

Indigenous Perspectives

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PHOTO: Indigenous Mangyans of Mindoro, Philippines living in reclaimed ancestral lands.

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Volume VII, Number 1

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**Making the MDGs Relevant for
Indigenous Peoples**

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Foreword

Major initiatives have been taken by the mining industry in the past decade. Most notable was the effort to influence national governments to privatize and liberalize their mining industries. The most recent one is the Global Mining Initiative, which is well organized, well funded and dangerous.

These initiatives can best be understood in the context of what besets the mining industry. Gone are the days when mining was a very lucrative and stable investment. Gone too are the days when companies could easily fool mining-affected communities with promises of benefits from their mining operation and of restoring mined-out areas to their original state, or even better. These unfulfilled promises have frustrated and angered community people. The hard reality is that mining corporations simply exhaust the mineral resources and leave behind a legacy of environmental devastation, economic dislocation and grave social problems. The burden of dealing with these is left solely to the community.

The mining industry's indifference and insensitivity have led to a groundswell of community protests. It has galvanized strong anti-mining sentiments among affected communities, which have been expressed in calls ranging from "stop ongoing mining operations" to a "moratorium in opening up new mining areas" and, in the extreme, a "total ban on mining." This has led to national, regional and international alliances of mining-affected communities, strongly supported by socially oriented non-governmental organizations and institutions.

The manifestation of neo-liberalism in the mining industry is seen in the revision of mining codes in more than 70 countries, which has further fanned the antagonism against the industry. The new mining codes were formulated by national governments with prodding from well-organized lobbies by major big mining corporations and multinational financial institutions. This led to the privatization of state-controlled mining companies and the creation of laws and mechanisms which allow the free flow of foreign investments in mining. Foreign mining companies took control of local mining corporations. Environmental laws were relaxed as Southern countries competed for badly needed foreign investments. This resulted in the opening up of new areas for mining, particularly in indigenous peoples' territories. Some successes have been achieved against the intrusion of mining corporations in several com-

Indigenous Peoples and the Millennium Development Goals

By Victoria Tauli-Corpuz

This paper was submitted to the 4th Session of the UN Permanent Forum on Indigenous Issues, New York, 16-27 May 2005, Agenda item 3 of the provisional agenda. Economic and Social Council, Dist.:GENERAL __March 2005, Original: ENGLISH

If the MDGs are met, there is no doubt that some effects will trickle down to some of the world's 350 million indigenous peoples, the majority of whom live in poverty. The question remains whether governments, the international community, civil society, indigenous peoples, and the private sector, can achieve these goals. It could happen that indigenous peoples become the sacrificial lambs for the reduction of poverty through development projects which will displace them from their lands. Framing the MDGs as a human rights-based agenda is therefore essential. For indigenous peoples it is difficult to talk about development without talking about basic rights to lands and resources, culture and identity, and self-determination. At the same time, some governments and even intergovernmental organizations question the wisdom of targeting indigenous peoples as a specific beneficiary group for development.

Indigenous peoples are invisible in the MDGs. A review of MDGs in some countries shows that they are not even mentioned or referred to. In this context, it may be worthwhile to explore how to make the MDGs relevant to indigenous peoples, and in the process discuss more comprehensively indigenous peoples' development.

Development aggression

The term "development" has acquired a negative connotation for indigenous peoples even if this is called "sustainable," because their histories are replete with traumatic experiences with development projects, policies and programs. In fact, mainstream development is regarded as one of the root causes of their problems. If the MDGs reinforce this paradigm instead of challenging it there is little hope that the MDGs can really bring positive changes for indigenous peoples.

"Development aggression"¹ refers to the imposition of so-called 'development projects' and policies without the free, prior and informed consent of those affected, under the rubric of modernization or nation-building. This process can lead to destruction or loss of ancestral territories and resources, denigration of indigenous worldviews and values and of their political, economic and socio-cultural systems and institutions, ecosystem degradation, displacement, and violent conflicts. This is often associated with large-scale commercial extraction of minerals, oil and gas, logging, biodiversity, building of mega-hydroelectric dams, highways, chemical-intensive agriculture, industrial forest plantations, designating environmentally protected areas that encroach upon indigenous peoples' lands, among others. Sectoral loans from international financial institutions, such as education sector loans which are primarily used to perpetuate the dominant development paradigm and the modernization agenda, can also be considered development aggression.

Systemic changes and policy reforms are required for the MDGs to make a difference in the daily lives of indigenous peoples. In the face of the negative experiences of indigenous peoples with nation-state building and mainstream

development, they built up their own distinct movements which helped bring about policy changes. They pushed for constitutional amendments and legal reforms which recognize indigenous identity and rights. In some countries there are policy shifts away from paternalistic approaches which regard indigenous peoples as primitive or vulnerable sectors who will benefit from modernization and integration into the dominant society. More emphasis is given on the right of indigenous peoples to preserve their cultural values and institutions and exercise more control over their own development. Unfortunately, in most countries, this is more the exception than the rule. More substantial structural changes are still needed to change discriminatory and oppressive structures, laws, and policies.

Protection and mitigation of the adverse impacts of development are not enough for indigenous peoples who did not seek such projects in the first place. The need to obtain their free, prior and informed consent before policies affecting them are formulated or before projects are brought into their communities is slowly gaining recognition. There are now evolving concepts and concrete proposals from indigenous peoples in relation to development. These come under different labels such as, “self-development,” “ethno-development,” “development with identity,” “autonomous development,” and “life projects.”

Poverty Situation of Indigenous Peoples

The few researches that have been undertaken indicate that generally indigenous peoples are disproportionately represented among the poorest of the poor in both developed and developing countries. The World Bank study on indigenous peoples and poverty in Latin America concluded that “poverty among Latin America’s indigenous population is pervasive and severe.”² One conclusion is that the poverty map in the region coincides with indigenous peoples territories.

A subsequent study in the region conducted by the Inter-American Development Bank³ came up with similar conclusions and observations:

By conventional socioeconomic indicators, whether based on income data or on concepts of unsatisfied basic needs, indigenous peoples as an ethnic group are represented disproportionately among both the poor and the extreme poor. Moreover, with very few exceptions, the indications are that this trend has been worsening over the past decade or so... This is mainly rural poverty, given that despite recent demographic and occupational trends the vast majority of indigenous peoples are still concentrated in rural areas. But there is also new urban poverty confronting indigenous peoples, with evidence that extreme poverty once again affects them disproportionately as an ethnic group.

A report on Mexico says that the indigenous peoples live in “*alarming conditions of extreme poverty and marginality.*” This study observed that being poor and being indigenous are synonymous. “Virtually all of the indigenous people living in municipalities with 90 percent or more indigenous people are catalogued as

extremely poor.”⁴ Statistics in Guatemala show that 50 to 60 per cent of a total population of 11 million belong to 23 indigenous peoples.⁵ Of these number, 54.3 per cent of them are poor and 22.8 per cent extremely poor. Sixty per cent of households do not have the capacity to earn half of the cost of their minimum food needs despite spending a greater part of their earnings on it.⁶ In Ecuador’s rural population, of which 90 per cent are indigenous, almost all are living in extreme poverty.⁷ Eight out of every ten indigenous children in this country live in poverty according to the indicators published in the 2001 Human Development Report. In terms of how indigenous poverty compares with the non-indigenous populations, UNICEF’s Latin America and Caribbean office shows that “in Guatemala, 87 per cent of the indigenous population is poor, as compared to 54 per cent of the non-indigenous population; in Mexico, that ratio is 80 vs. 18 per cent; in Peru, 79 per cent of the indigenous population is classified as poor, compared to 50 per cent of the non-indigenous population; while in Bolivia, the ratio is 64 per cent vs. 48 per cent.”⁸

The Asian Development Bank also undertook a study in 2002 on the poverty situation of indigenous peoples and ethnic minorities in Vietnam, the Philippines, Cambodia and Indonesia. This study could not establish trends in the relationship between poverty and ethnicity because there is a lack of disaggregated and data based on ethnicity. However, in the case of Vietnam such disaggregated data is available. The finding is that the worst poverty situation in Vietnam is among the ethnic minorities⁹ who live in the Highland areas of Northern and Central Vietnam. This study cited 1998 data from the Institute for Economic Survey which says that “ethnic minorities accounted for 28 per cent of poor people in the nation while they compose 14 per cent of the total population.”¹⁰ The Philippine study concluded that there was no substantial improvement in the economic condition of indigenous peoples in the Philippines between 1988 and 1997.¹¹

In spite of the fact that indigenous peoples’ traditional livelihood systems such as owner-tiller small farm agriculture, swidden or shifting agriculture, hunting and gathering, and pastoralism, sustained them through centuries, these were regarded by modern economic thinkers as inefficient and backward. The integration and assimilation of indigenous peoples into the market economy and the dominant society have been the solution adopted by most governments. Such approaches have led to the conversion of their lands into commercial monocrop agriculture and forest plantations, mines, export processing zones or dumping sites for nuclear wastes. Cash crop production took place in massive scales not only in Central America but also in Asia and Africa. The impacts of this on indigenous peoples in Central America, as described below by the IDB study, applies to other regions as well:

From an indigenous perspective, the situation appears to have been particularly serious in those countries where the development of cash crops for export (such as coffee) led to demands for indigenous labor as well as to pressure on their lands. In Guatemala and parts of Mexico, where the coffee economy grew particularly rapidly at this time,

indigenous peoples lost much of their communal lands. Many became resident workers (colonos) on the coffee plantations; and in the Guatemalan highlands, where the indigenous population was now mainly concentrated, farm plots rapidly became too small to provide for a subsistence income. Regular periods of migrant labor to the large agricultural plantations became part of the Guatemalan Indian's life. Until the 1940s, coercive debt-bondage and vagrancy laws compelled indigenous peasants to provide seasonal estate labor; since that time, with most indigenous lands unable to provide a subsistence income, market forces have been enough to provide the migrant and seasonal labor in commercial agriculture.

Structural Causes of Indigenous Peoples' Poverty

Poverty amidst indigenous peoples finds its roots in colonization, the destruction of indigenous economic and socio-political systems, continuing systemic racism and discrimination, social exclusion, and the non-recognition of indigenous peoples' individual and collective rights. In several countries indigenous peoples were part of the pre-independence liberation movements and fought side by side with others against the colonizers. Yet when the nation-states came into being these dominant populations, in turn, perpetuated internal colonization.

Indigenous peoples felt betrayed by nation-states when they saw that the autonomy and local sovereignty which their ancestors fought and died for have been violated by the new rulers.¹² Legal, political, economic and cultural systems in the European mold were put into place which ignored or contradicted pre-existing social, political and cultural systems which indigenous peoples had developed to govern themselves and to govern their relations with nature and their neighbors. Doctrines and laws used by the colonizers such as *terra nullius*¹³ or the Regalian Doctrine,¹⁴ which disenfranchised indigenous peoples of their territories and resources, were invoked by new nation-states. Indigenous socio-cultural and political systems which were seen as barriers to the entrenchment of colonial rule or perpetuation of state hegemony were illegalized or destroyed. These were the factors which led indigenous peoples to continue their ancestors' struggles to maintain their pre-colonial self-determining status as peoples and nations.

Structural inequities and inequalities were further reinforced by the legislation of discriminatory and oppressive land laws which ignored indigenous peoples' customary land tenure systems and laws. Natural resource management laws of governments contradicted indigenous sustainable natural resource management practices. Pervasive paternalism, development aggression and government neglect in providing social services to indigenous peoples all contributed to chronic poverty among indigenous peoples. Indigenous territories were mainly regarded as resource-base areas and it was the sole prerogative of the nation-state to decide how to exploit these resources.

The debt burden, undoubtedly, is a major factor for the exacerbation of indigenous peoples' poverty. To generate foreign exchange to pay for foreign debts, governments rely upon massive extraction of natural resources for export. In many countries, indigenous peoples' territories are the last frontiers where such resources are found, because many indigenous peoples protected their territories from being plundered by colonizers and even by post-colonial governments.

Structural adjustment packages tied to foreign loans made basic social services even more inaccessible for indigenous peoples. Governments spending most of their budgets to service local and foreign debt have problems providing basic services to their majority urban populations. Providing social services to indigenous peoples in remote areas gets an even lower priority.

Mineral, oil and gas extraction is carried out in many indigenous territories to generate income to pay back debts. The situation in Ecuador as described below is a classic illustration of the links between the debt problem, extractive industries and indigenous poverty:

Despite the knowledge of contamination in the Oriente, the Ecuadorian government has continuously advocated the mining of petroleum in the Oriente with absolute disregard to the interests of the indigenous peoples. There is a prevailing hope that oil production will help stabilize the economy and eventually be a key component in the reduction of the national debt. Notwithstanding the fact that the national debt has risen from two hundred million dollars in 1970 to over sixteen billion in 1998, the Ecuadorian government continuously favors the interests of foreign companies over its own indigenous citizens. This dependence on foreign investors leaves Ecuador's economy vulnerable to the fluctuating prices of oil, which is responsible for forty per cent of the national income yearly. With such a large portion of their economy based upon such a fluctuating industry, the results have been fairly disastrous for the people and the poverty rate in Ecuador. The poverty rate, which was at an overwhelming level of fifty per cent in 1975, reached the appalling rate of sixty-five percent in 1992. Without a set of well-monitored regulations concerning the extraction of oil in the Oriente, Ecuador is leaving itself open to the possibility of continued environmental destruction and human rights violations ¹⁵

The debt trap has condemned debtor countries to poverty. Unless there is a political will to have strong and effective solutions, such as debt forgiveness and debt arbitration, it is difficult to imagine how such countries can ever get out of poverty. The HIPC (Highly Indebted Poor Countries) initiative and the development of PRSPs (Poverty Reduction Strategy Papers) are some of the international community's responses to the debt problem. Indigenous peoples belonging to PRSP countries attest that they have never been involved in drawing them up nor were their concerns reflected in any satisfactory way. The PRSPs, in fact, are seen by some indigenous peoples and civil society organizations as recycled structural adjustment policies.

