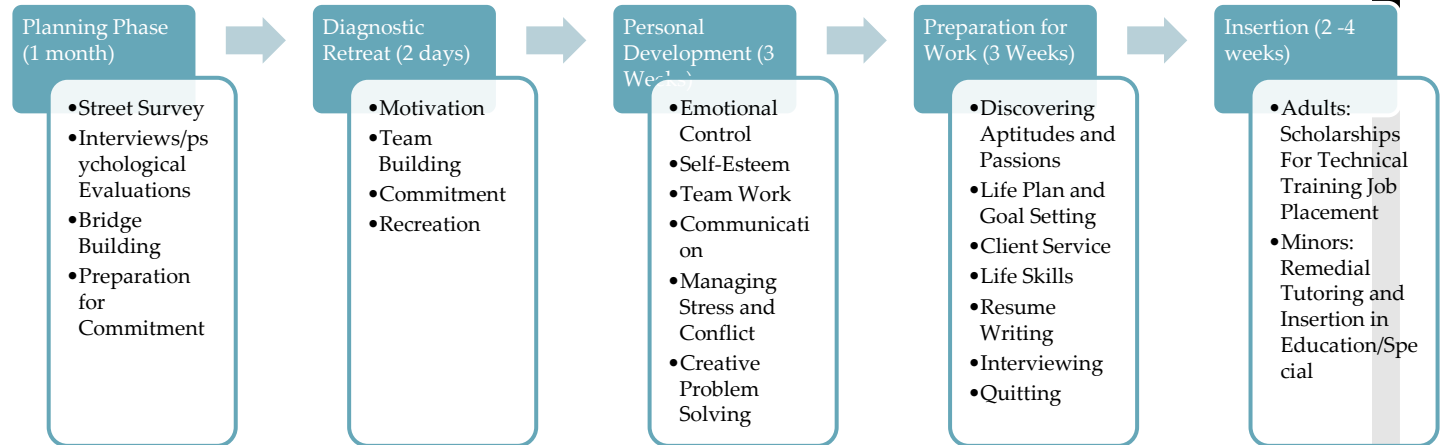
While working with the participants, Esperanza seeks to make their change visible, tangible as is possible to the community. We do this through the physical transformation of areas where the participants live (done and co-funded by the participants and the community), bringing the community, police and other authorities to participate in events, and encouraging friends and family of the participants to take advantage of social programs such as Fundacion Calicanto's CAPTA program for women.

The result of integration at this community level is increased legal income opportunities for participants and their families, and increased delivery of social services by other organizations. All of these components serve to both address root causes of gang mobilization, to reduce recidivism, and to erode negative perceptions of the former territories (and by extension the participants) in the eye of the broader community. We leverage Casco Viejo's uniquely mixed and participatory community to draw as many people as possible into the process.

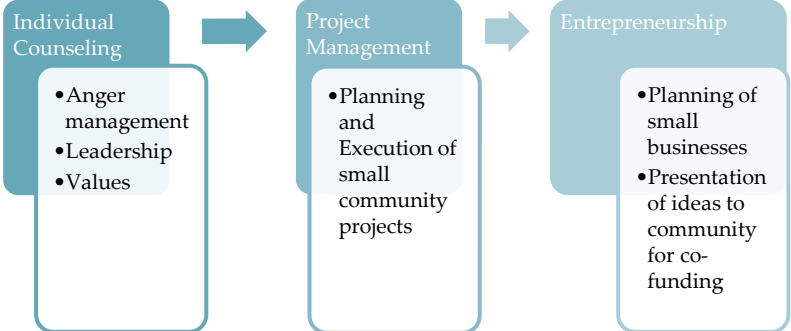
We focus a lot on geography, attempting to systematically stabilize one territory at a time. Once an area is stabilized, it becomes what we call a "Zona de Paz" or "Zone of Peace." We then move on to the next area (typically chosen because a neighboring gang has become interested and asked for "turn") with the goal of merging Zones of Peace throughout the historic district and beyond.

