

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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Mr. Robin Hanbury-Tenison
President
Survival International
29 Craven Street
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ENGLAND

Dear Mr. Hanbury-Tenison:

Mr. Shahid Husain, Vice President, Operations Policy, who is away at the moment, has asked me to reply to your letter of November 26, 1986. You expressed the concern of Survival International regarding the situation of the indigenous people influenced by the Carajas Iron Ore Project, in the Eastern Amazon Region of Brazil, financed partially by the World Bank. Let me assure you that the World Bank views the development of indigenous communities with concern and with commitment to the rights of those communities to participate in the processes of economic and social development. This is one of the reasons the World Bank has assisted the Government of Brazil in creating the Carajas Amerindian Subproject through the Carajas Iron Ore Project loan.

While the Bank welcomes your comments on problems perceived to be outstanding regarding the welfare of indigenous peoples in this project, there are apparently some misconceptions on the part of Survival International which we may be able to clarify. First, the Bank is not funding the Amerindian Protection Subproject, as you state in your paragraph two. This component of the overall project is financed exclusively by the borrower executing agency, in this case Companhia Vale Do Rio Doce (CVRD). However, from the beginning the Bank has been involved in the design of this project, has assisted the borrower in the design of the Subproject and has provided from time to time specialized anthropological expertise to the borrower.

Most specialists whom we have consulted agree that the fundamental condition for the survival, not to mention the development of Brazilian Indians, is a secure land base. The primary means adopted by the Government of Brazil to achieve this goal is the creation of indigenous reservations with clearly demarcated boundaries. We do not agree with your statement that the Amerindian Protection Subproject of the Carajas Iron Ore Project "fails to address the fundamental issue" of "land demarcation". The program from its conception has had three major objectives: (1) providing secure land tenure through accelerating the land demarcation process; (2) strengthening the delivery of health services in the indigenous communities; and (3) fostering independence and self-reliance for the tribal communities in the vicinity of the project area. As originally conceived, the Amerindian Protection Subproject was to include

4,500 people, but as time has gone on the program has been extended now to cover more than 13,000 indigenous people living in some 22 communities.

Implementation of objectives two and three referred to above have progressed well. A recently completed review for the World Bank by an anthropologist specialized in indigenous development indicates that health conditions have either stabilized or improved as a result of this project in the communities which it serves. Developing self-reliance is a much more complex and difficult process, but progress in this area is good, although uneven. The borrower agency is well aware of obstacles and difficulties being encountered by the indigenous communities and is taking positive and firm steps to overcome these.

We agree with you, however, that implementation of this vital program with regard to objective one has lagged seriously behind. The Amerindian Protection Subproject was specifically designed to accelerate and assist the process of land demarcation and regularization of indigenous reservations by strengthening the capabilities of the Fundacao Nacional Do Indo (FUNAI) in this area. To date the reservations are demarcated in 11 of the 22 areas, while in 9 areas the demarcation process is not complete, and in the remaining 2 the process has only just begun. Beyond the demarcation issue there remain in several of the reservation areas numbers of non-Amerindians who have built houses and farms on Amerindian land. In some cases these are small-scale squatters or homesteaders who may or may not know they are settling Amerindian land; in other cases there are ranchers who knowingly poach on Amerindian land; in still other cases there are Brazilian settlements antedating demarcation (Urucu-Jurua and Cana Brava); and in other cases a Government Agency has placed colonists on Amerindian land in error (Mae Maria and Parakana).

Slow progress with regard to resolving the land issue in the Amerindian Protection Subproject has been found to be due to a high turnover in FUNAI's management, slow administrative procedures, implementation of new administrative procedures since the project began, and extraordinarily high administrative costs. As a result, the CVRD suspended disbursements of funds under the special project to FUNAI until such time as agreement is reached on the procedure for resolving the land issues. The Bank has fully supported CVRD's action and, furthermore, has made suggestions and policy recommendations to expedite resolution of these difficulties. It is our understanding that FUNAI is preparing a plan which incorporates recommendations made by CVRD, The World Bank, Brazilian anthropologists, and international consultants on indigenous development provided by the World Bank, which places demarcation of remaining reservation areas and regularization of these at the top of the list of priorities.