The approach taken by a country to cut by half the number of poor and hungry people by 2015 will determine whether indigenous peoples' poverty will be alleviated or not. The path of incurring more debts, engaging in more aggres-

sive extraction of mineral resources, oil, or gas in indigenous peoples' territories, or further liberalizing imports to the detriment of traditional livelihoods would not alleviate poverty amongst indigenous peoples.

Poverty and poverty indicators seen from an indigenous lens

Concerns about the definition of poverty and about poverty indicators have been raised by indigenous peoples. Poverty is generally defined in terms of income and consumption and is constructed around cash incomes and food expenditures within a market and cash-based economic setting. These are parameters which do not adequately reflect the realities of many indigenous peoples. Important non-income indicators of poverty include the lack of voice or power in political and bureaucratic systems, the non-recognition of the collective rights of indigenous peoples, and their lack of access to basic infrastructure and social services. While there is an increasing number of indigenous people engaged with the market economy, the majority are still mainly in subsistence production. Thus, the \$1 indicator does not make much sense for people who do not sell their labour or who spend little time producing for the market.

It is clear that the poverty situation of indigenous peoples is a relational phenomena. Some are rich because others are poor. Furthermore as stressed in the earlier sections, the poverty situation of others may be alleviated but this may mean further poverty for indigenous peoples. Furthermore, poverty, especially for indigenous peoples, is a collective phenomenon with historical and structural causes and therefore this cannot simply be dealt with on an individual level. Poverty should be addressed through a human-rights based approach and in particular through the recognition of collective human rights.

The need for data disaggregation to understand better the particular situations of indigenous peoples cannot be overemphasized. The Human Development Report (HDR), in its issues from 1994 to 1998, stressed that it is important to disaggregate the human development indicators on the basis of factors such as gender, race and ethnicity, and geography in order to portray more accurately and act appropriately in response to such indicators.¹⁶ If the indigenous peoples' situations are accurately reflected in the HDR, the ranking of countries with indigenous peoples in the Human Development Index (HDI) goes down. In the 1996 HDR for example, Mexico ranked forty-eighth amongst 120 countries. If the country's indigenous populations, however, are excluded from the results it will end up ranking twenty-ninth. Bolivia and Guatemala, countries with indigenous peoples composing 50 percent or more of the total population, are found in the lowest ranks, Bolivia (111), Guatemala (112). Peru, which has a large percentage of indigenous peoples, is ranked 91. The 2004 Human Development Report concluded that indigenous peoples are more likely to be poor than non-indigenous peoples. It further said that in many countries, public spending in basic social services "systematically discriminates against minorities and indigenous peoples."¹⁷

Data disaggregation was one of the recommendations which emerged from the 1st and 2nd Sessions of the UN Permanent Forum on Indigenous Issues (UNPFII). A workshop on this was held and one of the recommendations says that:¹⁸

Indigenous peoples should fully participate as equal partners, in all stages of data collection, including planning, implementing, analyzing and dissemination, access and return, with appropriate resourcing and capacity building to do so. Data collection must respond to the priorities and aims of the indigenous communities themselves. Participation of indigenous communities in the conceptualization, implementation, reporting, analysis and dissemination of data collected is crucial, both at the country and international levels. Indigenous peoples should be trained and employed by data collecting institutions at national and international levels. The process of data collection is critical for the empowerment of the communities and for identifying their needs.

Conflict of paradigms

In countries where economic growth rates are increasing, the situation for indigenous peoples has not necessarily changed for the better. In fact, for many countries whose economic growth has been spurred by massive extraction of natural resources and the building of giant hydroelectric dams, indigenous peoples became more impoverished. Many of those who lost their cultures and were displaced from their lands have not yet been resettled; even those who were eventually resettled have been placed in the most hostile or infertile lands. It is a common observation that indigenous peoples live in territories richly endowed with natural resources but they remain the poorest of the poor. Chiapas, in Mexico, is an example. It is the main producer of gas and oil, yet most indigenous women cut firewood for cooking. Around eleven million people throughout Mexico live in extreme poverty and the great majority of these are indigenous peoples. The result of a study on poverty of indigenous peoples in Nicaragua represents a typical situation:¹⁹

As a region the Atlantic Coast is exceptionally rich in terms of natural resources. The coasts are teeming with fish, shrimp and lobster; the forests in the RAAN²⁰ have extensive stands of pine and, to a lesser extent, mahogany and other hardwoods; and there are extensive deposits of minerals (gold, silver, copper and lead), especially along the headwaters of the rivers in the RAAN. Historically, however, extraction of these resources have been capitalized and directed by interests based outside the region, most of whom have had little interest in the long-term development of the Atlantic Coast. The indigenous peoples of the region have consequently had little opportunity to share in the commercial exploitation of this wealth, and gained little in terms of the development of a rationally planned and maintained infrastructure (Vilas, 1989).

A similar observation was made by the Asian Development Bank study done in Indonesia.²¹ This shows that the richest provinces per capita GDP include East

Kalimantan and Irian Jaya, yet the living standards of the population are generally lower in terms of per capita consumption. This transfer and resulting depression of living standards have undoubtedly led to serious discontent and a potentially explosive situation in these provinces.²²

In the present era of globalization where trade and investment liberalization, deregulation and privatization are the policies followed by most governments, the face of poverty for many indigenous peoples has changed for the worst. A case study was carried out on how the dumping of cheap imported vegetables, through agricultural liberalization, affected indigenous vegetable farmers in the Philippines - imported vegetables, which came in legally or through the back door, were priced 30 to 50 per cent lower than the local produce. This resulted in a loss of profits and the destruction of the livelihoods of 250,000 farmers and 400 vegetable traders.²³ The affected farmers are still trying to search for alternatives to this livelihood which they depended on for almost 100 years. Because of this crisis, more farmers are shifting to the production of marijuana, even if this is illegal. The cost of one kilo of marijuana can be 100 times more than the cost of one kilo of potatoes.

The production of marijuana, coca, and opium are now alternative sources of livelihood for some indigenous peoples in countries such as the Philippines, Thailand, Myanmar, Colombia and Venezuela. The destruction of their subsistence production systems by cash cropping or extractive industries has not lifted them out of poverty. With the volatility of commodity prices and the dumping of cheap, highly subsidized agricultural products from foreign countries, the shift to plantation economies and cash cropping has not paid off. Indigenous peoples are planting marijuana or coca to be able to survive the grueling poverty they face. At the same time, indigenous peoples territories have become highly militarized and massive violations of their rights are taking place as governments carry out drug control and anti-terrorism campaigns.

The example of coffee production demonstrates the problems of indigenous peoples with the mainstream development model and with the globalization of the market economy. Coffee production for export has been taking place in indigenous communities in Guatemala since the late 19th century. Seasonal migration of indigenous peoples to work in coffee farms has been one of their survival strategies. Some indigenous peoples opted to permanently migrate, such as the Q'eqchi and the Poqomchi. This is also the case in Mexico. The profits from coffee are dependant on the exploitation of cheap labour of indigenous peoples who live in bunkhouses, without privacy or clean water and toilets.

When Vietnam opened up its economy to the world market, it built irrigation canals and provided subsidies for farmers to migrate to the Central Highlands and other upland areas in the 80s and 90s. In 1990 it only produced 1.5 million bags of coffee. This increased to a phenomenal 15 million bags in 2000, making Vietnam the second largest coffee producer in the world. Large tracts of land, including well-preserved forests, in the territories of the indigenous peoples /

ethnic minorities were converted to coffee plantations. Most of these are now owned by rich lowlanders based in Saigon. Massive deforestation and environmental devastation resulted from this economic project. The indigenous peoples of Vietnam were displaced from their lands due to the migration of tens of thousands lowlanders into their communities to engage in coffee production.

The overproduction of coffee worldwide brought the prices tumbling down. Among those who suffered the most are indigenous peoples, not only from Vietnam, but from various parts of the world. Coffee prices dropped from \$1,500/ton in 1998 to less than \$700/ton in 2000, largely due to the flooding of Vietnamese coffee onto the world market.²⁴ This has made it less economical to grow the “black gold,” and has slowed the immigration somewhat, yet the problem of land tenure remains. In Mexico, coffee cultivation has been an important source of income for the indigenous communities of Chiapas and Oaxaca. Nationwide, over 70 per cent of coffee farmers have plots of less than two hectares. And in Chiapas, Mexico’s most important state for coffee production, 91 per cent of producers have less than five hectares. These coffee farmers now find themselves in extreme poverty. The World Bank says that in Central America 400,000 temporary coffee workers and 200,000 permanent workers lost their jobs after the collapse of the coffee prices.²⁵

Vietnam is one of the few countries on track as far as achieving the MDGs. This was achieved, however, at the expense of the indigenous peoples in that country. An anthropologist from Yale University presented a paper²⁶ on Vietnam in December 2004 and concluded that:

Although the opening of Viet Nam’s economy to market forces in the 1980s and 1990s has reduced poverty levels and increased personal freedoms for much of the population, minorities continue to face many hardships...Most upland ethnic minorities have little benefited from these changes. They suffer from disease, lack clean water, and have low literacy rates and low incomes, despite many government efforts at upland development.

Massive protests from indigenous peoples in Vietnam, never seen in its recent history, took place in 2000 and continue still. The indigenous peoples cut down coffee trees and replaced these with food crops to meet their immediate food needs.²⁷ The main demand of the indigenous peoples is for the government to recognize and secure their land rights.

This picture is not unique to Vietnam. The pastoralist Maasai peoples in Kenya and Tanzania are faced with similar situations. Their grazing lands are now occupied by settler farmers and converted to agricultural lands.²⁸ The destruction of the pastoralist economy around which their identities and cultures as indigenous peoples revolve, is taking place with full complicity of the state and the market.

The paradigm of economic growth through trade and investment liberalization, deregulation, and privatization, so far has resulted in the further impover-

ishment of indigenous peoples and the disappearance of their knowledge and cultures. Numerous studies on the adverse impacts of this kind of globalization on developing countries have been carried out. The conclusion is that this one-size-fits-all kind of globalization is not appropriate for developing countries. Countries should be given the space to design and implement development policies which will fit their particular economic, social and political context. This recommendation is equally applicable to indigenous peoples. The conflict over different paradigms of development is the central question. The key weakness of the MDGs is that it does not question the mainstream development paradigm nor does it address the economic, political, social and cultural structural causes of poverty. Women activists share this analysis: "A major problem of the MDGs is their abstraction from the social, political and economic context in which they are to be implemented – the 'political economy' of the MDGs."²⁹

The approach taken by a country to half the number of poor and hungry people by 2015 will determine whether indigenous peoples' poverty will be alleviated or not. The path of incurring more debts, engaging in more aggressive extraction of mineral resources, oil, or gas in indigenous peoples' territories, or further liberalizing imports to the detriment of traditional livelihoods, in all probability, would not alleviate poverty amongst indigenous peoples.

The grants or loans provided by intergovernmental development agencies like the UNDP or international financial institutions for government projects implemented in indigenous peoples' territories can help address indigenous peoples' poverty. However, serious evaluation of these is required to assess whether these projects are planned, implemented and evaluated with indigenous peoples, whether they are reinforcing or destroying sustainable resource management systems of indigenous peoples and their traditional systems of reciprocity and collective decision making; and whether such projects have brought about policy changes in favor of indigenous peoples. The Permanent Forum is presently undertaking a project with IFAD to do case studies on such projects, to cull lessons which can be used in the future. The results of these studies will be presented at the forthcoming session of the Permanent Forum for 2005.

A more sustainable approach is to squarely deal with the structural causes of poverty by introducing policy and structural reforms not only at the country level but at the global level as well. There is a lot to learn from the experiences of the international and regional financial institutions that required debtor countries to create indigenous peoples' development plans (IPDPs) before loans for projects in indigenous peoples' territories are released. How were these plans formulated? What are the lessons learned in terms of their design, planning and implementation? MDG 8, on developing global partnership for development, should look into these questions and issues and elaborate further on how such a partnership with indigenous peoples can be forged. The Second Decade of the World's Indigenous Peoples (2005 - 2015) falls exactly within the period left for the MDGs to be achieved. Interface between these two should be developed.

The issue of poverty reduction and economic development cannot be addressed separately from the issues of indigenous identity and worldviews, cultures and indigenous peoples' rights to territories and resources and to self-determination. There is tension, no doubt, between maintaining indigenous identity on one hand and improving economic conditions on the other. In a world where improving economic conditions is equated with the growth of market institutions, nationally and globally, many indigenous peoples find themselves in a dilemma. If they participate fully in the market, they have to forget about their customary land tenure systems, their traditional practices of redistributing wealth and ensuring more equitable access to and sharing of resources, and their natural resource management systems.

Free, prior and informed consent

It is in this context that it is crucial to obtain the free, prior and informed consent of indigenous peoples before development projects or any policies affecting them are designed and brought to their communities. This is nothing else but respect for the right to participate in decision-making. Indigenous participants in the 1st Session of the Permanent Forum stressed that there should discussions on how this principle is being developed, promoted, and respected by governments, intergovernmental bodies and the private sector. On the recommendation from the 3rd Session of the Permanent Forum, a workshop on free, prior and informed consent was held in January 2005 and the report will be presented at the 4th Session.³⁰

The United Nations Working Group on Indigenous Populations expert Antoanella-Iulia Motoc and Tebtebba,³¹ jointly prepared a paper on this which was presented at the July 2004 WGIP session.³² This paper highlighted that:

Substantively, the principle of free, prior and informed consent recognizes indigenous peoples' inherent and prior rights to their lands and resources and respects their legitimate authority to require that third parties enter into an equal and respectful relationship with them based on the principle of informed consent. Procedurally, free, prior and informed consent requires processes that allow and support meaningful choices by indigenous peoples about their development path.

The Indigenous Peoples' Rights Act³³ of the Philippines has clear provisions on free, prior and informed consent. Chapter 2, Sec. 3g of this defines Free and Prior Informed Consent (FPIC) to "mean the consensus of all members of the ICCs/IPs to be determined in accordance with their respective customary laws and practices, free from any external manipulation, interference, coercion, and obtained after fully disclosing the intent and scope of the activity, in a language and process understandable to the community." This law underscores that indigenous peoples have the right to accept or reject a certain development, activity or undertaking in their community.³⁴ While this law exists much more needs to be done to have it implemented appropriately. The present efforts to weaken

the rules and procedures on this should be stopped.