Activities

Members



Leaders



RESULTS OF CIUDAD DE DIOS INTERVENTION

While we are always cautious about short-term results, there are strong indications that the main objective this class -- demobilizing the Ciudad de Dios gang (we refer to them here by their new name, Forteleza) and integrating its former members and their former territory into the broader community -- has been achieved. The ongoing support needed to prevent recidivism will go on for many months, but the indicators so far are extremely strong.

Individual Factors

PARTICIPATION AND GRADUATION

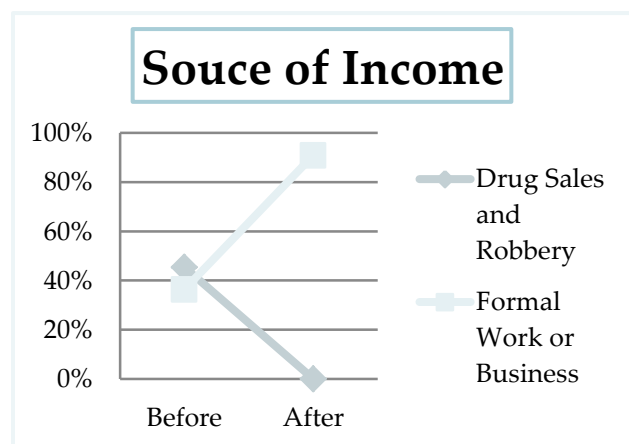
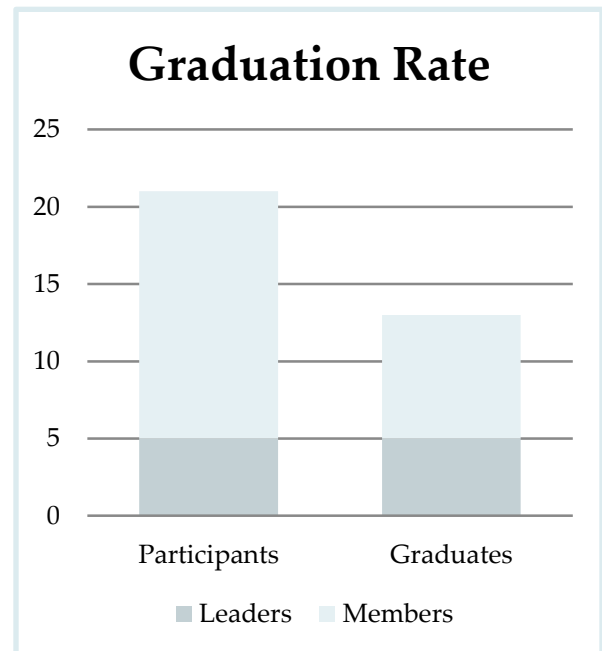
Of the original 21 participants, 13 graduated. More importantly, all of the leaders graduated and encouraged the members to do the same.

Almost all of the eight drop-outs left during the first two weeks after surpassing the maximum number of allowed absences (three). The primary cause for dropping out was drug addiction. We do not initially filter for drug use. Instead, we discuss the topic with the group openly and encourage those identified as heavy users to enroll in a treatment program, which Esperanza pays for. Leaders are trained to encourage enrollment for members who need it.

EMPLOYMENT AND ENTREPRENEURSHIP

Formal employment, or owning a business, is a key indicator of social integration. Six months after graduation, 85% of graduates are working in formal jobs or have started their own businesses. Of the regular members, 75% are currently working, with the majority working in hotels or valet parking.

We have learned from experience that gang leaders are better situated to become entrepreneurs than regular employees. We start them with lessons in community project management, where they learn to plan and budget projects of their choosing that bring a tangible benefit to their community. By presenting their proposals to the local business community for co-funding, they simultaneously expand their networks, build confidence in the community and learn to be proactive.



In this group, leaders began two new businesses: a tour business and an independent contracting company. Forteleza Tours has been particularly successful, with the four leaders who formed it earning an average of over \$600 per month each guiding tourists (and locals) through a Casco Viejo that would be impossible to see without them. The unexpected by product has been creation of a cultural attraction in an area previously considered too dangerous for tourists.



