

THE POLONOROESTE PROGRAM AND INDIGENOUS PEOPLES

World Bank Policy and Indigenous Peoples

Organizations and individuals concerned with indigenous peoples' rights welcome and support the World Bank's statement, Economic Development and Tribal Peoples: Human Ecological Considerations (World Bank 1981). Since indigenous peoples are often those most at risk from development projects and typically lack political representation, it is especially important that multilateral lending institutions take account of their existence in planning and implementing development. The World Bank's policy statements have shown a clear grasp of the issues involved:

Experience has shown that, unless special measures are adopted, tribal people are more likely to be harmed than helped by development projects that are intended for beneficiaries other than themselves. Therefore, whenever tribal people may be affected, the design of projects should include measures or components necessary to safeguard their interests....
(World Bank 1982)

General policy is in keeping with such observations:

As a general policy, the Bank will not assist development projects that knowingly involve encroachment on traditional territories being used or occupied by tribal people, unless adequate safeguards are provided.... The Bank will assist projects only when satisfied that the Borrower or relevant government agency supports and can implement measures that will effectively safeguard the integrity and well-being of the tribal people.
(Ibid.)

The Polonoroeste is one development project with substantial World Bank funding that affects indigenous peoples (approximately 5000 Amerindians in at least 24 groups in the program area) and as such is an example of the application of the Bank's policy with respect to indigenous peoples. The existence of the Indians in the area was well known to both the Bank and the Brazilian government in the planning stages of the program. The Loan Agreement for the first phase, Agricultural Development and Environmental Protection Project (Loan No. 2060 BR) dated December 15, 1981, states in section 4.05,

The Borrower and the Bank agree that the strengthening of the measures to protect the indigenous Amerindian population in the Program Area is essential to the successful carrying out of the Project. To this end, the Borrower shall take all necessary measures to put into effect promptly the Special Project for protecting the interests of the Amerindians and the Amerindian communities located in the Program Area.

In the description of the project in the same Loan Agreement, it is stated that the purpose of the project is to promote orderly development of the Program Area, "while adequately protecting the indigenous Amerindian population and the natural environment."

(p. 25)

From the outset, various organizations have expressed serious concern over the fate of the indigenous groups in the area. (Cultural Survival 1980, 1981; Anthropology Resource Center 1980, 1982; Survival International 1981a, 1981b, 1984; American Anthropological Association, motion passed at annual meeting, 1980). The Bank has typically responded as it did in

its press release of December 3, 1981:

... (the National Indian Foundation) is upgrading its organization and operation in the region and has already begun a series of measures giving priority treatment to the protection and demarcation of Amerindian lands and the removal of illegal settlers.

The Bank's public statements then and now would appear to indicate its satisfaction with the performance of FUNAI (the National Indian Foundation, Brazil's Indian agency). That the Bank sees no notable problems in the protection of indigenous peoples in the area is also indicated by the fact that disbursement of a Bank loan of \$65.2 million for resettlement of farm families is to be accelerated as part of a special action program (Bank News Release No. 84/19, October 27, 1983). The Bank's statements and actions would indicate that the government of Brazil has taken the requisite measures to protect the interests of the Amerindians in the program area, as stipulated by the Loan Agreement.

However, recent information from the Polonoroeste area shows that, in fact, four years into the program, basic preliminary precautions to protect the Indians, such as demarcation of lands, have yet to be taken, and that as a result large sectors of the indigenous population suffer direct threats to their physical and cultural survival. Further, according to its own publications, the Bank has been aware of the factors that led to this grave situation at least since 1980.

The Bank's Assessment of FUNAI

In the Bank's 1981 report, Brazil: Integrated Development of the Northwest Frontier, a number of insightful remarks on FUNAI's special project to assist the indigenous groups in the program area appear:

While the FUNAI program for the Northwest is directed correctly at the crucial problems regarding land, health, education, agriculture, and administration, it would appear that many of the measures proposed in these areas are exceedingly complex, costly, and, in some cases, inappropriate. Most of the issues of this type are the result of an inadequate knowledge of conditions in the field -- including the self-perceived wants and needs of the Indians -- on the part of the program's authors. In principle this could have been avoided, if, before or during the elaboration of the program its authors had visited each of the Indian reserves in the program area....
(World Bank 1981:37)

The report also notes basic administrative problems in FUNAI resulting from filling key posts with a succession of retired military officers who "have little knowledge of, and experience with, Indian affairs and are not always able to anticipate problems of concern to FUNAI." (Ibid. 28) In 1980, most of FUNAI's technical staff -- anthropologists, indigenists, medical personnel -- were fired or resigned in protest over the mismanagement of FUNAI and the anti-Indian positions taken by its highest administrators. (See AAA motion, 1980, Cultural Survival 1981) It is presumably for these reasons that the Loan Agreement speaks of "strengthening" measures to protect Amerindians.