This is one of the most difficult issues for governments and corporations, and why one of the recommendations from the Permanent Forum Workshop on Free Prior, Informed Consent is that:

the Inter-Agency Support Group on Indigenous Issues (IASG), in cooperation with the UNPFII, should develop a handbook on indigenous issues, as well as materials on FPIC for UN country teams' work on the MDGs, PRSPs and CCA/UNDAF. This handbook should be flexible, user-friendly, and should take into account the diversity of interests of the stakeholders in the process of FPIC.³⁵

Recommendations relating to MDG Goal 1

The key challenge is to deepen the understanding of poverty in indigenous communities, developing culturally sensitive poverty indicators that can define poverty in terms of unsatisfied basic needs, taking into consideration the nature of traditional subsistence economies. Basic needs are largely satisfied through non-market mechanisms for the redistribution of goods. The primacy given to market mechanisms or state-defined development programs ignore or destroy the indigenous systems which work best for them.

Indigenous peoples have presented some recommendations in various forums, including the PFII. Some of these are as follows:

- The MDG reports of countries and intergovernmental bodies should make indigenous peoples visible. The guidelines for reporting, the indicators, and the approaches and methods used to achieve the MDG should be made more sensitive to indigenous peoples' situations and perspectives;
- Mechanisms and processes which will allow indigenous communities, institutions, and organizations to play key roles to enrich the debates, design the framework and activities on MDGs, should be created and enhanced. The indigenous lens should be used to analyse the MDGs and recommend ways to make these relevant to indigenous peoples. There is a need to critique and reshape programmes and policies to be more indigenous sensitive;
- The human rights-based framework and approach to achieve the MDGs, in general, and poverty reduction strategies, in particular, should be adopted and operationalized by governments, intergovernmental bodies, NGOs and the private sector. The recognition of indigenous peoples' claims for individual and collective rights, as distinct peoples, is crucial for a just and sustainable solution to widespread poverty in their midst;

- Methodologies and strategies should be developed to research the underlying causes of “feminization” and “indigenization” of poverty and develop programmes which effectively addresses these underlying causes. Systematic needs assessment for indigenous women and their involvement in all phases of the programme cycle should be ensured;
- Disaggregated data on indigenous peoples should be collected in all countries where they are found. The UNDP, the World Bank, and other intergovernmental bodies should include disaggregated data on indigenous men and women in their regular human development and poverty reports;
- More in-depth discussions and dialogues among indigenous peoples and between them and governments, intergovernmental bodies and the broader society to develop further their perspectives and recommendations on indigenous development paradigms. These should further develop and popularize concepts such as “ethno-development,” “life-projects,” “development with identity,” etc. Such processes will elaborate further on how to address the structural causes of indigenous poverty;
- Obtaining the free, prior and informed consent of indigenous peoples should be ensured before any development project or policy which directly affects them are undertaken. Support should be provided for the elaboration by the PFII and the IASG of a guidebook on FPIC;
- Indigenous peoples’ own institutions should be supported so that they have sufficient funding and capacity to provide contextualized empirical data and monitor their poverty situation; and to ensure they contribute to their own development proposals; and fully participate in the planning, design, implementation and monitoring of policies and programmes;
- Further, indigenous peoples must be enabled to fully participate in national and international gatherings where issues directly affecting them are being discussed - including environmental agreements, negotiations around global, regional and bilateral trade agreements and debt;
- Systematic training on indigenous peoples’ rights should be undertaken for staff in intergovernmental bodies, donor agencies, civil servants, and non-governmental organizations (NGOs);
- Governments should positively contribute to the ongoing process of discussing and defining indigenous rights in forums such as the OAS and UNCHR, and ratify and adequately implement existing instruments for the recognition of indigenous peoples’ rights, for example, ILO Convention 169, as well as adopt a Universal Declaration on the Rights of Indigenous Peoples in the immediate future;

- Several pilot countries should be selected to explore the opportunities and risks for indigenous peoples in relation to the Poverty Reduction Strategy Papers (PRSP) process.

Universal Primary Education

Education, for most indigenous peoples, is seen as a way to get out of poverty. However, the rate of illiteracy among indigenous peoples is usually higher than that of the dominant groups. Even the number of indigenous children who go to primary school and finish is much lower. ONIC³⁶ revealed that a 1985 census in Colombia showed that there is 44 per cent illiteracy rate among the country's 64 indigenous ethno-linguistic groups, which is still higher than the 30.6 per cent rate among the rural population.

A World Bank study has also shown that illiteracy remains a problem for some states in Mexico with predominant indigenous populations. It states that in 1980 illiteracy in Oaxaca was 46 per cent. It dropped to 28 per cent in 1990, but this is still more than twice the national average of 12 per cent. In Chiapas the illiteracy rate in 1990 was 30 percent.³⁷ This same study did a survey on the effects of gender and ethnicity on educational attainment in Bolivia. One of the conclusions was "that indigenous individuals were 30 percent more likely not to have completed primary school than their non-indigenous counterparts."³⁸ The ABD study on indigenous poverty showed that there were significant deviations from the national average of literacy when it comes to indigenous territories.³⁹ The main causes of the high levels of illiteracy range from sheer lack of schools and teachers, isolated and remote communities, inability to buy school uniforms and school supplies, discrimination and absence of bilingual education, among others. This study clearly established the direct connection between high incidence of poverty among indigenous peoples and high illiteracy.

While education is very important, it can also lead to alienation. There is no question that universal primary education is desirable for indigenous peoples. However, the quality of education has to be looked into. Does universal primary education make indigenous children value their indigenous cultures and norms or does it make them deny their identity or despise their own cultures and tradition? In most cases, indigenous children who enter the school for the first time are traumatized because they do not understand the language used, they are teased and discriminated against because they speak a strange language or dialect, they are not dressed like the others, and they are treated badly by teachers. This explains why there is a high-dropout rate in the first three grades.

Acquiring higher education is very difficult for many indigenous people mainly due to lack economic constraints. If they finish college or university the chances that they will return to their ancestral lands lessen.

In terms of pedagogical methods, is due consideration given to indigenous

teaching and learning approaches? Indigenous worldviews, perspectives and history are absent from textbooks and school curricula. In fact, discriminatory references to indigenous peoples are common. Bilingual intercultural education is a frequent demand by indigenous peoples in most countries. Unfortunately, the general response to this by governments, whether at the national or international level, is the lack of resources. Nonetheless, in some countries in Latin America like Bolivia, Ecuador, Colombia and Guatemala, educational reforms are being undertaken which includes, among others, bilingual intercultural education.

At a consultation held between indigenous peoples of Asia in February 2005, participants raised the issue of indigenous and tribal children not being able to attend schools because school buildings are occupied by the military or due to the absence of teachers. This is common in communities where armed conflicts are raging. Even in areas where there are no such conflicts, there are still many communities where there are no schools. Since many small groupings of indigenous peoples are found in the most inaccessible areas, governments are reluctant to invest in schools. With the increasing push to privatize education, schooling for indigenous peoples becomes an even more remote prospect.

Recommendations relating to MDG Goal 2- “Achieve Universal Primary Education”

Some of the recommendations around this issue are the following:

- Indigenous education (formal or non-formal) must be based on indigenous peoples’ worldviews. Bilingual education should be done for the first three grades of primary school, at least;
- Education materials must be purged of discriminatory contents and erroneous historical accounts which make indigenous peoples’ invisible and misrepresent them should be rectified;
- Curriculum development should be adapted to local context of indigenous peoples. It must be a tool which prepares them and gives them the choice to either enter the formal system and/or function effectively in their own communities. There should be opportunities given to indigenous elders to come and teach in the schools whether this is in the elementary or secondary levels;
- Curricula for primary and secondary schools should reflect the insights and usefulness of indigenous knowledge systems and reflect indigenous values. Indigenous pedagogies which are informed by stories, values, practices and ways of knowing indigenous peoples should be developed and integrated into education programs;
- Indigenous education must provide alternative learning paths which respect and utilize indigenous learning systems which meet basic needs,

such as identity, resource control and self-determination;

- Mobile schools for semi-nomadic and nomadic, and pastoralists indigenous peoples should be set up;
- Resources should be made available to indigenous peoples to set up their own education systems, including schools, should they choose to do so.

Conclusion

This paper has mainly focused on the concerns and perspectives of indigenous peoples primarily from developing countries. It is intended to promote discussions and future projects which will analyze the issues highlighted in more depth. It is this author's hope that it will also challenge governments, intergovernmental bodies and NGOs to see whether their approaches in achieving the MDGs are sensitive to indigenous peoples. The human-rights based approach to development is essential to the achievement of the MDGs.

The Inter-agency Support Group on Indigenous Issues held its annual meeting in September 2004, at which a statement was made on MDGs and said:

..as the 2005 review of the implementation of the MDGs nears, it appears from available evidence that indigenous and tribal peoples are lagging behind other parts of the population in the achievement of the goals in most, if not all, the countries in which they live, and indigenous and tribal women commonly face additional gender-based disadvantages and discrimination... Concern has also been expressed that the effort to meet the targets laid down for MDGs could in fact have harmful effects for indigenous and tribal peoples, such as the acceleration of the loss of the lands and natural resources or the displacement from those lands.

In light of the situation of indigenous peoples, as partially presented in this paper, governments, the United Nations, other intergovernmental bodies and NGOs would be well advised to look closely at their policies and programs on indigenous peoples. The different perspectives and recommendations offered by indigenous peoples provide new challenges, especially in rethinking mainstream development. States should reconsider development frameworks and policies that have negatively affected indigenous peoples and should espouse different ones that will effectively face the challenges posed by the situations and visions of indigenous peoples. The remaining ten years can make a difference in changing the poverty situation of indigenous peoples. The role which the Permanent Forum on Indigenous Issues will play in bringing these changes is crucial.

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¹¹ Rovillos, Raymundo and Daisy Morales, 2002. Philippines. ADB, Manila.p.19.

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¹³ Terra nullius means "lands unoccupied before European settlement." This was used in Australia by the colonizers to justify their exploitation and occupation of indigenous peoples territories.

¹⁴ The Regalian Doctrine dates back to the arrival of Spaniards in the Philippines when they declared all lands in the country as belonging to the King of Spain. The 1987 Philippine Constitution affirms this doctrine in Sec.2, Article X11 which says "All lands of the public domain, waters, mineral oils, all sources of potential energy, fisheries, forests or timber, wildlife, flora and fauna and other natural resources are owned by the State."

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²⁸ Discussion with Naomi Kipuri, a Maasai anthropologist and member of the African Working Group on Indigenous Populations and Communities of the African Commission on Peoples' and Human Rights of the African Union.

²⁹ Paper presented by Peggy Antrobus at the UNDP Caribbean Regional Millennium Development Goals (MDGs) Conference to the Working Group on MDGs and Gender Equity, July 2003.

³⁰ E/C.19./2005/3.

³¹ Tebtebba is an indigenous organization otherwise known as the Indigenous Peoples' International Centre for Policy Advocacy and Education and it is based in the Philippines.

³² E/CN.4/Sub.2/AC.4/2004/48, This can be downloaded from www.tebtebba.org.

³³ For more information on this law: www.ncip.gov.ph.

³⁴ Section 6 of Chapter 1 on Preliminary Provisions of NCIP A.O. 3 Series of 2002

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³⁶ ONIC (Organizacion Nacional Indigena de Colombia) is a national federation of indigenous peoples' organizations in Colombia.

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INDIGENOUS PEOPLES, HUMAN RIGHTS AND POVERTY

By Joji Cariño

Paper presented in Madrid, Spain during the "Seminar on Millenium Development Goals and Indigenous Peoples" funded by AECI , October 2004.

A first reading of the Millennium Development Goals (MDGs) gives no indication at all about how these relate to indigenous peoples. They are not mentioned and are completely invisible. Indigenous peoples, therefore, fear that culturally insensitive implementation of the Johannesburg Plan of Implementation (JPOI), Millennium Development Goals and country-wide Poverty Reduction Strategies could lead to further impoverishment and marginalization.¹ For example, water and energy development through the building of large dams for water and energy could flood our lands or result in involuntary displacement, unless rights-based participatory approaches, including respect for our right to free, prior and informed consent of is secured as part of the development process.

Governments speak of “*Poverty*” while Indigenous Peoples speak of “*Rights*”. The MDGs must therefore be firmly grounded on a rights-based approach, to have meaning for indigenous peoples. Such an approach is fully compatible with the Millennium Declaration adopted by General Assembly which sets out the United Nations agenda for the twenty-first century for peace and security; development and poverty eradication; protecting the environment; human rights, democracy and good governance; protecting the vulnerable; meeting the special needs of Africa and strengthening the United Nations. This broad agenda was distilled into eight Millennium Development Goals, around which the United Nations system has developed a number of activities, including the establishment of a United Nations Development Group working group on the MDGs charged with the task of operationalizing them.

This narrowed focus on the eight MDGs could have the effect of leaving out or marginalizing the central concerns of indigenous peoples. The UN Secretary-General recently noted that insufficient progress was being made in meeting the broader objectives of the Millennium Declaration on such issues as human rights, democracy and good governance; also on conflict resolution and the special needs of Africa.² The MDGs face the dangers of replicating a technocratic development process which is too narrow; too determined by “external” experts; too concerned with measurable outcomes, which may mean too much support for top-down, targeted interventions to deliver on the chosen targets (and indicators), and a neglect of developments whose impacts are not easily measured; too reliant on indicators that are conceptually flawed; and too focused on the role of international agencies and national governments.³

This paper uses the MDGs primarily as an entry point to highlight the marginalisation of indigenous peoples within this common framework agreed to by all governments, and to underline the barriers to the achievement of these goals without the recognition of indigenous peoples’ rights. It provides some perspectives on how a rights-based approach to implementing the MDGs must necessarily address the rights, the concerns and the priorities of indigenous peoples, if they are to be met. It draws on the UN’s own guidance the document on *Human Rights and Extreme Poverty* (A/67/369) and on indigenous peoples’ statements to show a way forward in bridging the UN Development Agenda and that of Indigenous Peoples.