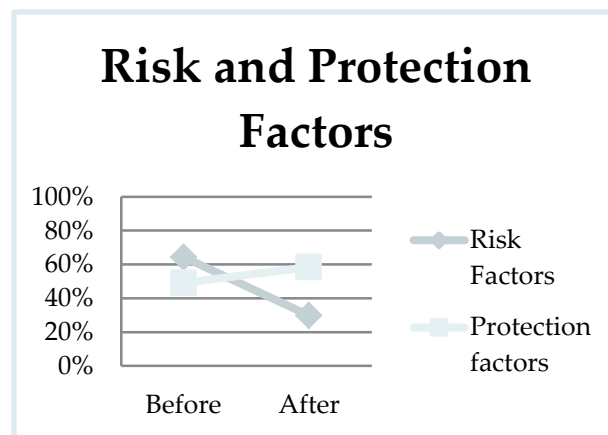
© Tarina Rodriguez

We are excited by how quickly Esperanza has been embraced and supported by the public. Community members have mentored Forteleza group graduates, volunteered to teach English and supported their businesses en masse, contributing greatly to the social integration that is so key to the graduate's success.

SOCIAL INTEGRATION

Our primary indicator of social integration is a test that measures the extent and strength of an individual's connections with formal society before and after the program. These connections are critical to getting ahead in life, and, once earned, also a deterrent to going backward. To measure these "Protection Factors" we ask questions such as: does he have a network outside his immediate clan who can help him when he has problems? Does he use public services like transportation health care? Does he have a driver license and health insurance?

Similarly, we measure “Risk Factors” such as drug use, exposure to violence, and detentions. In the case of the Forteleza group, we are seeing six months later what we had hoped: Protection Factors are increasing and Risk Factors are decreasing. We will monitor these same factors again at twelve months and then again at 24 months.



ARREST RECORDS

In the six months following graduation, only one graduate has been arrested.

Group Level Indicators

NAME AND SELF-IDENTITY CHANGE

Esperanza’s methodology is not to cause demobilizing of gangs, but rather to cause an anti-social group to reorient towards pro-social activities and self-identification. At the group level, we measure whether the group voluntarily drops its gang name, removes its graffiti from the streets, turns in its weapons, is willing to declare its formal territory a peace zone and generally associates itself with positive activities.



In the case of the former Ciudad de Dios gang, we see positive indicators along all of these lines.

- The group adopted the name “Forteleza”, printing logos, t-shirts and business cards promoting their business of the same name;
- They removed all graffiti bearing their former gang name, interestingly, without being asked to do so;

- They voluntarily turned in two pistols to police, again, without being specifically asked to do so and without receiving any compensation.
- We hope to undertake the reconciliation process necessary to formally declare the area where they live a “Zona de Paz” in the coming months, but, as the community survey below indicates, the perception of police and residents is that it is currently safe.



Community Level Indicators

POLICE AND RESIDENTS SURVEY

Vitalitas asked twenty residents on the street where Forteleza group members formerly operated (Calles 11 and 12), and twenty police officers working in the historic district whether they believed there was a gang present on those streets before and after the program. Strikingly, over 40% of the residents changed their perception in the three months between the program’s start and finish. A lesser number of police changed their view, which we believe indicates a need for greater police involvement in the project.



Similarly, 65% of residents and 50% of police reported that they had noticed improved behavior on the part of the participants in the program. Perhaps more than indicating behavior change itself, we see these results as important indicators that the community and police are open to the possibility of change.

When asked about crime on Calles 11 and 12 street, 90% of police and 95% residents reported that it had decreased in the last three months, with the overwhelming majority reporting a significant decrease. No respondents believed it had increased.