We cannot agree that difficulties being encountered by FUNAI and CVRD staffs are due to any rejection of the recommendations of consultants who were contracted to advise on the needs of the Amerindian groups

concerned. The consultants were nominated initially by the Brazilian Anthropology Association on advice of the World Bank. Recommendations which further the objectives of the project, namely, achieving self-determination and self-sufficiency for indigenous communities, are indeed welcomed by CVRD and FUNAI. On the other hand, recommendations are rejected if their adoption would risk prolonging or intensifying the dependency of indigenous populations. The World Bank also has consulted with internationally recognized experts in applied anthropology, indigenous development, and Brazilian indigenous culture. They provide no substantiation to the claim that CVRD or FUNAI are ignoring the professional recommendations of anthropologists. Some may agree with the popular notion that indigenous culture and economic development are fundamentally incompatible, and the related confusion of dependency upon exploitation by non-Amerindians with "traditional culture". The World Bank is convinced that developing economic strength and self-sufficiency is preferable to traditional dependency, and has many advantages: it develops pride and self-esteem, it reduces attitudes of dependency, it promotes good nutrition and health, it reduces the outlays of Government Agencies, it builds skills necessary for successful adaptation to Brazilian society, it creates a demand for education, it provides resources for defending community and individual rights, and it encourages self-government and autonomy.

With regard to the specific indigenous reserves to which your letter calls special attention, I have attached a list prepared by an anthropologist whom we consulted on the matter which states the facts as they are known up to the present.

In conclusion, the World Bank regards the Amerindian special project associated with the Carajas Iron Ore Mine Project to be a qualified success. Progress has been made in demarcating Amerindian land and in removing non-Amerindians, and actions are being taken to accelerate this progress. The tragic consequences of development in other regions of Brazil have not been noted in the Carajas area of influence. Health care improved in most of the areas because of addition of personnel and facilities provided by the project. The Indian population on virtually every post is increasing due to a high birth rate and a lowered infant mortality rate. Many Indians are acquiring basic literacy and numeracy and in some villages classes can be found in session during the day for children and in the evening for adults. In some cases, indigenous peoples have entered the market to sell commodities on terms equal to or better than those available to local farmers. The indigenous population has in general benefited from the construction of schools and health posts. The World Bank anticipates that when the implementation strategy, budget and timetable are renegotiated between CVRD and FUNAI the problem of reservation demarcation will be solved and the efforts of the CVRD and FUNAI can be devoted to assisting the indigenous communities to participate in the process of their own economic development.

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Thank you once again for your expression of concern and for sharing with us the benefit of your experience and expertise in these matters. Please do not hesitate to write again if further questions arise or if you have further recommendations.

