

Promoting the Development of Indigenous Peoples in Latin America

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Indigenous People--estimated at more than 300 million worldwide--inhabit over 70 countries, covering almost every climatic zone. Once ignored, they are now seen as key players, especially in Latin America, in rural development programs and in management of fragile ecosystems.



"Indians"-the name Columbus mistakenly gave to the diverse assemblage of peoples and cultures that inhabited the Western Hemisphere before the arrival of Europeans-have always been among the most disadvantaged segment of the Latin American rural population. The majority of these people are the descendants of the great Aztec, Maya, and Inca civilizations and still speak native languages. Today, they comprise large parts of the rural peasant and urban migrant populations of Mexico, Central America, and the Andean countries. In the Amazon Basin region, there are also scores of relatively isolated tribal societies, many of which have only recently come into sustained contact with outsiders as a result of new road building and land settlement programs.

While definitions vary from one country to the next, and most census data are of questionable reliability, recent demographic studies estimate that there are approximately 34 million indigenous people in Latin America and the Caribbean, or 8 percent of the region's population. Within certain countries, however, their number relative to the national population is much greater, especially in rural areas where most indigenous people live. Although many are bilingual in Spanish and their native languages, multilingualism (over 400 aboriginal or native languages are still spoken in the region) remains a dominant characteristic of much of the cultural landscape.

In Mexico, persons who speak one of the 56 indigenous languages make up over 14 percent of the national population and number over 12 million. In Guatemala, there are about 4 million indigenous people, speaking 22 distinct Mayan languages and comprising 43.8 percent of the national population. In Bolivia, the country with the highest proportion, of indigenous

inhabitants--56.8 percent--there are 4.1 million indigenous people. Peru has 9.1 million indigenous inhabitants (40.8 percent of the national population). and Ecuador has 3.1 million (29.5 percent).



Latin American indigenous people--like indigenous people throughout the world--depend upon specific lands and territories for their economic livelihoods, social well-being, and cultural survival. Historically, indigenous lands have been coveted by outsiders, and indigenous labor has been mobilized for indentured or low-paid work in mines and on cattle ranches and plantations. Missionaries have played an important role in cushioning the negative effects of Western contact (disease, forced dislocation, etc.), but their programs have been introduced at the price of generating dependency and a loss of indigenous religions, values, and cultural pride.

Since the end of World War II, Latin American governments---in the names of economic development and increased social integration--have taken the lead in directing the processes of cultural change among indigenous communities. Typically, they have done so through stemming labor abuses, agrarian reform legislation, and the design of various educational, public health, job-training, and rural development programs. Most of these government programs have been centrally planned and highly paternalistic; very few of them have built upon the cultural strengths of the indigenous populations or entail their active participation.



Although there are isolated examples of success with bilingual education and improvements in public health, most studies indicate that government-sponsored rural development efforts have not significantly affected the overall welfare or opportunities of Latin America's indigenous population. To the contrary, recent studies carried out by the World Bank and other development agencies indicate that Indians remain the poorest and most destitute of the region's population, with the highest rates of infant mortality and childhood malnutrition and the lowest rates of literacy, and schooling (see "Indigenous People and Poverty in Latin America" in this issue).

Recently, a new vision has emerged in Latin America that challenges conventional, top-down approaches to the (misnamed and misconceived) Latin American "Indian problem." It builds on

the positive qualities of indigenous cultures and societies, including a strong sense of ethnic identity, close attachments to specific landscapes and territories, a sophisticated knowledge of natural resources and the environment, and the capacity to collectively mobilize labor, capital, and other resources. Currently, several programs are underway that promote the idea of a new partnership among international agencies, governments, and nongovernmental organizations for purposes of promoting indigenous development, but much remains to be done.