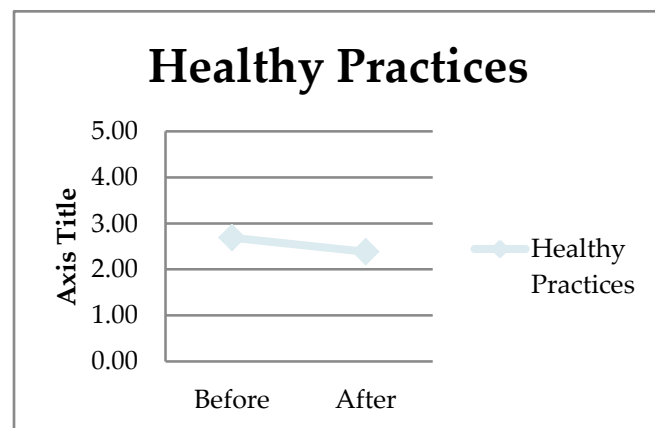
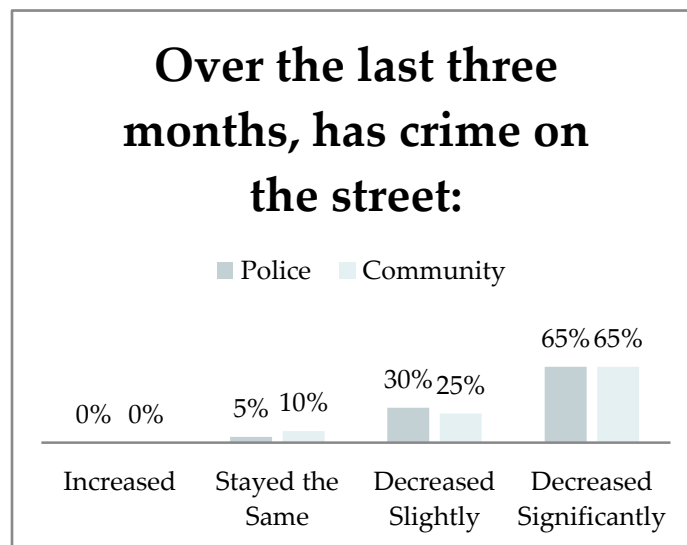
We will look at actual crime statistics for this period when they become available, but as above, the perception of decreased crime and gang activity is extremely important to the process of integration of Esperanza graduates into the broader community.

Contra-Indicators

Not all of the Vitalitas data was positive. In some cases we received indicators that we believe show us areas where Esperanza can improve, and others point to flaws in our survey methodology. The most relevant indicator data is set out below.

HEALTHY PRACTICES

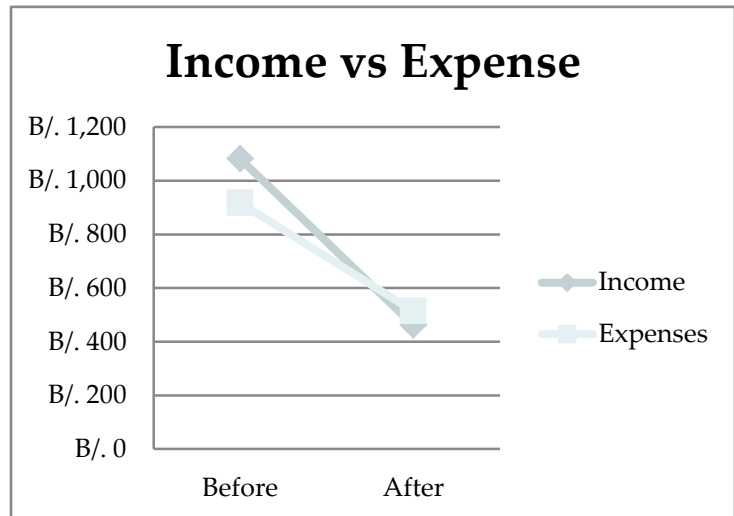
One of the key protection factors is healthy practices, which include medical check-ups, sexual health and alcohol and drug use. The Vitalitas survey indicated a slight decrease overall, with participants reporting fewer medical check-ups, dentist visits and AIDS tests. Further qualitative analysis is required to understand this result. Encouragingly, safe sex practice had improved somewhat, possibly as a result of sexual health workshops given during the program.