Clearly, from the time the program was approved by the Bank, a kind of special pleading was involved in regard to protecting

indigenous peoples. FUNAI's Special Project was not actually acceptable as submitted -- FUNAI was in a state of disarray and, according to the Bank's own evaluation, was administered by persons with no particular competence to carry out the work for which they were responsible. But on the strength of assurances that the situation would be improved, the loan was nonetheless approved. To put this in perspective, imagine that Bank evaluators had made similar observations about accountants proposed to handle a project by a given nation. Would the Bank, after finding that senior accountants had no competence in arithmetic or accounting, approve a major loan on the basis of vague assurances by those same persons that something would be done? In the case of protecting indigenous peoples in the Polonoroeste program, ostensibly a condition of the success of the project, this is just what has happened. And now, four years into the program, the cultural and physical survival of the indigenous peoples is more at risk than ever.

Current Conditions in the Polonoroeste Area

According to Anthropologist Betty Mindlin, who coordinates the team evaluating the project for the World Bank and the Brazilian government, "either these lands are demarcated and defended now or the Indians will disappear within three or four years, with the massive immigration to Rondonia." (Mindlin, personal communication, March 1984) It is, then, especially alarming to note that, according to Prof. Mindlin's extensive report on the area, many areas have not yet been demarcated,

since demarcation of the land is the first step (by itself usually insufficient) on which defense of the indigenous territory depends. In a recent article, Prof. Mindlin writes: "The great accomplishment, and perhaps the only one, of the Polonoroeste Program in this area was the demarcation of the Nambiquara territory, still not completed." (Mindlin 1984) Of 12 indigenous areas not demarcated when the program began in 1980, only the Nambiquara area, P. I. Rio Branco, and a part of the Pareci area have been demarcated. Prof. Mindlin notes the following areas that await demarcation:

- 1) the territory of the Uru-eu-wau-wau, with the necessary disappropriations, since there are persons with land titles in the area;
- 2) the Karipuna territory;
- 3) the Zoro territory;
- 4) the area interdicted for the Cinta-Larga;
- 5) the Irantxe area, and new definition of the limits of the area;
- 6) the Saluma area;
- 7) the Pareci area, delimitation and demarcation of the Formoso, Estivadinho, and Capitaó Marcos areas, and inclusion of the Pareci area of the land north of the 14th parallel;
- 8) the Kaxarari area;
- 9) redefinition of the Bakairi area to include lands justifiably claimed by the Indians;
- 10) definition and demarcation of land for the Mequem;
- 11) reconstitution of the Urubu group, with definition of land for the tribe;
- 12) finishing the Manbiquara demarcation (including indemnifying and removing ranches within the area).

In short, next to nothing has been done in the program area since 1981, when FUNAI's Special Project began.

That so little has been achieved in the crucial area of land demarcation is especially alarming because other protective measures depend on demarcation. Land that is not clearly demarcated physically may be invaded because colonists do not know that it is Indian land, while land not legally demarcated is an open invitation to companies and land speculators hoping to press claims, as has happened in Nambiquara land. Invasion, with its attendant threat to the Indians of violent confrontations and disastrous introduced diseases, is rampant in the Polonoroeste region.