The conceptual framework of a human rights approach to poverty reduction*

In May 2001, the Committee on Economic, Social and Cultural Rights adopted a statement on poverty, which recognized that poverty constituted a denial of human rights and defined poverty as a human condition characterized by the deprivation of the resources, capabilities, choices, security and power necessary for the enjoyment of an adequate standard of living and other civil, cultural, economic, political and social rights (E/C.12/2001/10).

A rights-based approach to poverty reduction is a conceptual framework for the process of sustainable human development that is normatively based on international human rights standards and operationally directed to promoting and protecting human rights of people living in poverty. The human rights approach integrates the norms, standards and principles of the international human rights system into the plans, policies and processes of poverty reduction. The norms and standards are those contained in the numerous international treaties and conventions. The principles in question are the **identification of the poor; empowerment; the international human rights framework; participation; equity and non-discrimination; the progressive realization of rights; and accountability.**

Identification of the poor

From a human rights perspective, poverty may be seen as the non-fulfilment of a person's rights to a range of basic capabilities to do and be the things that the person may value. Capability failure is thus the defining attribute of poverty. Since different societies may have different orders of priority, the list of basic capabilities may differ from one society to another.

Empowering the poor

Fundamentally, a human rights approach to poverty is about the empowerment of the poor. While the common theme underlying poor people's experiences is one of powerlessness, human rights empower individuals and communities by granting them entitlements that give rise to legal obligations on others. Provided the poor are able to access and enjoy them, human rights can help to equalize the distribution and exercise of power both within and between societies. In short, human rights can mitigate the powerlessness of the poor.

These paragraphs are direct quotes from Secretary General's Report on Human Rights and Extreme Poverty (A/67/369) drawn from Section III Paragraphs 30-47 of the report. Boxed sections are interpretations as applied to Indigenous Peoples.

Cultural Poverty: a Dayak Perspective

These seven principles summarize the way in which the Dayak achieve their ideal of life, based on their cultural values.

1. Sustainability (biodiversity) versus productivity (monoculture)
2. Collectivity (cooperation) versus individuality (competition)
3. Naturality (organic) versus engineered (inorganic)
4. Spirituality (rituality) versus rationality (scientific)
5. Process (effectiveness) versus result (efficiency)
6. Subsistence (domesticity) versus commerciality (market)
7. Customary law (locality) versus state law (global)

Failure to achieve these ideals is believed to result in *barau* (Jalai Dayak): a situation when nature fails to function normally, and thus results in chaos. *Barau* is a result of Adat transgression, a broken relationship with nature. "Poverty" for the Dayak is linked directly with failure to exercise the Adat that governs the way in which the people should live.

From: John Bamba "Seven Fortunes and Seven Calamities"

Explicit recognition of the international human rights normative framework

The international human rights normative framework provides norms and standards that empower the poor. A human rights approach to poverty will include an explicit recognition of that framework. Special attention will be given to those treaties that a State has ratified for two reasons: treaty ratification represents "country ownership" of the relevant provisions; and second, a ratified treaty is legally binding on all branches of Government. Careful attention will also be given to the commitments entered into during the recent world conferences, so far as they bear upon international human rights.

Non-discrimination and equality

The right to equality and the principle of non-discrimination are among the most fundamental elements of international human rights law. The poor are usually victims of discrimination on various grounds, such as their birth, property, national and social origin, race, colour, gender and religion. ...As discrimination may cause poverty, poverty also causes discrimination. In addition to discrimination based on their race, colour, gender or social origin, the poor are subject to discriminatory attitudes by governmental authorities and private actors because they are poor. The twin principles of equality and non-discrimination require States to take special measures to prohibit discrimination against the poor and to provide them with equal and effective protection against discrimination. Since

International Standards on the Rights of Indigenous Peoples

Indigenous peoples' rights have assumed an important place in international human rights law. This body of law is still expanding and developing through Indigenous advocacy in international fora; through the decisions of international human rights bodies; through recognition and codification of Indigenous rights in international instruments presently under consideration by the United Nations and Organization of American States; through incorporation of Indigenous rights into conservation, environmental and development-related instruments and policies; through incorporation of these rights into domestic law and practice; and through domestic judicial decisions.⁴ Indigenous rights have attained the status of customary international law and are therefore generally binding on states. International law recognises the rights of indigenous peoples to:

- Self-determination
- To ownership, control and management of their traditional territories, lands and resources;
- Exercise their customary law
- Represent themselves through their own institutions
- Free, prior and informed consent to developments on their land
- Control, and share in the benefits of the use of, their traditional knowledge.

Self determination for indigenous peoples means "the right to control over their institutions, territories, resources, social orders, and cultures without external domination or interference, and their right to establish their relationship with the dominant society and the state on the basis of consent."⁵

the poor are among the most vulnerable groups of every society, there is a need to start by addressing the special need of the poor not to be discriminated against, according to the particular circumstances of the society concerned.

Participation

A human rights approach to poverty also requires the active and informed participation of the poor in the formulation, implementation and monitoring of poverty reduction strategies. The right to participation is a crucial and complex human right that is inextricably linked to fundamental democratic principles.

The international human rights normative framework includes the right to take part in the conduct of public affairs. Although free and fair elections are a crucial component of the right to participate, they are not enough to ensure that those living in poverty enjoy the right to participate in key decisions affecting

International standards on Indigenous Peoples Right to Participation and to Free, Prior and Informed Consent (FPIC)

Article 7(1) of ILO Convention 169 provides that:

The people concerned shall have the right to decide their own priorities for the process of development as it affects their lives, beliefs, institutions and spiritual well-being and the lands they occupy or otherwise use, and to exercise control, to the extent possible, over their own economic, social and cultural development.

This article is one of the general principles of the Convention and provides a framework within which other articles can be interpreted. Other general principles of the Convention require participation, consultation and good faith negotiation.

In its 1997 General Recommendation, the Committee on the Elimination of Racial Discrimination elaborated on state obligations and indigenous rights under the Convention. The Committee called upon states-parties to:

... ensure that members of indigenous peoples have equal rights in respect of effective participation in public life, and that no decisions directly relating to their rights and interests are taken without their informed consent.

In its Concluding Observations on Australia's report, the Committee reiterated in 2000:

its recommendation that the State party ensure effective participation by indigenous communities in decisions affecting their land rights, as required under article 5(c) of the Convention and General Recommendation XXIII of the Committee, which stresses the importance of ensuring the 'informed consent' of indigenous peoples.

their lives. Specific mechanisms and detailed arrangements for the enjoyment of the right to participate will vary greatly from one context to another: one size does not fit all. It must be recognized that some traditional elites are likely to resist the active and informed participation of the poor in decision-making.

The enjoyment of the right to participate is deeply dependent on the realization of other human rights. For example, if the poor are to participate meaningfully in poverty reduction strategies, they must be free to organize without restriction (right of association), to meet without impediment (right of assembly), and to say what they want without intimidation (freedom of expression); they must know the relevant facts (right to information) and they must enjoy an elementary level of economic security and well-being (right to a reasonable standard of living and associated rights). Thus, without parallel arrangements to realize these other rights, the poor cannot participate in an active and informed

Philippines Indigenous Peoples Rights Act

In the Philippines free, prior and informed consent of indigenous peoples is required by law for the following activities:

- exploration, development and use of natural resources;
- research and bioprospecting;
- displacement and relocation;
- archeological explorations;
- policies affecting indigenous peoples like Executive Order 263 (Community-based Forest Management); and
- entry of military.

The definition of prior informed consent in the Indigenous People's Rights Act of the Philippines provides that:

- All members of the community affected consent to the decision;
- Consent is determined in accordance with customary laws and practices;
- Freedom from external manipulation, interference or coercion;
- Full disclosure of the intent and scope of the activity;
- Decision is made in language understandable to the community;
- Decision is made in process understandable to the community.

manner in the formulation, implementation and monitoring of poverty reduction strategies.

Progressive realization of human rights

In the context of international human rights, progressive realization requires the use of human rights indicators and benchmarks. Briefly, a bundle of disaggregated indicators will be identified for each human right that is subject to progressive realization. Realistic time-bound national benchmarks (or targets) will be set in relation to each indicator; consistent with their right to participate, the poor should participate in the identification of these benchmarks. Importantly, the progressive realization of human rights and poverty reduction strategies demands effective monitoring by way of indicators and national benchmarks. Furthermore, indicators and benchmarks are an essential precondition for another vital feature of a human rights approach to poverty reduction: effective accountability.

Accountability

The international normative framework empowers the poor by granting them rights and imposing legal obligations on others. Crucially, rights and obligations demand accountability: unless supported by a system of accountability, they can become no more than window-dressing. Accordingly, the human rights approach to poverty reduction emphasizes obligations and requires that all duty-holders, including States and intergovernmental organizations, are held accountable for their conduct in relation to international human rights.

While duty-holders must determine for themselves which mechanisms of accountability are most appropriate in their particular case, all mechanisms must be accessible, transparent and effective.

Indigenous Peoples and the MDGs⁶

Efforts to bring together indigenous peoples to talk about MDGs were done in the past two years. Tebtebba Foundation,⁷ organized a roundtable discussion on *Indigenous Peoples and the Millenium Development Goals* during the World Summit on Sustainable Development (WSSD) in Johannesburg in 2002 and participated in the *UNDP Forum on MDGs in Asia Pacific* held in Laos in October 2002. At the Second Session of the United Nations Permanent Forum on Indigenous Issues last May 2003, the UNDP Civil Society Organization team also held a brief consultation with indigenous peoples on the MDGs. Some of the views in this paper emerged from these various processes.

Poverty Among Indigenous Peoples

Indicative research on the poverty situation of indigenous peoples generally conclude that indigenous peoples are disproportionately represented among the poorest in both developed and developing countries. Of the 1.2 billion people estimated to live on less than US\$1 a day (i.e., those that are the target of MDG1), 70 per cent live in rural areas with a high dependence on natural resources for all or part of their livelihoods. A World Bank study on indigenous peoples and poverty in Latin America concluded that “poverty among Latin America’s indigenous population is pervasive and severe”.⁸ This study which documented the socio-economic situation of around 34 million indigenous peoples in the region, representing eight per cent of the region’s total population showed that the poverty map in almost all the countries coincides with indigenous peoples territories.

A similar study in the region by the Inter-American Development Bank⁹ observed that being poor and being indigenous are synonymous. Its report on Mexico concluded that indigenous peoples live in “alarming conditions of extreme poverty and marginality...Virtually all of the indigenous people living in municipalities with 90 per cent or more indigenous people are catalogued as extremely poor.”¹⁰

Indigenous Peoples, Human Rights and Accountability of Development Agencies

In a recent survey carried out of the development policies of 27 multi-lateral and bilateral development agencies, it was revealed that only 8 had dedicated formal standards on indigenous peoples and development (EU, UNDP, WB, ADB, DANIDA, DGIS, BMZ, AECI). Of these 8, only 4 had mandatory or binding safeguards, the other 4 only constituted of optional best practice and only 3 of these employed an explicit rights-based approach to development. Two policies contained no clear operational standards and 4 others only featured limited operational instructions. Half of these policies contained out of date provisions that fail to meet current human rights and sustainable development standards (WB, ADB, DGIS, AECI). Among the 19 agencies **without** a policy, 7 of these identify indigenous peoples as target groups for overseas aid (WHO, I-ADB, IP Fund, SDC, DDC, USAID, FINNIDA.)

From: Tom Griffiths, *A Failure of Accountability*

From: Forest Peoples Programme www.forestpeoples.org

In a study undertaken by the Asian Development Bank in 2002 covering Vietnam, the Philippines, Cambodia and Indonesia, trends establishing the linkage between poverty and ethnicity could not be found due to lack of disaggregated data based on ethnicity. Vietnam was an exception to this although the worst poverty situation in Vietnam can be found among the ethnic minorities¹¹ from the highland areas of Northern and Central Vietnam. For the other countries, like the Philippines, this report established that poverty is much higher in regions which are populated mainly by indigenous peoples. For example in 1997 in the Caraga region, the average income of indigenous peoples was 42 per cent lower than the national average.¹² Basic services such as health and education are more easily available in urban areas, leaving out the rural poor.

In a recent meeting held by UN Department of Political Affairs last January 19, 2004 to follow-up on the UN Secretary-General's visit to Latin America, it was stated that "indigenous groups are at the bottom of the scale in the Latin American countries with regard the Millenium Development Goals – be it poverty, hunger and education" and it was recommended that the "linkage between indigenous issues and development work needs to be strengthened."¹³

Roots of Indigenous Peoples' Poverty

The various studies cited agree that pervasive poverty among indigenous peoples has its roots in the history of colonization and in the continuing systemic discrimination and non-recognition of indigenous peoples' individual and collec-

tive rights. Indigenous peoples have expressed that “they do not like to be labelled as poor because of its negative and discriminatory connotations”,¹⁴ highlighting instead on the process of impoverishment caused by dispossession of their ancestral lands, loss of control over their natural resources and indigenous knowledge, and to their forced assimilation into the mainstream society and integration in the market economy.

Concerns were raised about the need for poverty indicators which are not constructed around solely on cash incomes and expenditures and framed within a market and cash-based economy. These are non-indigenous parameters and the poverty indicator of living with \$1/day cannot capture nor adequately reflect poverty as perceived by indigenous peoples (see Dayak perspective on Cultural Poverty).

Poverty alleviation must start from indigenous peoples’ own definitions and indicators of poverty, and particularly address the exclusion and lack of access to decision-making at all levels. Rather than being merely lack of money and resources, poverty is also defined by power deficits and absence of access to decision-making and management processes. Social and ecological inequalities and injustice breed and perpetuate the impoverishment of indigenous peoples.

Conflict of development paradigms

In countries experiencing economic growth, indigenous peoples’ situation has not improved. They have become more impoverished where economic growth has been dependent on massive extraction of natural resources such as minerals, oil, gas, timber and aquatic resources, and the construction of large infrastructure such as hydroelectric dams. The incorporation and encapsulation indigenous peoples’ within modern states through colonization and modernization has rendered their land and resources open to expropriation for use by others. Indigenous peoples’ poverty is directly linked to dispossession of their lands and resources which are essential for their security, livelihoods and well-being. Material impoverishment is also associated with language and cultural loss.