The new vision

A large part of the impetus behind the new thinking comes from indigenous people themselves. The past two decades have witnessed a cultural renaissance among these people and the growth of a vast network of grass roots Indian organizations. Ironically, some of the same forces that have traditionally undermined Indian cultures and identities--such as missionary influences, schooling, and increased urban migration--have enabled this renaissance. In fact, in almost all countries where there are significant indigenous populations, younger and more educated Indians are reaffirming (and sometimes rediscovering) their indigenous cultural roots and identities, using them to form new ethnic organizations and federations (see box).

In general, the platforms of the new indigenous organizations are based upon combating negative attitudes toward indigenous people, participating in local decisionmaking and development policies, asserting indigenous languages and cultures, and, most important, maintaining some control over indigenous lands and natural resources. Increasingly, they are also seeking to ensure that indigenous people receive a larger share of national development budgets while asking international agencies to provide support and technical assistance for the groups' development projects.

Box 1

An indigenous federation in the Ecuadoran rainforest

One of the oldest and most successful of the indigenous organizations is the Shuar Federation in the tropical forests of eastern Ecuador. It was formed in the 1960s, under the impetus of Catholic missionaries, to provide the Shuar, who live in scattered hamlets, with some type of collective legal protection from colonists who were invading their traditional territory. Forming into nucleated residential groups called *centros* and then into larger subregional associations, the federation successfully petitioned the government for collective land titles.

In the early 1970s, the federation also established a bilingual radio school program, which essentially transformed the nature of schooling and education in the rain forest. Before the program was established, fewer than half of school-age Shuar children completed primary school. Not only was it difficult for children to attend schools, because of the long distances from their homes and the difficulties of travel, especially in the rainy season but dropout rates were extremely high because the curriculum did not take into account the children's native language and culture. Over the course of a decade, the federation-managed radio school program proved to be a great success, and the number of schools connected into the radio network and staffed by federation-trained teachers increased from 30 to 177. In the 1980s, the government officially recognized the program and used it as a model for other bilingual and bicultural school programs in the eastern part of the country.

Role of international donors

Over the past year, several international agencies, including the World Bank, have been meeting regularly to explore ways in which they might more systematically assist these new indigenous development programs. They are also working closely with the La Paz-based Latin American Indigenous People's Fund (Fondo Indigena), which was established by a number of Latin American governments in July 1992 to provide technical assistance and channel resources to indigenous development activities.

There are three areas where the Bank and other international agencies are helping in this hemispheric indigenous development effort:

Land regularization and natural resource management. Although the situation varies not only among countries but also among geographic regions (e.g., between the highlands and the lowlands), most indigenous communities must contend with threats from outsiders interested in their lands, forests, waters, and other natural resources--yet they often lack clear land ownership rights or their statutory rights are not in fact protected. One way the new indigenous organizations are trying to respond to these threats is by calling for greater government recognition and protection of their lands and natural resources.

As far back as 1982, the Bank issued a policy that stated that it would "not assist development projects that knowingly involve encroachment on traditional territories being used or occupied by tribal people, unless adequate safeguards are provided." As a result, the Bank has assisted several Latin American governments (e.g., Bolivia, Brazil, Paraguay and Peru) in designing and financing programs for the identification, demarcation, and registration of indigenous lands, especially in the rain forest regions of lowland South America. In the Brazilian Amazon alone, the government has identified and demarcated some 5.4 million hectares of indigenous land under Bank-funded projects. Based upon these and other experiences, the Bank revised its policy in 1991, placing more emphasis on the informed participation of indigenous people in the development process--including the design, implementation, and monitoring of their own development programs.

How have these projects fared? A review recently conducted by the Bank shows they have been most successful when accompanied by research, technical assistance, and training programs that combine indigenous people's environmental knowledge (which is often quite sophisticated, especially in the lowland forest regions) with modern forms of natural resource management. Thus, a number of recent Bank projects--such as the Pilot Program to Conserve the Brazilian Rain Forest and the recently approved Colombia Natural Resource Management Project contain both indigenous land regularization and natural resource management programs. These projects, which are much more participatory than earlier ones, provide new models of how to improve the management of natural resources vital to the economic survival and environmental sustainability of indigenous and other forest-dwelling rural communities.

