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WORLD BANK RENOUNCES TRIBAL POLICY

After years of being criticised for its development programmes in tribal areas, the World Bank has finally announced that its published policy guidelines are not, in fact, those it observes. Mr Carlos Escudero, one of the World Bank's senior legal experts, announced that the Bank's real policy for the development of tribal areas is described in a confidential document which is not publicly available. Mr Escudero was speaking to a Committee of Experts, at the International Labour Organisation (ILO) engaged in revising the ILO's Convention on Tribal and Indigenous Populations, which met in Geneva in early September.

The news that the World Bank's publication does not describe Bank policy at all, came as a surprise to the experts. The World Bank's document makes repeated statements concerning 'Bank policy' and was indeed cited by others at the meeting as a progressive document containing many valuable insights into the problems that the development process poses to isolated tribal societies. In July 1982, when the World Bank first launched its new document amidst a shower of publicity, it specifically stated in its press release that 'The World Bank's policies for projects that may affect tribal people are outlined in the paper **Economic Development and Tribal Peoples: Human Ecologic Considerations** (1). The document received wide praise in the media (2). Not all were so impressed at the time, however, and some pro-tribal activists raised cries of warning that the Bank's rhetoric was not to be counted on (3).

Sadly, events since the launch of the controversial document have proved the sceptics all too right. The human rights organisation, Survival International, points to a large number of recent Bank projects which have proved devastating to tribal lives and cultures. In Brazil, the Polonoroeste project, a

bank-supported colonisation scheme, has caused the deaths of hundreds of Indians, decimated by diseases introduced along the Bank-funded highways. In Paraguay, the Caazapa Rural Development project is promoting settlement directly on Indian lands, leaving them with mere fragments of their former territories. In India, tens of thousands of tribal peoples are being forced off their lands to make way for hydropower projects. While in Indonesia the Bank continues to fund the now notorious Transmigration Programme despite the catalogue of human rights and environmental abuse associated with it (4).

According to Mr Escudero, the Bank's (confidential) internal policy guidelines regarding tribal peoples do attempt to ensure respect for the maintenance of tribal identity, but have to be taken in conjunction with the Bank's policy on resettlement and rehabilitation (also kept secret) which is applied following compulsory removals to make way for development. Speaking to the meeting in Geneva, Mr Escudero rejected the notion that the consent of tribal peoples should be sought before the implementation of projects on their lands. Such a concession would effectively give privileges to tribal peoples not even enjoyed by members of the dominant society. If anyone is to be privileged, said Mr Escudero, it should be the dominant section.

The Bank has steadily tried to distance itself from its policy guidelines since they were first made public in 1982. When, in 1984, it produced a Spanish translation of the document, the title page carried a lengthy waiver, not found in the original, stating that the document was 'unofficial' and did 'not necessarily represent the Bank's official policy' (5). Now, the Bank has finally denied its original announcement altogether, taking refuge in the secrecy of its internal Operational Manual Statement which is not available to those not employed by the Bank itself.

The Bank's candid admission that the policies guiding all its projects are confidential, while its published policy documents carry no weight at all, comes at a time when it is under increasing pressure from the international community to be more open and accountable. But the Bank has not responded favourably to these overtures.

A meeting to be held 'off the record' in London in October between the Bank's critics, Bank staff and Government representatives had to be cancelled. It appears that the Bank felt unable to counter the well-researched critiques that had been made of its projects in Brazil, India and Indonesia. The announcement also came only weeks before the Bank's Board of Governors met to welcome the new President of the World Bank, Barber Conable. Non-Government organisations carried out protest actions internationally to draw attention to the socially and environmentally ruinous nature of many Bank schemes.

An examination of the Bank's internal policy guidelines on tribal peoples (reproduced below) reveals why the Bank is so anxious to distinguish between these and the published document. The published version explicitly states that 'the Bank will not support projects on tribal lands, or that will affect tribal lands, unless the tribal society is in agreement with the objectives of the project'. The document asserts that the Bank adopts an intermediate policy between accelerated integration and enforced isolation, based on the principle of self-determination.

'Such a policy of self-determination emphasizes the choice of tribal groups to their own way of life and seeks, therefore, to minimise the imposition of different social or economic systems...'

In contrast, the internal guidelines reveal a somewhat weakened resolve on the Bank's part. According to it, projects should be designed 'to mitigate undesired social effects'. The Bank's commitment to the principle of self-determination, with the corresponding right of tribal peoples to veto projects on their lands, so prominent in the first publication, has vanished.

World Bank under pressure

The Bank's increasingly defensive reactions come at a time when the NGOs' campaigns to curtail the worst excesses of certain Bank projects has really begun to bite. The temporary suspension of the Bank's loans to the Polonoroeste project in 1985, was the first sign of the NGOs real influence, which was followed later the same year by a delay in the disbursement of loans to the Sardar Sarovar hydropower project in central India.