Under this present era of globalization where trade and investment liberalization, deregulation and privatization are the policies followed by most governments, the poverty situation for many indigenous peoples has worsened. A case study on the dumping of cheap imported vegetables in the Philippines between 2002 to 2003, showed that the imported vegetables were priced 30 to 50 per cent lower than the local produce, resulting in loss of profits and the destruction of the livelihoods of 250,000 indigenous farmers and 400 vegetable traders.¹⁵ This loss of local livelihoods resulting from economic globalisation exacerbates indigenous peoples’ poverty.

The key weakness of the MDGs is that they do not question the underlying development paradigm nor does it address the economic, political, social and cultural structural causes of poverty. This is a central problem for indigenous

peoples who have described the prevailing development paradigm as development aggression.

Recommendations

In the light of these observations indigenous peoples in various forums have presented some recommendations which can be summarized into the following:

1. The adoption of the rights-based framework and approach to poverty reduction strategies which starts with an indigenous perspective of poverty and wealth. The recognition of indigenous peoples' claims for individual and collective rights, as distinct peoples, is crucial for a just and sustainable solution to widespread poverty in their midst;
2. Disaggregated data should be collected in all countries, based on indigenous peoples' indicators of poverty, and the UNDP and World Bank should include disaggregated data on indigenous men and women's poverty situation in their regular human development and poverty reports;
3. Indigenous peoples' own institutions should be supported so that they have sufficient funding and capacity to provide contextualized empirical data and monitor their poverty situation; and to ensure they contribute to their own development proposals; and fully participate in the planning, design, implementation and monitoring of policies and programmes at all levels;
4. Systematic training on indigenous peoples' rights should be undertaken by staff in donor agencies and non-governmental organizations (NGOs).

Promote gender equality and empower women

The targets set for MDG 3 are to "eliminate gender disparities in primary and secondary education preferably by 2005, and at all levels by 2015."

It is derisory that the MDG targets set which have direct bearing on women were only for eliminating gender disparities in education and improving maternal health (MDG5). These are characterised by feminists as a "distraction from the much more important Beijing Platform for Action with its 12 Priority Areas of Concern.¹⁶ Indigenous women have highlighted militarization and violence against indigenous women as major concerns not only in Asia but also in Latin America and even in Africa. Another form of violence against indigenous women is sex-trafficking which is becoming more common among the hill-tribes of Thailand, the ethnic minority women in Burma and the tribals in Nepal.

Indigenous women participated in the various UN conferences on women like the Beijing Conference in 1995 and the Beijing Plus 5 in New York in 2000. Our participation in the Beijing conference resulted in the *Beijing Declaration of Indigenous Women* containing many significant recommendations and which has been used by indigenous women as an educational resource to raise the gender awareness of indigenous women.

Reduce child mortality, improve maternal health and combat HIV/AIDS, malaria and other diseases.

MDGs 4, 5 and 6 have set targets for 2015 which are “to reduce by two-thirds the mortality rate among children under five; reduce by three-quarters the ratio of women dying in childbirth; and to halt and begin to reverse the spread of HIV/AIDS and the incidence of malaria and other major diseases.” These cluster of goals around health are relevant for indigenous peoples. Accessibility of modern health services for indigenous peoples is bad to start with because their communities are usually found in remote areas least served by health personnel and services. This situation, however, has worsened especially after structural adjustment policies (SAPs) were imposed as conditionalities for further loans. Aside from a decrease in budgets for health, SAPs also pushed for the privatization of health services and other social services like education and water. Indigent indigenous persons cannot afford expensive private health services.

The cited World Bank Report on the state of mortality rates among indigenous peoples in Peru, Bolivia and Guatemala revealed:¹⁷

In general, indigenous people have much higher mortality rates than the national average in most countries. This is especially the case in countries where the indigenous population makes up a large proportion of the total population. In Peru, the national infant mortality rate is 169 per 1,000 live births, as compared to 269 per 1,000 live births for the indigenous population (Masferrer 1983:600). The national under-5 mortality rate per 1000 live births in Bolivia is 122 for Spanish language speakers, but 186 for indigenous language speakers (Institute for Resource Development 1989). In Guatemala, under-5 mortality per 1,000 live births is 120 for Ladinos and 142 for indigenous people (Institute for Resource Development 1987).

Malnutrition among indigenous children has been recorded at very high levels in many countries. A 1996 National Survey of Nutrition in Rural Mexico, for example, concluded that:¹⁸

malnutrition is most pronounced (58.3 per cent of the total population under age five) in the Mexican rural communities with the highest concentration (70 per cent or more) of indigenous people, when measured by the ratio between height and weight. This compares with a still serious but less spectacular rate of 48 per cent among children below age five in predominantly non-indigenous (less than 10 per cent) communities and reaches a devastating 73.6 per cent among all indigenous youth (ages 0-16).

This study further revealed that in Guerrero, the poorest-ranking state in Mexico which is predominantly indigenous and rural, has a 71.3 per cent malnutrition in children under five.

Maternal health is just one aspect of the reproductive rights for women. The exclusion of the goal of achieving reproductive rights for women is seen by women's groups as a serious weakness.

The experiences of indigenous women regarding violations of their reproductive rights are also unique. In countries where there are deliberate population programs to minoritize indigenous peoples, coercive family planning programs were imposed on the women. Forced sterilization, pressure to use Depo-Provera and birth control pills, among others, were the methods done to decrease the population of indigenous peoples. Transmigration schemes where settlers from the plains were brought to indigenous lands accompanied these programs. With these, significant demographic shifts took place in indigenous peoples' territories whereby they became the minorities. A concrete example is in the Chittagong Hill Tracts in Bangladesh. Tribal women report that population programs are seriously carried out in their communities, so many of them usually have two to three children; however, the settler population of Bengalis are encouraged to have as many children as they like. There is an observed difference between the number of children in tribal areas and the settler areas, and the view of many tribals is that this is yet another way to deliberately make them a numerical minority in their own land.

Recommendations

1. The revitalization of traditional health practices including traditional midwifery practices, use of traditional medicinal plants, etc. should be supported through policies and resources;
2. Governments should revive and support the setting up of community-based health programs which includes, among others, the training of local health workers, development of primary health education materials in languages understood by the communities. The full participation of indigenous peoples should be sought when such programs are being developed;
3. Programs to address malnutrition of indigenous children should be undertaken, including research into the extent and causes of malnutrition. The relationship of shifts from traditional foods to modern diets in aggravating malnutrition should likewise be studied;
4. There is a need to undertake a research on indigenous peoples and HIV/AIDS;
5. The Beijing Declaration of Indigenous Women, and Reports from Indigenous Women's Conferences should inform programs on women within the MDG campaign and be used for awareness raising.

MDG 7 - Environmental Sustainability Goals

Indigenous Peoples repeatedly underline the interrelatedness of social and ecological balance and health. The relegation of environment into one of eight development goals is one of the weaknesses of the MDGs as a framework for poverty reduction and sustainable development. Natural resources management is not just the business of MDG 7, rather, it underpins the achievement of the

majority of the other seven goals.

The MDG on “Ensuring environmental sustainability” places too much attention on quantitative measures for protected areas and forest cover when the concern should also be on the form protection takes (and the extent to which it benefits or excludes indigenous and local peoples, who are dependent on resources there. With regard to what is protected, there is too much emphasis on Northern priorities towards rare or endangered species and habitats rather than on species that are valued by local people for food and medicines, or are of cul-

Statement of The International Indigenous Forum on Biodiversity (IIFB) on WSSD Follow-up to COP7 of the Convention on Biological Diversity

The Global Indicators and targets developed so far focus on the status and trends of biodiversity health. However, these global biological and environmental indicators must be complemented by human and social indicators which duly reflect critical human development factors affecting biodiversity. The use of complementary human and social indicators in all of the CBD work programmes is a logical extension to the ecosystem approach as the framework for implementation, assessments and monitoring.

We therefore call upon the Parties to:

- *Urge* the Working Group on Article 8j and related provisions to develop human and social global indicators relevant to CBD with the full and effective participation of Indigenous Peoples. This should draw upon the experience of the Millennium Ecosystem Assessment, relevant UN bodies such as the Permanent Forum on Indigenous Issues, as well as existing national, regional and international work on monitoring human and social indicators;
- *Conduct* focused assessments with the close cooperation between Indigenous Peoples, governments and other relevant partners. This process should include assessments conducted across eco-regional levels. These assessments should also be used for the testing of indicators;
- *Develop* national human and social indicators in close cooperation with the respective indigenous peoples.

One concrete example of a Global Indicator directly relevant to our work is the status and trends on linguistic diversity and the number of speakers of indigenous languages. Languages are precise tools developed through many millennia, serving people in their traditional relationship with their land. Our languages hold the knowledge of our lands, the seas and rivers, the ice, the plants, animals, fish, bugs and their interaction. If the present rate of language loss continues, humanity will lose tremendous knowledge of global biodiversity.

Above all, a key Global Indicator must be the status of indigenous peoples' rights.

tural significance.¹⁹

The establishment of protected areas has historically been a major cause of forced displacement of indigenous peoples. One recent example was the forcible displacement by Forest Department personnel of 30 tribal families of the Kolengere Tribe who are living in the Nagarhole National Park, now known as the Rajiv Gandhi National Park in India. Their houses were demolished and women and men were beaten by the armed officers and brought to a “rehabilitation site” at the fringes of the park. Nagarhole is one of the seven Protected Areas receiving US\$68 million from the World Bank under a project called Eco-Development Project.²⁰

Indigenous Peoples and Water

Indigenous Peoples Statement to the High-Level Segment of the CSD 12 (2004)

At Johannesburg, governments reaffirmed the vital role of indigenous peoples in sustainable development. Today, we indigenous peoples reaffirm our commitment to honour, to care for and to protect water, as our fundamental contribution to meeting the Millennium Development Goals.

We thank the Earth, our Mother, for water, the essential element for life, healthy ecosystems, human settlements, and sanitation. Our lands, springs, river and water basins, and oceans are the fundamental basis for our physical and cultural existence.

Today, we reiterate that underlying the water crisis is not just a governance crisis, but also a cultural crisis.

We call upon the ministers of this High-Level Segment of the CSD 12 to incorporate an ethical framework to guide the implementation of Agenda 21, the Johannesburg Programme of Implementation (JPOI) and the Millennium Development Goals, that would recognize the cultural values of water and human settlements from diverse cultural traditions. Relations between peoples and their environments are embedded in culture. Water is life, physical, emotional and spiritual. It should not be considered merely as an economic resource. Sharing water is an ethical imperative and expression of human solidarity. The cultural relationship between water and peoples should be explicitly taken into account in all decision-making processes.

In reviewing the millennium's social and ecological crises, we note that the global economic and financial system which has produced tremendous wealth has also delivered extreme poverty in its wake. The continued enclosure and privatization of nature's services and resources, including water, is undermining the Earth's and societies' capacities to meet the water, sanitation and housing rights as basic entitlements for all.

Social and environmental justice and equity requires that the rights of the poor, of indigenous peoples, women, farmers, workers, children and youth, be upheld as a condition for sustainable development. Indigenous peoples' historical and more recent experience suggests that the lack of legal recognition of our rights at all levels, including the slow progress in the adoption by the United Nations of a Universal Declaration on the Rights of Indigenous Peoples represents the biggest obstacle to realizing our fullest contribution to integrated resource planning and management. Violations of our customary land, resource and water rights, and our human rights in the implementation of destructive and inappropriate water, energy and extractive projects have also contributed to water degradation, pollution and depletion and to local communities' impoverishment.

Increasing Number of Indigenous Peoples becoming Slumdwellers, Displaced People and Refugees

As far as the goal of improving the lives of 100 million slum dwellers is concerned, it is important to note that there are a significant number of indigenous peoples who have become slumdwellers, internally displaced persons or refugees. The forced displacement of many indigenous communities by development projects is resulting in extreme impoverishment and contributing to urban drift. In the Philippines, some indigenous communities have been displaced from their ancestral lands by military operations, logging concessions and plantation owners, dam-building and eco-industrial zone development and protected areas.

In the cities, indigenous people suffer major disparities in all measurable areas such as lower wages, lack of employment, skills and education; poor health, housing and criminal convictions. They live in poor human settlements outside the support of traditional community and culture. The distinct problems and needs of indigenous slum-dwellers and urban poor are seldom recognized. Many indigenous city dwellers strive to maintain reciprocal relationships with family and their homelands through cultural associations to cope with the drastic change and demands of urbanization. The livelihood and employment strategies pursued by indigenous urban dwellers build on traditional skills but many end up in low-paying work. Some examples are marketing of handicrafts; trading of traditional herbs and remedies; as construction workers by *Igorot* men skill in building rice terraces and *Maasai* males serving as security guards reflecting their traditional role as warriors in East Africa. Others are also exploited as tourist attractions in tourism establishments. Many have livelihoods as petty traders, menial and domestic workers and low-paid service workers, as well as being a source of cheap labour in the city.²¹

Recommendations

Various recommendations have been presented international processes such as the World Water Forum, the World Parks Congress, the World Forestry Con-

gress, among others. Some of these recommendations are the following:

1. The Kimberley Declaration and the Indigenous Peoples' Plan for Sustainable Development should be used as a reference for governments and multilateral bodies when they are formulating and assessing their sustainable development plans, policies and programmes;
2. Indigenous Peoples' traditional resource management practices such as those in water management, forest management, biodiversity conservation, maintaining soil fertility and seed diversity, home gardens, etc. should be strengthened and integrated into national resource management policies and programmes;
3. There should be a moratorium on the funding of the World Bank for Extractive Industries;
4. Free and prior informed consent of indigenous peoples should be obtained, in a manner which is acceptable to them, before any development program or research is done in their communities. Licenses and permits for projects and programmes which are in place even without the FPIC of indigenous peoples directly and indirectly affected should be cancelled or withdrawn;
5. Redress and justice for indigenous peoples who are victims of displacement due to militarization, land-grabbing schemes, mining, protected areas, etc. should be provided by the state and the entities involved in committing these injustices;
6. Support for indigenous peoples to participate in multilateral processes on sustainable development should be sustained.