Perhaps the most urgent case is that of the Uru-eu-wau-wau, since the group was contacted for the first time only last year and faces various invasions, including mining operations, without, according to Prof. Mindlin, "FUNAI having the resources to investigate and obtain precise information." Groups with extremely limited and recent contact with the national society are those most at risk from introduced diseases, as the tragic series of disastrous contacts in the Brazilian Amazon has shown (cf Davis 1977). There are invasions in other areas as well. In the Lourdes reserve, there are 350 families of squatters. In the Cinta-Larga interdicted area, there is a mining company employing 150 miners, and the Indians have threatened violence; while in Serra Morena, also a Cinta-Larga area, the government of the state of Mato Grosso is constructing a hydroelectric power plant

20 kilometers from the indigenous village. (Folha de Sao Paulo, 4/3/84) In this area, violence is also imminent, and a nine-year-old girl was raped by non-Indian invaders. Furthermore, state politicians have subdivided and sold indigenous lands in the area, while the government of the state of Rondonia intends to build a road in the reserve. At the state and local levels -- those levels of government most directly responsible for the Polonoroeste program -- there is utter disregard for the welfare of the Indians, and indeed, aggression against them, while FUNAI apparently is powerless to take protective measures on their behalf. Invasions are not confined to Cinta-Larga areas -- Posto Indigena [Indigenous Post] Pakaas Novas has been entered by squatters, while companies have invaded the areas of the Pareci, Bakairi, Irantxe, and Tubarao.

Serious as these invasions are, they are only the tip of the iceberg, given the massive and increasing migration to Rondonia. According to Brazilian census figures, the population of the state increased 16% between 1970 and 1980, largely from immigration. (O Globo, 1/4/83) While official figures "greatly understate the total annual flow of migrants; probably by more than half" (World Bank 1981:15), they show 57,572 immigrants for 1980; 61,647 for 1981; 52,200 for 1982; and another 60,000 projected for 1983. The paving of BR-364, the one aspect of the Polonoroeste program that is ahead of schedule, certainly has facilitated and increased this migration. This massive influx of migrants in search of land puts increasing pressure on indigenous lands and thus increasingly threatens the survival of the

indigenous peoples. There is already evidence that, to the contrary of the Bank's assumption that migrants would be "permanently settled on small-scale farms," colonists often clear, plant, and exhaust plots in only a few years, then move on. (World Bank 1981:v-vi) This tendency is likely to be exacerbated by the state of Rondonia's plans to settle migrants in areas of very poor soils -- as in the Vale do Gaupore, where 8,000 families are to be settled by 1986 -- since rapid soil exhaustion will force migrants to seek new land and thus represents an enormous threat to the indigenous peoples.

Along with expropriation of land and violent conflicts, uncontrolled immigration brings with it the risk of contagion. Many groups in the program area have already suffered massive population loss in the recent past, as was the case of the Surui, contacted in 1968-69, who lost half their population in a measles epidemic, or the Karipuna, who lost 80% of their population in 1976. Isolated and recently contacted indigenous groups are notoriously susceptible to introduced epidemic diseases. Leaving land undemarcated and undefended and allowing uncontrolled contact under the conditions of massive immigration prevalent in Rondonia and Western Mato Grosso thus invites disaster. Health conditions are poor among the immigrant population. In Rondonia, for example, "... the most common transmissible diseases in the area are malaria, leishmaniasis, measles, and whooping cough; the most frequent causes of death (1977-78) are malaria, hepatitis, tuberculosis, and measles." (World Bank 1981:21) These include diseases that present the most danger to the indigenous

populations.

Health care for the indigenous groups is consequently of extreme importance, and Prof. Mindlin's comments on the subject are alarming: "In the area of health, the deficiencies are very great and the mortality figures are still shocking." Mindlin notes that while some steps have been taken, "the quality and process of selection of personnel still leave much to be desired" (Mindlin 1984). Her report specifies a number of deficiencies and steps that remain to be taken, including:

- 1) anti-malarial measures;
- 2) resources to treat tuberculosis;
- 3) vaccination of the Uru-eu-wau-wau -- especially important since the group is in the first stages of contact;
- 4) rigorous vaccination of recently contacted groups, such as Cinta-Larga;
- 5) a register of all Indians vaccinated -- even in cases of recently contacted groups -- by use of photographs if necessary. (Also of especial importance since, without accurate records of who has been vaccinated, when and for what, the process is often ineffective, as many vaccines require more than one dose);
- 6) resources to equip an empty infirmary in Porto Velho in Casa do Indio;
- 7) contracts with regional hospitals to provide for treatment of Gaviao, Arara, Surui, Cinta-Larga, Pakaa Nova, and Bekairi;
- 8) provision for operation of refrigerators to preserve vaccines and medicines on all Indian Posts;
- 9) resources for the clinic of FUNAI's 5th Regional Delegacy, where two buildings and the central pavilion are without equipment.