Yours sincerely,

G. Edward Schuh

G. Edward Schuh
Director
Agriculture and Rural Development
Department

STATUS OF INDIGENEOUS RESERVES

INFLUENCED BY CARAJAS IRON ORE PROJECT

1. AI Krikati - a proposed reservation of 85,000 Ha in the vicinity of Montes Altos, Maranhao. FUNAI is going ahead with a land survey after two previous attempts were blocked by Amerindians apprehensive that their claims would not be recognized. A group of ranchers in the area has filed a claim to much of the area in question. CVRD has retained a private attorney to assist FUNAI in this case.
2. AI Catete - a reservation already demarcated in Para State, adjacent to the Carajas mine reservation. A group of entrepreneurs cleared a large area of forest for cattle. CVRD's attorney is also assisting in this litigation.
3. AI Cana Brava - a reservation already demarcated and legalized in the Municipio of Barra do Corda, Maranhao. A Brazilian town, Sao Pedro dos Cacetes, is located inside the reservation with 1000 families, urban services, paved streets, etc. Armed conflicts between the townspeople and the Guajajara Amerindians have taken place in recent years. In 1979, funds were appropriated by the Ministry of the Interior for resettlement of Sao Pedro dos Cacetes and two other small Brazilian settlements located on AI Cana Brava, but the resettlement did not occur. The Indians demand the removal of the settlement from the reservation, but this is resisted by the townspeople.
4. AI Mae Maria - a reservation of 62,488 Ha. near Maraba, Para is already demarcated and decreed. The area is transected by a State Road (PA 70), a power transmission line, and the Carajas railroad. A government agency mistakenly settled 33 families in a corner of the reservation and more than 100 additional families have squatted along the railroad right of way. CVRD has made an agreement with GETAT and MIRAD to remove all these non-Indians and resettle them across the Tocantins River, providing basic services such as schools, roads, health post and boat anchorage all at CVRD expense. This transfer is now in doubt because the proposed resettlement area lies in an area designated as the "Poligono dos Castanhais," which falls under the jurisdiction of a special interministerial committee which has suspended all expropriations.
5. AI Urucu-Jurua - a Reservation already demarcated but not yet legalized in the Municipio of Grajau, Maranhao having a large non-Indian settlement, Sumuama, with more than 300 families inside its boundaries. FUNAI proposes to resettle all non-Amerindians living on this Reservation.
6. Awa-Gurupi - CVRD consultants and FUNAI explorers indicate that uncontacted nomadic Guaja Indians utilize part of the Gurupi National Forest Reserve in Maranhao for hunting and gathering. They propose setting aside roughly 232,000 Ha linking two existing reservations.

This will require approval by the Brazilian Forestry Institute (IBDF). Rapid action is necessary because the area is filling up rapidly with ranchers. There have been a few incidents of shootings by bow and arrow, presumably perpetrated by the Guaja.

7. AI Apinaje - This reservation, with two large Apinaje villages, is located in Northern Goias State near the City of Tocantinopolis and has already been demarcated and decreed with heavy assistance from the CVRD FUNAI project. However, upon demarcation, a section of land actively utilized by the indians was detached in exchange for a piece of land neither used nor desired by the Indians. CVRD seeks to have this section restored and to have the remaining non-Amerindians removed from this reservation.

8. AI Sororo - a reservation in Para State, with a small Surui population living in two villages. This reservation was demarcated so as to include much less land than was formerly utilized actively by these Indians. CVRD wishes to have this reservation enlarged by approximately 50 percent.

9. AI Parakana - a reservation in Para State created along the banks of the lake formed by the Tucuruí power dam. People flooded out were resettled on Indian land by ELETRONORTE which must now pay damages to the Amerindians and resettle all non-Amerindians living on the Reservation. FUNAI was unable to complete demarcation because the Brazilian Army had withheld the completed land survey pending payment for its services. FUNAI has now paid the Army and formal demarcation should go forward.

10. AI Geraldo do Toco Preto - this reservation in Maranhao has been surveyed and brought to FUNAI's interministerial land committee (Garupao). The formal decrees have yet to be issued and there are about 20 families of non-Amerindians on the reservation which must be relocated.

11. AI Lagoa Comprida - The legal decree of demarcation for this reservation has yet to be issued and there is need to clarify the Eastern boarder of this reservation.

12. AI Bacaja - FUNAI has proposed creating a reservation for the Xikrim-Kayapo in this area and join it with two other indigenous areas.

13. AI Arariboia - This Guajajara reservation within Maranhao State, with over 500 population, has been surveyed and demarcated, but still needs to be registered with the regional and Federal land registries.

14. AI Governador - This area with Gaviao (Ge-Timbira) and Guajajara Amerindians living on it has been completely demarcated and registered but a parcel of land traditionally used by the Amerindians was omitted. This parcel has special importance because it is one of the few areas of gallery forest accessible to the Amerindians.