Global Partnership for Development

MDG 8 is the goal which tries to address some of the global structural causes of the poverty. It stresses that the debt problem should be dealt with in a comprehensive manner.

Official development assistance (ODA) and loans were the most important sources of external financing for developing countries until the early 1970s. Now this has significantly declined and private capital inflows expanded but only to a few developing countries. Indigenous peoples have questioned the use of ODA when very few benefits reach indigenous communities from ODA projects. Moreover, large infrastructure, extractive and even conservation projects have been harmful for indigenous peoples.

The debt burden and indigenous peoples

In addition to the direct negative impacts of inappropriate development projects, the debt burden, is another major factor for the exacerbation of indig-

enous peoples' poverty. To generate foreign exchange for payment of the foreign debt, many governments extract natural resources for export even if these are clearly unsustainable. In many countries, the remaining intact natural resources are found in indigenous peoples' territories.

Another government's option is to export labour even if labour conditions abroad are oppressive and slavelike. There are significant numbers of indigenous women joining the global labour market. Hongkong hosts the biggest number of Filipino overseas contract workers (OCWs) with around 88,000 Filipino contract workers in 2003. It is estimated that around 10 per cent of these come from the Cordillera region, most of which are indigenous women. The remittances of these workers substantially added up to foreign exchange receipts. With the foreign debt burden, the government cuts back the budgets for basic social services which made these even more inaccessible to indigenous peoples.

The MDG 1 target is to "halve the proportion of people living on less than a dollar a day and those who suffer from hunger" by the year 2015. The path taken by a country to achieve this will determine whether indigenous peoples' poverty will be alleviated or not. The path of incurring more debts, engaging in more aggressive extraction of mineral resources, oil, or gas in indigenous peoples' territories, or further liberalizing imports to the detriment of traditional livelihoods, will not alleviate poverty amongst indigenous peoples.

The Millennium Summit stated that the central challenge faced today is to ensure that globalization becomes a positive force for all the world's people. This challenge will not be met for indigenous peoples, unless and until their rights are fully recognised and respected in all parts of the world.

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Endnotes

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⁴ Fergus Mackay, "Universal Rights or a Universe unto Itself?" Indigenous Peoples' Human Rights and the World Bank's Draft Operational Policy 4.10 on Indigenous Peoples

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⁵ Howard Berman (1993) "The Development of International Recognition of the Rights of Indigenous Peoples" in Document 74. IWGIA and the Centre for Development Research. Copenhagen.

⁶ In this part of the paper, I have drawn extensively from Victoria Tauli Corpuz, *Indigenous Peoples' Perspectives On The Millennium Development Goals* (2004).

⁷ Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education) is an indigenous peoples' organization, based in Baguio City in the Philippines.

⁸ Psacharopoulos, Georgd and Harry Anthony Patrinos, eds. 1994. *Indigenous People and Poverty in Latin America: An Empirical Analysis*. Washington D.C. The World Bank. P.xviii

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¹⁰ Luis Hernandez Navarro, 2001, "Indigenous Poverty and Social Mobilization," in *The Poverty of Rights: Human Rights and the Eradication of Poverty*, eds. Willem van Genugten and Camilo Perez-Bustillo. Zed Books. London. p. 116-117.

¹¹ While "ethnic minorities" is still a term used in Vietnam, China, Burma and other Asian and African countries, many of these peoples could fall within the UN working definition of indigenous peoples. These are usually those who successfully resisted colonization and have maintained their pre-colonial cultures and traditions and still are maintaining close harmonious relationships with their ancestral lands. In most cases they are highly discriminated against by the dominant society.

¹² Rovillos and Morales. 2001. CARAGA is a region in Mindanao which has a big population of Lumad, the generic term for indigenous peoples in Mindanao.

¹³ Minutes of Jan. 19, 2004 meeting held at the UN HQ in New York.

¹⁴ Vinding, Diana. 2003. "Indigenous Poverty: An Issue of Rights and Needs." *Indigenous Affairs 1/03*. Copenhagen. IWGIA.p.5.

¹⁵ These are the findings of a case study called "Impact of Trade Liberalization on the Rural Poor: Philippine Case Study," done for IFAD by Victoria Tauli Corpuz and Ruth Batani-Sidchogan. This is still unpublished but will be presented during the 27th IFAD Board of Governors Meeting in Rome on Feb. 18, 2004.

¹⁶ These include: 1. Poverty. 2. Education and Training. 3. Access to Health Care and Related Services. 4. The Elimination of Violence Against Women. 5. Women Living in Situations of Conflict and Under Foreign Occupation. 6. Economic Structures and Policies. 7. Sharing of Power and Decision-Making. 8. Mechanisms for the Advancement of Women. 9. Human Rights. 10. Access to Communications Systems. 11. Management of Natural Resources. 12. Rights of the Girl Child.

¹⁷ Harry Anthony Patrinos, 1994, "The Costs of Ethnicity," in *Indigenous People and Poverty in Latin America*, eds. Psacharopoulos. G. and Patrinos, World Bank, Washington. D.C.

¹⁸ Perez-Bustillo, 2001. p.99.

¹⁹ IIED.

²⁰ WRM International Secretariat, (Jan. 2004). *Protected Areas: Protected Against Whom?* pp.90-93.

²¹ UNCSD 12 Background Paper by Indigenous Peoples.

Mainstreaming Development in Trade and Finance: A Key to Global Partnership

By Martin Khor¹

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The current slogan of “mainstreaming trade in development” must accent development. This demands a focus on mainstreaming development concerns in trade and trade policy – which points to reforming current policies, rules and conditionalities in international trade, finance, investment, intellectual property rights and aid. WTO processes should become more transparent and participatory and the Organisation’s mandate on non-trade issues needs to be reconsidered. The global financial architecture also requires reform, especially with regard to capital flows and investment.

Goal 8 of the MDGs, *Develop a global partnership for development*, is critical to the overall scheme of the Millennium Declaration, as it is the only goal devoted entirely to international relations. Successful development efforts require appropriate policies at both domestic and international levels. International factors have become proportionately more important in recent years as a result of the globalisation process. Developing countries have generally become more integrated in the world economy and thus their development prospects and performance are more dependent on global economic structures and trends.

More importantly, many policies that used to be made solely or primarily at the national level are now very significantly influenced or shaped at international fora and by international institutions. This applies especially to those developing countries that depend on the international financial institutions for loans and debt restructuring and have to abide by loan conditionalities. However, it also applies to most developing countries that are members of the World Trade Organisation (WTO), as they are obliged to align or realign national laws and policies to be in line with the WTO’s legally binding agreements. Thus, the “external economic environment” (comprising global economic structures and trends and the policies determined or influenced by international agencies such as the IMF, the World Bank, WTO, the UN and developed-country groupings such as the Group of Eight, OECD and bilateral aid agencies) has tremendous impact on a typical developing country.

In the context of the MDGs, the extent to which a developing country is able to make progress on many of the goals (especially Goal 1 on eradicating poverty and hunger, but also Goals 4, 5 and 6 relating to health and Goal 7 on environmental sustainability) depends not only on domestic policy choices, but also on how “friendly” or “hostile” the external economic environment is to that country. Four examples illustrate this point:

- The continuous fall in prices of export commodities has caused tremendous income and foreign exchange losses to many developing countries and is a major cause of persistent or increased poverty at the local and community levels;
- The financial instability and sharp currency fluctuations caused by large inflows and outflows of external funds have led many developing countries (including those considered the most successful among them) into

financial and economic crises, with dramatic and sudden increases in poverty rates;

- Many developing countries have suffered declines in or threats to their industrial jobs and farmers' livelihoods as a result of inappropriate import liberalisation policies, partly or mainly due to external policy influences resulting from loan conditionalities or multilateral trade rules;
- Cutbacks in social sector expenditures arising from structural adjustment programmes, as well as the introduction of the "user-should-pay" principle, have been identified as a significant factor in the deterioration of the wellbeing of vulnerable and poor groups in several developing countries.

These examples, as well as the continuation of the debt crisis in many countries, show that attempts to improve domestic policies, however exemplary, are insufficient if developing countries are to attain the MDGs. Thus the importance of developing a "global partnership for development" to underpin or at least to accompany the other efforts for attaining all the other goals.

In the effort to meet the MDG targets, "getting policies right" is also of crucial importance. If economic and social structures are inequitable and if policies (either for preserving the status quo or for reform) are inappropriate, then the mere expansion of funds and programmes in a country would not be enough — and may indeed increase the problems. This applies to structures and policies at both national and international levels. Efforts to attain Goal 8 for developing global partnership should therefore focus, as a priority, on getting international economic structures, policies and rules right.

Integrating Developing Countries into the World Economy

Perhaps the most important — and most difficult — set of development policies that a developing country has to decide on lies in the interface between domestic policies and the world economy. Whether, how, when, to what extent, in which sectors and in which sequence to integrate the domestic economy and society with the international economy and society, are simple but large questions that face developing countries. In the international discussion on these issues, there is no consensus. Instead, there is much debate and many controversies on the definition, nature and consequences of globalisation.

The dominant approach of the past two decades, favoured by the "Washington Consensus", is that full, rapid and comprehensive integration of developing countries into the global economy is both beneficial and essential for their development. The dominance of this paradigm is now rapidly eroding, due to the empirical record of developing countries that have followed (or attempted to follow) the policies of rapid liberalisation. The East Asian financial crisis of 1997-99 and other subsequent crises (including those in Argentina and Uruguay) have

undermined the policy prescription that developing countries should rapidly liberalise their financial system. It is now more widely recognised that financial liberalisation is qualitatively different from trade liberalisation and that developing countries should be cautious in how to (or even whether to) open their capital accounts.

In the area of trade liberalisation, there is also empirical evidence that excessive import liberalisation has caused dislocation to local industries and farms in several developing countries; at the same time, there has not been an increase in export opportunities or performance to offset these adverse developments. There is now an emerging trade-policy paradigm that stresses the importance of addressing other factors, such as the need to tailor the rate of import liberalisation to the increase in competitiveness of local firms and the need to increase the supply-side capacity of local firms in order to realise the country's export potential. Failure to address these factors can lead to serious problems of domestic economic dislocation and worsening trade imbalances, should a country liberalise its imports.

In the area of foreign direct investment, host developing countries are now being cautioned to take an even-handed approach and to have policies that seek to maximise the benefits (for example, through equity-sharing and profit-sharing and technology transfer arrangements) and to take account of risks and minimise them, especially potentially large drains on foreign exchange through high import content and large profit repatriation.

The emerging paradigm calls for development countries to take a pragmatic approach to globalisation and liberalisation and to be selective and deliberate in choosing how and when and in which sectors and to what extent, to integrate their domestic economy with the global economy, in the areas of finance, trade and investment. This approach recognises that interaction with the global economy can benefit (and potentially be of significant benefit) to a developing country. However, the terms of interaction are crucial if the potential benefits are to be realised and if costs and damage is to be avoided. Too rapid a rate of integration, or integration in the wrong areas and in the wrong way, can be harmful rather than helpful. For example, too great a dependence on commodity exports and an increase in export volume when there is a global oversupply of a particular commodity, can be detrimental. Excessive financial liberalisation (for example, in allowing local institutions to freely borrow from abroad in foreign currency) can lead to a debt repayment crisis if the right regulations and conditions are not in place. The approach of selective integration, done carefully and appropriately, suited to the needs and particular conditions of a country, is therefore of the utmost importance. It should replace the still-dominant approach of "big-bang" liberalisation carried out inappropriately in a one-size-fits-all manner.

This change in paradigm and approach should firstly be considered at the national level, when governments choose their development strategy. However, it must be recognised that most developing countries do not have the "luxury" or

space to choose their approach on economic integration, because of the determining influence of loan and aid conditionalities, or because of the rules they had agreed to in WTO. Thus, Millennium Development Goal 8 assumes central importance. In developing a global partnership for development, there is an underlying need for an understanding that developing countries should have the right to take an appropriate and pragmatic approach towards selectively integrating their domestic economy with the world economy. This understanding should be the basis for the systems of international trade, finance, investment, aid and intellectual property rights. The policies, rules and conditionalities arising from these systems should reflect these realities facing developing countries and their needs. Without this change in attitude and approach at the international level, it would be difficult or even impossible to attain Goal 8. It would also be difficult for developing countries to attain the other MDGs.

Trade, Development and Reform of the Multilateral Trading System

Ideally, trade and trade policy should serve the needs of development within a country's overall policy framework. There is thus the need to "mainstream development concerns in trade and trade policy." In practice, development needs are often compromised when a developing country participates in an inappropriate way in international trade (for example, by being too dependent on export commodities whose prices are on a trend decline) or when domestic policies and laws are amended in line with the country's obligations to meet the rules of the WTO or to meet loan conditionalities (and where aspects of the rules or policy conditionalities are unfavourable to the country's development interests). "Mainstreaming trade in development," which is a recent slogan in international agencies, can inadvertently have adverse effects, if the policies underlying trade (or if the international trade rules) are inappropriate and damaging to development needs. In considering the policy approach for Goal 8, a distinction between "mainstreaming development in trade" and "mainstreaming trade in development" should be carefully kept in mind.

The international trading system has brought benefits in various ways to several countries, especially the developed countries and some developing countries that have managed to take advantage of it. However, the system is also imbalanced in ways that disadvantage many developing countries. We therefore need to examine two aspects of that imbalance: the decline in commodity prices and the rules of the WTO.

The Commodities Problem

The continuous decline in prices for export commodities is possibly the most important trade issue for most developing countries. It has led to falling incomes for millions of small commodity producers and deprived developing countries of export earnings, as well as worsening their debt repayment capacity.

Between the 1960s and the 1980s, attempts to stabilise commodity prices at reasonable levels were perhaps the most concrete manifestation of a “global partnership for development.” This partnership took the form of several producer-consumer commodity agreements under the UNCTAD umbrella and the establishment of a Common Fund for Commodities. Many agreements succeeded in price stabilisation. However, most of the agreements closed or became ineffective after the withdrawal of interest and commitment by the consumer countries. As a result, commodity prices are now mainly determined by the vagaries of demand and supply of market forces.