PERSONAL FINANCES

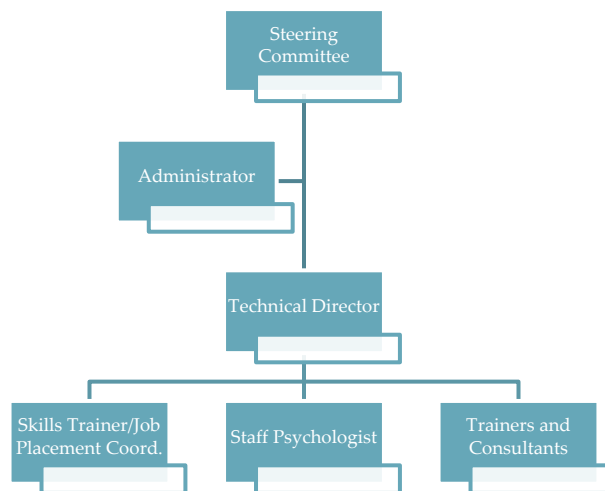
A large part of Esperanza's focus is providing participants with the skills they need to earn a legal living. We ask participants about income levels before and after graduation. In the case of the Forteleza class, all but two participants reported a significant decline in income after graduation.

We are still analyzing whether this result indicates a real decline in income, some psychological phenomenon associated with the transition to a more structured lifestyle or a combination of the two.



TEAM

Esperanza's team consists of a steering committee that oversees a permanent three person technical team and an administrator. Outside of the permanent team, Esperanza uses independent therapists, and consultants.



BUDGET AND FUNDRAISING

Budget

The budget for the Forteleza class intervention, which took place over a total of 8 months, was \$56,620, with an additional \$15,000 required to cover two years of follow up, bringing the estimated cost per

Esperanza San Felipe Budget 2014 (through August 30)	
Admin and Fundraising	Cost
Coordinator	15,950
Calicanto Overhead	271
Fundraising	1,000
Administration and Fundraising Total	17,221
Technical Team	
Technical Team Leader	6,750
Professional Development Coach	10,500
Personal Therapist	1,400
Special Education Therapist	595
Staff Psychologist/Social Worker	6,315
Technical Team Total	25,560
Workshops and Skills Training	
Technical Skills Scholarships	340
Retreat/Diagnostic	1,390
Health Certificates	215
Theatre Workshops	1,328
Personal Finance Workshops	400
Personal Development Workshops	300
Workshops Total	3,973
Other Costs	
Food	1,659
Uniforms	515
Class Materials	333
Transportation	936
Family Event	941
Community Work Supplies	1,294
Graduation Materials	17
Independent Survey of Results	3,000
Miscelaneos	1,171
Other Total	9,865
Total de Programa	56,620

group to just under \$75,000. Much of this cost can be amortized over several groups, which will make the program more efficient as the program begins to work with new groups.

From a societal perspective, we believe the amount compares favorably to the cost of policing, incarceration, property damage and lowered property values, tax revenues and public health caused by gang activity.

Fundraising



Esperanza is supported by four types of donations:

- Recurring Monthly Donations.

Members of the Esperanza Social Venture Club

give from \$25 to \$100 per month, and also form the mentoring and support network that helps with social integration. Our goal is to get to 500 members with an average donation of \$25 per month, which would make the program self-sustaining.

- Corporate Sponsorships. We target companies inside and outside Casco Viejo that are interested in youth and security issues.
- Grants. While we have not yet received any grants, we will continue to apply for security related funds.
- Individual One Time Donations. While we prefer smaller recurring donations to create a sustainable base, we occasionally receive one time donations.

LOOKING FORWARD

Our goals for the next twelve months are:

1. Formalize the first Zona de Paz, which will incorporate the territory of Esperanza's pilot group (Hot Boys) with the territory of the second group (Ciudad de Dios). This will be a public event involving the participants, community and authorities, and will eliminate what has historically been the most conflictive rivalry in Casco Viejo.
2. Put the members of Ciudad de Dios and Hot Boys who did not participate in the first two cycles through the six week development and training program. (Subject to securing funding)
3. Demobilize one of the two remaining gangs in Casco Viejo, and incorporate their current territory into the Zona de Paz. (Subject to securing funding)
4. Continue to support graduates to minimize recidivism and report on their progress.
5. Complete the documentation of Esperanza's internal processes.
6. Reach \$5000 in monthly reoccurring donations by December, which will make self-sustaining the ongoing support needed to prevent recidivism.