Technical assistance and training programs. Another major need is for greater technical assistance and training-ranging from simple accounting and microenterprise development to the use of new technologies, such as computers or satellite imagery, for land demarcation and natural resource planning. Experience indicates that these programs are most effective when they are conducted in the native languages, reach out to indigenous women, and incorporate indigenous knowledge and technologies.

The Bank is currently working with the Fondo Indigena and several Latin American governments to support a series of special training and institutional strengthening programs. These programs will be aimed primarily at enhancing the ability of the indigenous organizations to design their own development strategies and formulate their own development projects. The first of these training programs will be held in Chile (involving the Mapuche, Aymara, Atacamenos, and Rapanui peoples), followed by similar programs in Bolivia, Guatemala, and Mexico.

Access to credit and investment capital. Latin American indigenous organizations and some governments also are looking to the Bank and other international agencies to provide them with new channels of credit and investment capital. Unfortunately, in many countries, indigenous people do not have access to traditional forms of finance because of their poverty and lack of collateral for loan guarantees. Furthermore, even when sources of finance are available, the people often lack the training and experience in law, economics, accounting, and administration necessary to tap these sources successfully and manage their own development agendas.

To overcome these problems, several experiments in opening up new channels of credit and investment capital are now being tried. For example, the Mexican Government, as part of its national antipoverty program, has created a series of "regional solidarity funds" to provide credit to indigenous landholding groups, small coffee-grower and fishing cooperatives, artisan groups, rural women's associations, and various types of microenterprise projects. Each solidarity fund—there are now over 100 nationwide—has its own indigenous management council and provides long-term and low-interest credit to member organizations for on-lending to member communities and associates.

Although it is still too early to evaluate the overall results, early indications show a strong demand for the program among indigenous groups. In the heavily populated indigenous state of Oaxaca, for example, Mexico's National Indigenist Institute (INI) has established 22 funds representing 445 rural organizations and 1,466 indigenous communities. Between 1990, when the program was initiated, and 1992, it transferred 34,725 million Mexican pesos (about \$13.35 million) to the Oaxaca funds for over 950 productive projects. Loan recuperation rates are not as high as organizers had expected, but INI has been restructuring the program to make it more compatible with the needs, skills, and repayment capacities of participants. It is also seeking legal changes that would enable the funds to become permanent rural finance institutions under the full control of the indigenous management councils. As part of a \$350 million decentralization and regional development loan, the Bank is providing INI with technical assistance funds to improve the management of the program and to conduct an evaluation study.

Poverty alleviation

Some years ago, the well-known development economist Albert O. Hirschman published *Getting Ahead Collectively* (Pergamon Press, 1984), a book on grass roots development experiences in Latin America. One of the themes was that, as these countries move toward civilian rule and democracy, there is renewed space to release the "social energy" of various local organizations dedicated to more popular and participatory forms of development. Although Hirschman alluded only briefly to grass roots indigenous organizations, they are perhaps one of the clearest reflections of this new phenomenon. Moreover, in Latin America, these new indigenous organizations bring an added dimension to the grass roots development equation—the continuing existence of indigenous languages and cultures that go back thousands of years, before the arrival of Europeans. They also serve as the basis for socially mobilizing indigenous people for the twin goals of cultural reaffirmation and rural poverty alleviation.

For more details, see "The Fate of Indigenous Peoples: Consultation and Coordination Can Avoid Conflict," by William Partridge in The Environmental Forum, Vol. 7, No. 2, 1990; "Protecting Amerindian Lands: A Review of World Bank Experience with Indigenous Land Regularization Programs in Lowland South America," by Alaka Wali and Shelton H. Davis, Latin America and Caribbean Region Technical Department. Regional Studies Program Report, No. 19, 1992; and "Indigenous Views of Land and the Environment," edited by Shelton Davis, World Bank Discussion Paper No. 188, 1993