The serious downgrading of the commodity problem in the international agenda is unfortunate, since the problem has not gone away, but has remained just as serious, if not more so. According to UN data, the terms of trade of non-fuel commodities *vis-à-vis* manufactures fell by 52 per cent between 1980-1991, with catastrophic effects. A paper by the secretariat of the UN Conference on Environment and Development (UNCED) in 1991 showed that for Sub-Saharan Africa, a 28 per cent fall in terms of trade between 1980-1989 led to an income loss of \$16 billion in 1989 alone. In the four years 1986-1989, Sub-Saharan Africa suffered a \$56 billion income loss, or 15 to 16 per cent of GDP in 1987-1989. The UNCED study also showed that for 15 middle-income highly indebted countries, there was a combined terms of trade decline of 28 per cent between 1980-1989, causing an average of \$45 billion loss per year in the 1986-1989 period, or 56 per cent of GDP (Khor, 1993).

In the 1990s, the general level of commodity prices fell even more in relation to manufactures and many commodity-dependent developing countries have continued to suffer deteriorating terms of trade. According to UNCTAD's *Trade and Development Report, 1999* (UNCTAD, 1999a: p. 85), oil and non-oil primary commodity prices fell by 16.4 per cent and 33.8 per cent respectively from the end of 1996 to February 1999, resulting in a cumulative terms-of-trade loss of more than 4.5 per cent of income during 1997-1998 for developing countries. “Income losses were greater in the 1990s than in the 1980s not only because of larger terms-of-trade losses, but also because of the increased share of trade in GDP.” Moreover, the prices of some key manufactured products exported by developing countries have also declined. For example, the Republic of Korea experienced a 25 per cent fall in the terms of trade of its manufactured exports between 1995-1997 due to a glut in the world market (UNCTAD, 1999a: p. 87).

The great loss of opportunity for growth represented by the fall in terms of trade can be seen in the following. In 1989, gross domestic saving was 15.8% of the GDP of African countries as a whole and the gross domestic investment rate was 20.4 per cent of GDP (United Nations, 1992). As mentioned above, Sub-Saharan Africa suffered a loss of income due to terms-of-trade decline equivalent to 15-16 per cent of GDP in 1987-89. Taking the 1989 Africa savings rate as the reference, it can be concluded that the Sub-Saharan African countries in the late 1980s were losing income equivalent to the amount of their entire savings level,

as a result of terms-of-trade decline. If the terms of trade had not declined and if the income lost had been added to savings, then the value of savings could have doubled. If the savings had been all invested, the investment level in the region could have increased by 76 per cent. These tremendous increases in savings and investments could have contributed to significant increases in the overall rates of economic growth.

The world trading system has been favouring the developed-country exporters of manufactured goods, while proving to be disadvantageous to the many developing countries whose main participation in global trade has consisted in the export of raw materials and commodities and the import of finished products. Many Southern countries have also lost their self-reliance in terms of producing their own food, as lands were converted to farm export crops that in many cases yielded unsatisfactory results in terms of instability of price and demand. Moreover, in recent years, even the prices of manufactured products exported by developing countries are showing disturbing signs of price decline.

Proposals

The decline in commodity prices constitutes the most important factor that hinders many developing countries from benefiting from trade. It suppresses the incomes of millions of commodity producers, thus making it difficult for Millennium Development Goal 1 (eradicating poverty and hunger) to be realised. It is imperative that such huge income losses incurred by poor countries be stemmed and if possible reversed. **There should thus be a Target under Goal 8 to “Address the problem of commodity-exporting developing countries through international measures to ensure commodity prices are stabilised at levels enabling adequate incomes for the countries and producers.”** The need for action on commodities was also recognised in the Implementation Plan of the World Summit on Sustainable Development. One possibility is for countries to initiate a new round of producer-consumer commodity agreements aimed at rationalising the supply of raw materials (to take into account the need to reduce depletion of non-renewable natural resources) while ensuring fair and sufficiently high prices (to reflect ecological and social values of the resources).

If it is not possible to initiate joint producer-consumer attempts to improve the commodity situation, producers of export commodities could take their own initiative to rationalise their global supply so as to better match the profile of global demand. The increase in the price of oil as a result of better coordination among producing countries is a good reminder of the benefits that producers can derive from greater cooperation. If the developed consumer countries do not wish to participate in joint producer-consumer initiatives, it is important that they do not discourage producers from having their own arrangements to improve their commodity prices.

Reforms to the WTO System

Problems Facing the Developing Countries

There is at present considerable rethinking of the nature of the multilateral trading system embodied in the WTO by the Organisation's developing country members, many of which have become disillusioned by various aspects of the system. Meanwhile, there is also a high and growing level of criticisms from public interest groups worldwide.

There is now widespread acceptance that the rules and processes at the WTO are imbalanced and that much needs to be done to improve the situation. Perhaps the most important decision to be taken is whether the next few years will see the WTO members doing their best to rectify the problems and imbalances in the existing rules and system, or whether the developed countries succeed in their proposals to add more new issues (such as investment, competition and government procurement) to the WTO ambit. The addition of these non-trade issues are likely to distort the trading system and add on to the existing imbalances.

Among the concerns of the developing countries are the following:

- *Non-realisation of the expected benefits of the Uruguay Round for them*

The developing countries' main expectation of benefit from the Uruguay Round was that the developed countries would open their agriculture and textiles markets to their products. However, there has been little progress. In agriculture, tariffs of many agriculture items of interest to developing countries are prohibitively high (some are over 200 per cent and 300 per cent). Domestic subsidies in the industrialised countries of OECD rose from US\$275 billion (annual average for base period 1986-88) to US\$326 billion in 1999 (according to OECD data) instead of declining as expected; the increase in permitted subsidies more than offset the decrease in subsidy categories that are under discipline in the WTO Agriculture Agreement. The recent decisions of the US Administration to increase subsidies under the US Farm Bill and of the European Union leaders to continue its level of subsidies under the Common Agriculture Policy have dashed expectations of a serious reduction in domestic support by the US and EU.

In textiles, only very few items which the developing countries export have been taken off the quota list, even though more than half the implementation period (for the phaseout of the restrictions) has passed. According to the International Textiles and Clothing Bureau in June 2000, only a few quota restrictions (13 out of 750 by the US; 14 out of 219 by the EU; 29 out of 295 by Canada) had been eliminated (WTO 2000). This raises doubts as to whether all or most of the quotas will really be removed by 2005, as mandated under the WTO Agreement on Textiles and Clothing.

There is thus an important asymmetry here: the developed countries have not lived up to their liberalisation commitments, yet the assumption they press

on the developing countries the liberalisation of their imports and investments – as fast as possible – will unquestionably benefit their development. Developing countries are asked to bear for a little while the pain of rapid adjustment that will surely be good for them after a few years, whereas the developed countries ask for more time to adjust in agriculture and textiles, which have been protected for so many decades.

Developed countries also have tariff peaks and tariff escalation in other products that are of export interest to developing countries, along with non-tariff barriers that have hampered the exports of the developing countries. These include the use of anti-dumping measures and countervailing duties on the products of developing countries.

The tariff and non-tariff barriers in the North are costly to the developing countries in terms of the potential exports forgone. According to an UNCTAD report:

Developing countries have been striving hard, often at considerable cost, to integrate more closely into the world economy. But protectionism in the developed countries has prevented them from fully exploiting their existing or potential competitive advantage. In low-technology industries alone, developing countries are missing out on an additional \$700 billion in annual export earnings as a result of trade barriers. This represents at least four times the average annual private foreign capital inflows in the 1990s (including FDI). (UNCTAD, 1999b).

- *Problems faced by developing countries in implementing their WTO obligations*

Implementing their obligations under the WTO agreements has created many problems for developing countries. The prohibition of **investment measures** (such as local-content policy) and many types of **subsidies** (under the trade-related investment measures agreement and the subsidies agreement) has made it harder for developing countries to adopt measures to encourage domestic industry.

The **Agriculture Agreement** enables the developed countries to maintain high protection while also continuing with large subsidies. This enables them to export agriculture products at artificially cheap prices. However, many developing countries have low tariffs (in many cases, reduced under structural adjustment programmes) and low or no domestic subsidies and are not allowed to increase the tariffs (beyond a certain rate) or increase their subsidies. There is thus a basic imbalance in the Agriculture Agreement. Many developing countries are facing problems from having liberalised their agricultural imports, as cheaper imports are threatening the viability and livelihoods of small farmers. A Food and Agriculture Organisation (FAO) study of the experience of 16 developing countries in implementing the Agriculture Agreement concluded that:

A common reported concern was with a general trend towards the concentration of farms. In the virtual absence of safety nets, the process also marginalised small producers and added to unemployment and poverty. Similarly, most studies pointed

to continued problems of adjustment. As an example, the rice and sugar sectors in Senegal were facing difficulties in coping with import competition despite the substantive devaluation in 1994. (FAO, 2000; FAO, 2001).

An ideal regime of **intellectual property rights** (IPRs) would strike an appropriate balance between the interests of owners and users of technology and between the IPR holder and the consumer. However, the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) has heavily tilted the balance in favour of the IPR holder, causing difficulties for technology users and consumers. The effects of a high-standard IPR regime in developing countries have included: high and often exorbitant prices of medicines, reducing access of the consumer to affordable medicines; high pricing (due to monopolies created by IPRs) of other consumer items, including computer software; the patenting by Northern corporations of biological materials originating in the South (often referred to as “biopiracy”); and higher cost for and lower access by developing countries to industrial technology (Khor, 2001).

The **services agreement** has many imbalances. Service enterprises in developed countries have far greater capacity to export and to invest abroad, while developing countries’ services firms lack the capacity to operate in developed countries; thus, there will be an unequal outcome in benefits. The right of capital to move across frontiers (which is favourable to developed countries, the main providers of capital) is given far more weight than the movement of natural persons (where developing countries have an advantage). The agreement also puts pressure on developing countries to liberalise various services sectors, which could lead to the smaller local services enterprises in developing countries losing their market share or even becoming nonviable. At the same time, developing countries’ service providers are generally unable to penetrate the markets of developed countries.

These problems raise the serious issue of whether developing countries can presently or in future pursue development strategies or meet development needs (including industrialisation, technology upgrading, development of local industries, food security and maintenance of local farms and agriculture, survival of local service providers and fulfilment of health and medicinal needs). These problems arise from the structural imbalances and weaknesses of the WTO agreements. There is now an urgent need to redress the imbalances and problems. Surely the WTO was not created with the intention to hurt the majority of its members or deprive them of development.

The developing countries have put forward their problems of implementation and their proposals for redressing these problems in the WTO. These requests have been taken up under the rubric of “implementation issues” during the past several years. They have been discussed on numerous occasions in the WTO General Council special sessions on implementation and in various Committees and Councils. Unfortunately, the developed countries have so far not responded positively. Their attitude seems to be that the developing countries

entered into legally binding commitments and must abide by them, however painful; any changes require new concessions on their part. Such an attitude poses a challenge to the WTO, for it implies that the state of imbalance will have to remain and if developing countries “pay twice” or “pay three or four times,” the imbalances will become worse and the burden heavier.

- *Proposals by developed countries to expand the WTO’s mandate to “new issues”*

The biggest immediate problem facing the developing countries in the WTO is the immense pressure on them to accept the proposals by developed countries to expand the WTO’s mandate to non-trade issues, including establishing new agreements on investment, competition and transparency in government procurement. Developing countries are being asked to accept these new obligations as an exchange for developed countries opening their agriculture markets or for favourably considering the “implementation issues.” However, the new agreements and obligations in these new areas would be detrimental to the developing countries’ development prospects and, at the same time (given the past poor record of the developed countries), it is uncertain that the developed countries will really provide more meaningful market access to the developing countries or resolve their implementation problems.

The three proposed new agreements have a common theme: increasing the rights of foreign firms to have much greater access to the markets of developing countries. The investment agreement aims to expand the right of foreign firms to enter, invest and operate in developing countries with minimum regulation (as performance requirements would be prohibited) and to be given “national treatment” (treated at least as well as locals). The competition agreement is meant to oblige developing countries to adopt competition laws and policies, which would result in “effective equality of opportunity” for foreign firms *vis-à-vis* local firms. In effect, this would mean that governments would not be able to assist local firms.

The proposed agreement on transparency in government procurement is planned as the first stage of an eventual agreement that would grant foreign firms the same right as local firms to bid for the business of government supplies, contracts and projects. These agreements would seriously tie the hands of government, preventing it from regulating foreign firms while preventing it also from providing assistance or preferences to local firms and other productive units. It would severely restrict the ability of developing countries to build the capacity of their domestic sectors, enterprises and farms.

The WTO System and the MDGs

In the context of the MDGs, there is a clear rationale for improving and reforming the WTO system of multilateral rules and decision-making process. The developed countries need to provide greater opportunities for developing countries so that the latter’s export opportunities can expand. If this is done prop-

erly, it can lead to increased export earnings, foreign exchange and income, thus helping provide the extra resources for financing measures to meet the MDGs. However, it must be recognised that many developing countries will be unable to take up the opportunity because of supply side constraints. On the other hand, the problems caused to developing countries by the existing agreements are necessary to rectify. Failure to do so can adversely affect the realisation of several of the Goals. It would hinder Goal 8's striving for a global partnership for development, as the WTO rules are today recognised as representing an unequal partnership between North and South.

The Agreement on Agriculture, by allowing artificially cheap subsidised imports to threaten small farmers' livelihoods in developing countries would threaten the realisation of Goal 1 (eradicate poverty and hunger). Unless there is a satisfactory clarification or amendment of the TRIPS agreement, access to health care and other services will be adversely affected, thus threatening Goal 6 on combating HIV/AIDS and other diseases. The pressures for liberalising services under the GATS agreement could adversely affect the access of the public, especially the poor, to essential services such as education (thus affecting Goal 2), health care (thus affecting Goal 4, 5 and 6) and water supply (thus affecting Goal 7 on environment). The following measures are therefore proposed to further the goal of developing global partnership for development:

Developed countries should commit to meaningfully opening their markets to developing countries in sectors, products and services in which the latter are able to benefit. These include textiles, agriculture and products processed from raw materials, as well as labour services. A meaningful expansion of market access for developing countries will be able to provide large opportunities for earning more revenues that could be the basis for significant extra financing for meeting the MDGs.