It is extremely disturbing to learn that so many basic steps remain to be taken in such an urgent and deteriorating situation. It is still more disturbing when taken in conjunction with the fact that FUNAI was unable to spend the funds allocated for Indian protection by the Polonoroeste program and its own budget. For example, only some \$2 million (CR\$ 834,581,000) were spent in 1982-83, instead of \$5 million budgeted for each year of the project. It is unclear whether this results from FUNAI's not receiving funds ostensibly allocated to it by Polonoroeste or from some other reason (O Globo 4/3/84), but given the very serious problems common in the program area, it is exceedingly difficult to see how by any stretch of the imagination this could be considered compliance with section 4.05 of the Loan Agreement.

Conclusions

If the Bank's professed concern with the indigenous peoples of the Polonoroeste area is to be taken seriously, rather than as a public relations position, the Bank must insist not only to FUNAI but to the Minister of the Interior and the Minister for Land Issues (who now have final authority over demarcations of indigenous lands) that demarcation of indigenous lands and assistance measures be carried out. Speeding up disbursements for the program when the road is already ahead of schedule and the Amerindian Special Project mostly unimplemented would seem to send the message that the road is important to the Bank, while the Indians are not.

Another positive step that the Bank could take would be to

consider the possibility of providing funds to carry out protective measures. The Brazilian government initially rejected Bank funding of an "Amerindian component," claiming that indigenous lands were a national security issue. This position is evidently subject to revision, since the Bank has directly funded an Amerindian component in the Carajas Iron Ore Project. FUNAI has been criticized frequently and with good reason, but in April of this year, extensive changes were made in the agency, giving for the first time in the agency's history directoral positions to indigenists with extensive experience working in the field with Indians. Consequently, there is now a better chance for FUNAI to carry out effective measures in the Polonoroeste region than there even has been, provided it has support from higher levels of government and adequate resources. The World Bank could make a crucial difference in the fate of the indigenous peoples in the area by strongly supporting FUNAI and seeing that funds are available.

Further, insofar as the Bank intends to fund development in other areas with indigenous populations, it should seriously reassess its capabilities to plan, implement, and monitor adequate measures to protect these populations, as required in the Tribal Peoples policy. The one anthropologist with personal experience in the area and who was called in as a consultant before the loan was approved was severely critical of many aspects of the project (Price 1983). But this should not prevent the Bank from using anthropologists directly experienced in areas under funding consideration during planning stages of project

development, and not simply on an occasional basis to monitor projects already approved. If the World Bank truly wants to take tribal peoples into consideration in planning development, it could add qualified anthropologists to its staff. The Bank currently employs one anthropologist to work on tribal peoples issues in Latin America. It should consider whether implementing the tribal peoples policy might not be greatly facilitated by expanding its capacities in this area.

At this point, it is far from clear that even the migrants to the region, supposedly the major beneficiaries of the project, will even benefit in the short term. It should be recalled that the military government of Brazil in the late '60s and the '70s held out great hope for the Transamazonica Highway and Amazonian development projects as opportunities for the oppressed and landless masses. (Davis 1977) Thousands of Indians died and thousands more were dislocated and marginalized in this period in a Faustian bargain that put immediate, large-scale development ahead of their protection, to the point of installing in the FUNAI presidency and other high positions military officers avowedly more committed to technocratic development than to Indians' rights. The cruelest part of this Faustian bargain is that there was no trade-off. The poor and landless of Brazil have not benefitted from these projects. The "miracle" has transformed into a \$93 billion foreign debt and an inflation rate of 200%, while there is more hunger in Brazil than ever before.

The protection of indigenous peoples is not incompatible with economic development, but such development must be

undertaken in a controlled, clearly verifiable way, where the consequences of noncompliance with a mutually satisfactory plan designed by competent professionals and the indigenous peoples themselves are made very clear, and then enforced. If the World Bank does not undertake immediate steps to see that section 4.05 of the Loan Agreement is carried out, it risks disaster for the indigenous peoples of the Polonoroeste area. And if disaster occurs, the Bank will bear a large measure of responsibility.

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