Instrumental in achieving these initial, minor victories was a long series of hearings at the US senate, at which NGOs presented testimony on the social and environmental performance of Bank projects. As a direct result of these hearings, in December 1985 the US Senate passed legislation making the appropriations of funds from the US Treasury to the World Bank and other multilateral development banks conditional on the banks carrying out certain reforms.

The banks have been sluggish to heed these signs that the Senate meant business. In August 1987 the Senate announced that it was

'especially concerned about the impact of large-scale
....agricultural resettlement schemes in tropical forest
regions inhabited by indigenous peoples. Neither borrower
nor donor nations can afford to invest large amounts on

failure-prone colonization projects in tropical forest areas with generally poor soils.

It would seem ill-advised to continue funding such projects, if those projects are going to result in massive deforestation and public health problems. The Committee would call to the attention of the Treasury Department that environmental, socio-cultural and economic risks associated with resettlement project continue, as evidenced by testimony of environmental groups concerning the Indonesian Transmigration Program ' (6).

In September 1986, the US Treasury made stinging cuts to its budgetary allocations to the World Bank and other MDBs for the coming year. The Chairman of the Appropriations Committee, which allocates US Treasury funding to the World Bank and other MDBs, reported

'The multilateral development banks have failed to meet the fundamental environmental concerns of this Committee regarding resource management, conservation and protection of indigenous people. One of the reasons the Committee has reduced funding for the MDBs is due to the banks' failure to address the specific criticisms this Committee has made....The Committee is deeply concerned that despite urging by the Committee and the administration, the multilateral development banks have not adequately considered, nor acted, to prevent unacceptable environmental consequences of a large number of projects currently being funded or selected for funding' (7).

The Senate's statement provides clear evidence that the campaigning organisations can really have an effect on Bank funding. But does this affect the schemes the Bank funds? That it does was made dramatically clear in early 1987, when the Indonesian Government announced massive cuts in its Transmigration programme. From a target of 25,000 families per year, the Government reduced its planned resettlement to only

1000 in 1987. According to the Indonesian press (8), these heavy cuts were a direct result of the pressure that the Indonesian Government had come under from the World Bank, which had in turn been heavily criticised for its involvement in the project by a loose coalition of NGOs world-wide (9).

Indians meet with World Bank President

On 17 December 1986, three delegates from the Co-ordinating Committee of the Indian Organisations of the Amnazon, Evaristo Nukuag Ikanan (Peru), Jose Uranavi (Bolivia) and Jose Narcizo Jamioy (Colombia) met with Mr Barber Conable, President of the World Bank, in his office in Washington. The meeting was arranged by Survival International USA, and followed an earlier meeting in September between SIUSA and Mr Conable, who said on that occasion 'This is the first time that I have had to consider the indigenous question'.

Evaristo Nukuag told Mr Conable that 'This meeting will be a concrete reminder to you of our existence. Too often we are forgotten, left out of the development process. The fact that we have dialogue demonstrates an advance in thinking'. Jose Narcizo also noted

'We want to get our voice into the process. It is very important to us to have input into the development process for the different regions. The Bank should make it a requirement, a prerequisite, that governments take into consideration local indigenous people. Also, the Bank itself should maintain dialogue with the Indian peoples. We would like clarification on what the Bank's policy is toward indigenous peoples, so we can discuss it among ourselves and give feedback to the Bank so as to improve it and have it be favorable to the Indians and to the role of Indians in development.'

Report from Survival International

Notes:

1. 'Tribal Peoples in World Bank-Financed Projects', World Bank News Release, July 27, 1982. The World Bank in fact published its document 'Economic Development and Tribal Peoples: Human Ecologic considerations' in a blue cover version in 1981. It was this version which was reviewed in the press. The only slightly modified red cover version was published in 1982 with the title 'Tribal Peoples and Economic Development: Human Ecologic Considerations'.
2. 'The rethink that could mean reprieve for tribes', The Guardian, August 12, 1981.
3. 'Tribes should not bet on World Bank', The Guardian, September 1, 1981.
4. 'The World Bank and Tribal Peoples', Survival International News, special supplement, 1987, summarizes the organisation's concerns regarding the impact of World Bank project on tribal peoples.
5. 'Poblaciones Indigenas y Desarrollo Economico: Consideraciones Ecologicas-Humanas', World Bank, 1984. The same waiver is now found in the latest edition of the English version of the document, printed in late 1986.
6. Report of Senator Obey of Wisconsin from the Appropriations Committee to the Committee of the Whole House on the State of the Union, dated 5 August 1986, report 99-747.
7. Report of Senator Kasten from the Committee of Appropriations dated 16 September 1986, titled 'Foreign Assistance and Related Programs Appropriations Bill, 1987', report 99-443.
8. 'Tempo', 10 January 1987.
9. 'Banking on Disaster; Indonesia's Transmigration Programme', special edition of 'The Ecologist', 16 (2/3), 1987 in collaboration with Survival International and Tapol.