The process in the WTO of reviewing the implementation problems arising from the existing agreements should result in **appropriate changes to the rules or authoritative interpretations of the rules that help resolve the imbalances and the problems facing developing countries**. For example, the following are among the changes that should be considered:

- Developing countries should be given adequate flexibility in implementing their obligations in the Agriculture Agreement on the grounds of the need for food security, defence of rural livelihoods and poverty alleviation. In developing countries, food produced for domestic consumption and the products of small farmers should be exempted from the Agriculture Agreement's disciplines on import liberalisation and domestic subsidies;
- In the Agreement on Trade-Related Investment Measures (TRIMs), "investment measures" such as the local-content requirement (obliging firms to use at least a specified minimal amount of local inputs) and foreign exchange balancing (limiting the import of inputs by firms to a certain

percentage of their exports) have been prohibited. Such measures had been introduced to protect the country's balance of payments, promote local firms and enable more linkages to the local economy. Prohibiting them causes developing countries to lose some important policy options to pursue their industrialisation. The TRIMs Agreement should be amended to provide developing countries the flexibility to continue using such investment measures to meet their development goals;

- The TRIPS Agreement should be amended to take into account development, social and environmental concerns. For example, full clarification or amendments are still required to ensure that Members can effectively take measures to provide medicines at affordable prices. Members should also be allowed to prohibit the patenting of life forms and to protect the traditional knowledge and practices of farmers, indigenous people and local communities. Other amendments are also needed to rebalance the Agreement towards the interests of consumers and technology users in developing countries. The issue of whether IPRs should be covered at all under the WTO should also be reviewed;
- It should be clarified that essential services required by the public and especially by the poor, such as water supply, healthcare and education, should or can be exempted from the general rules and the specific sectoral schedules of the General Agreement on Trade in Services (GATS).

There should be a **re-orientation in the operational principles and rules of the WTO so that the development principle is accorded the highest priority.** The preamble to the Marrakesh Agreement recognises the objective of sustainable development and also the need for positive efforts to ensure the developing countries secure a share in international trade growth commensurate with the needs of their economic development. The objective of development should become the overriding principle guiding the work of the WTO and its rules and operations should be designed to produce development as the outcome. Since the developing countries form the majority of the WTO membership, the development of these countries should be the first and foremost concern of the WTO.

The test of a rule, proposal or policy being considered in the WTO should not be whether that is “trade distorting” but whether it is “development distorting.” Since development is the ultimate objective, while the reduction of trade barriers is only a means, the need to avoid development distortions should have primacy over the avoidance of trade distortion. So-called “trade distortions” could in some circumstances constitute a necessary condition for meeting development objectives. From this perspective, the prevention of development distorting rules, measures, policies and approaches should be the overriding concern of the WTO.

The re-orientation of the WTO towards this perspective and approach is essential if there is to be progress towards a fair and balanced multilateral trading system with more benefits rather than costs for developing countries. Such a reorientation would make the rules and judgement of future proposals more in

line with empirical reality and practical necessities. Taking this approach, the goal for developing countries would be to attain “appropriate liberalisation” rather than to come under the pressure of attaining “maximum liberalisation.” The rules of WTO should be reviewed to screen out those that are “development distorting” and a decision could be made that, at the least, developing countries be exempted from being obliged to follow rules or measures that prevent them from meeting their development objectives. These exemptions can be on the basis of special and differential treatment.

The next phase of the WTO’s activities should focus on the above three areas, in order that the review of existing rules, the realising of opportunities in the developed countries’ markets and the reorientation of the WTO to developing countries’ needs and interests, can be carried out. These processes would in themselves be a massive task, requiring the commitment, energy and resources of WTO Members. However, this is needed to build a mutually beneficial multilateral trading system.

The proposal to begin negotiations on “new issues” (especially investment, competition, transparency in government procurement) after the next WTO Ministerial Conference in Cancun in September 2003 should be withdrawn, as this would not only distract and detract from the tasks of reform detailed above, but also add new heavy obligations onto developing countries and render the WTO system much more imbalanced.

The process of decision-making in WTO must be democratised, made more transparent and enable the full participation of developing countries. The so-called “consensus system” enables the developed countries to pressure developing countries to accept what has been agreed among the developed countries. Moreover, non-inclusive and non-transparent processes are used, especially surrounding the Ministerial Conferences during which the key decisions are taken. For example, at the Singapore Ministerial Conference in 1996, only 30 countries were invited to the “informal” meeting where the major decisions were taken and the remaining countries were asked to accept the decisions on the last night. At the Doha Conference in 2001, the proposals of a majority of developing countries on key subjects were not included in the drafts of the Declaration, despite their objections. This put them at a great disadvantage.

The decision-making processes should therefore be reformed; the absence of such reform would make it difficult or impossible for the other improvements being suggested to be realised. At the least: (a) all members must be allowed to be present and participate in meetings; (b) the views of all members must be adequately reflected in negotiating texts; (c) pressure should not be applied on members to accept views of other members; (d) adequate time must be given to all members to consider proposals being put forward; and (e) the practice of late-night exclusive meetings at Ministerial Conferences should be discontinued.

There should also be a rethinking on the scope of WTO’s mandate over issues and the role of other agencies. It is misleading to equate WTO with the

“multilateral trading system,” as is often the case in many discussions. WTO is less than - and more than - the global trade system. There are key issues regarding world trade that the WTO is not seriously concerned with, including low commodity prices. On the other hand, the WTO has become deeply involved in domestic policy issues, such as intellectual property laws, domestic investment and subsidy policies. There are also proposals to bring in other non-trade issues including labour and environment standards as well as investment and competition.

WTO and its predecessor, GATT, have evolved trade principles (such as non-discrimination, MFN and national treatment) that were derived in the context of trade in goods. It is by no means assured or agreed that the application of the same principles to areas outside trade would lead to positive outcomes. Indeed, the incorporation of non-trade issues into the WTO system could distort the work of WTO itself and the multilateral trading system. Therefore, a fundamental rethinking of the mandate and scope of WTO is required. Firstly, issues that are not trade issues should not be introduced in the WTO as subjects for rules. Secondly, a review should be made of the issues that are currently in the WTO to determine whether the WTO is the appropriate venue for them (the obvious issue to consider here is IPRs).

The processes of reviews, reforms and changes suggested to the WTO above are important elements of contributing towards Goal 8 of “developing a global partnership for development.” In fact, the above measures could be included as new Targets, with accompanying indicators. Within its traditional ambit of trade in goods, the WTO should reorientate its primary operational objectives and principles towards development, as elaborated in the sections above. The imbalances in the agreements relating to goods should be ironed out, with the “rebalancing” designed to meet the development needs of developing countries and to be more in line with the realities of the liberalisation and development processes.

With these changes, the WTO could better play its role in the designing and maintenance of fair rules for trade and thus contribute towards a balanced, predictable international trading system that is designed to produce and promote development. WTO, reformed along the lines above, should then be seen as a key component of the international trading system, coexisting, complementing and cooperating with other organisations and together, WTO and these other organisations would operate within the framework of the trading system, in a “global partnership for development.”

Reforms to the Global Financial System

The Need for Global Financial Reform

In working towards Goal 8, a major element is the reform of the global financial architecture. This reform is embedded within the first Target accompanying

Goal 8: “Develop further an open, rule-based, predictable, non-discriminatory trading and financial system.” A note under the Target says that this “includes a commitment to good governance, development and poverty reduction, both nationally and internationally.”

It can be argued that the present global financial system is not open (many financial transactions, including those involving speculative activities, highly-leveraged institutions such as hedge funds and derivatives are non-transparent and non-accountable); it is not adequately rule-based (there is absence of or inadequate regulation over many kinds of activities of the financial institutions and over the massive international flows of funds); and it is also not predictable (as witness the volatility, fluctuations and unpredictability of exchange rates and inflows and outflows of funds that countries are subjected to).

The lack of regulation and predictability of the global financial system has been a source of financial and economic destabilisation for many developing countries. In recent years, there has been a continuous series of devastating financial and economic crises, including those that hit Mexico, Thailand, Indonesia, South Korea and Malaysia, Russia, Turkey, Argentina, Uruguay and Brazil. There have been conflicting reasons given for these crises. One of the dominant explanations is that the affected countries suffered from bad political and economic governance. This is quite remarkable, as most of the affected countries had been lavishly praised just prior to their crises as shining examples of good economic management.

A more accurate and credible explanation is that these crises were caused by the financial liberalisation and deregulation that has swept the world since the early 1970s, when the Bretton Wood system of fixed exchange rates collapsed. As a result, there has been an explosive increase in financial speculation as investment funds and speculators move rapidly across borders in search of profits. In recent years, many developing countries were also advised to deregulate and liberalise their financial systems. The controls over the inflow and outflow of funds, which these countries previously had, were relaxed very significantly. This led to excessive short-term borrowing by local firms and banks, as well as the entrance of international funds and players that invested, speculated and manipulated currencies and stock markets in these countries.

The prevailing mainstream view that liberalisation was beneficial and posed little danger to developing countries had been promoted by the international financial institutions and the major developed countries. The latter were eager to obtain more market access for their financial institutions to the emerging markets. It is now widely recognised that when crisis struck the East Asian countries in 1997, the IMF made it worse by mis-diagnosing its causes and promoting even further financial liberalisation as part of its loan conditionality, as well as a policy package (that included high interest rates, tight monetary and fiscal policies and closure of local financial institutions) that converted a financial debt problem into a structural economic recession. A report of the IMF also denied that hedge

funds and other highly leveraged institutions had played a destabilising role in the Asian crisis; it took the near-collapse of Long-Term Capital Management (LTCM) to expose the extremely high leverage and market power of these speculative funds.

International Actions

In order that a global financial system can be developed as part of a “global partnership for development,” two categories of measures are required at international level in the interests of developing countries.

The **first set of proposals** involves the need to avoid new policies or agreements that would “lock in,” oblige or pressurise the developing countries to adopt policies that further financial liberalisation. Each developing country should be enabled to decide on its own, without pressure, the degree, rate and type of financial liberalisation it should undertake. Moreover, the country should have the degree of flexibility to “backtrack” and reintroduce regulations, should it decide that this is in its interests, due to a change in circumstances or judgement. The following are proposed:

- The IMF should no longer pursue the goal of amending its Articles of Agreement to give it jurisdiction over capital account convertibility, with the aim of disciplining developing countries to open up their capital accounts and markets. The IMF had been pursuing the amendment until the series of financial crises beginning in 1997 slowed down the process;
- OECD countries should stop altogether any attempt to revive their proposed Multilateral Agreement on Investment, which would have given unfettered freedom of mobility to all types of capital flows. The negotiations stalled in 1998 following discontent by civil society organisations and the withdrawal from negotiations of France;
- The proposal for a multilateral investment agreement under the aegis of the WTO should also not proceed, as such an agreement would put intense pressures on developing countries to deregulate the flows of investments and financial flows into and out of their countries. This will make them more susceptible to the instability of financial flows;
- There should be a review of the financial services agreement in WTO to take into account the understanding gained and lessons learned from the negative effects of financial liberalisation resulting from the latest round of financial crises. Developing countries should not be pressured in the present or future rounds of services negotiations in WTO to further liberalise their financial sectors. The decision to liberalise should be left to the developing countries to make. Developing countries should be cautious about liberalisation commitments.

The **second set of proposals** relates to international policies and measures that are required in order to develop a stable and development-oriented global financial system:

- The development of measures and guidelines to assist developing countries to prevent or avoid future debt and financial crises. These should include measures that regulate and control the type and extent of foreign loans that the public and private sectors are allowed to obtain, along with regulations to prevent speculation and manipulation in the stock market and the currency markets;
- If, nevertheless, a financial crisis breaks out, in which a country is unable to service its external debt, international measures and mechanisms are required to enable the affected country to manage the crisis effectively and in which the debtors and creditors share the burden equitably. At present, there is no systemic treatment for debt workout, re-scheduling and relief. Usually the debtor developing countries are left carrying an unfairly large share of the burden and the outstanding debt in many cases remains or even grows. The measures required include an arrangement in which a country in financial trouble can opt for a debt standstill arrangement and have recourse to an independent international debt arbitration court or panel; this body would then arrange for a debt workout that fairly shares the cost and burden between creditors and debtors and also facilitate that fresh credit be provided to aid the affected country's recovery. This proposal for an "international bankruptcy mechanism" had been notably put forward in detail by UNCTAD in its Trade and Development Reports 1998 and 2001 and the IMF Secretariat has in the past year also been actively promoting the concept. It would be a major breakthrough towards a new financial architecture, if this concept were to be appropriately developed and implemented;
- A framework that allows and freely permits developing countries without fear of attracting penalties, to establish systems of regulation and control over the inflow and outflow of funds, especially of the speculative variety;
- Governments of countries that are the sources of internationally mobile funds should be obliged to discipline and regulate their financial institutions and players to prevent them from unhealthy speculative activities abroad and from causing volatile capital flows;
- Systems of international regulation need to be developed to control the activities of hedge funds, investment banks and other highly leveraged institutions, offshore centres, the currency markets and the derivatives trade;
- An international monetary system that enables the stability of currency exchange rates is also urgently required;
- A reform of the decision-making system in international financial institutions (IFIs), especially the IMF and the World Bank, is required, so that developing countries can have a fairer and more effective role in

the policies and processes of these institutions that have so much influence and power over their economic and social policies. The distribution of quotas in the equity of the IFIs should be reviewed and reformed, so that developing countries are enabled to have a greater proportion of the total shares (for example, half or more than half);

- A review of and appropriate changes to the set of conditionalities that accompany IMF-World Bank loans is urgently required, as it has become increasingly obvious that in many cases the sets of policy prescriptions have had adverse rather than positive effects, specifically as well as overall. Recent UN reports have pointed out criticisms, including by Finance Ministers of heavily-indebted poor countries (HIPC), that some elements of macroeconomic conditionality have focused on reducing inflation at the expense of growth and employment. Although the previously termed “structural adjustment policies” have now been renamed, the newly established Poverty Reduction Strategy Papers (PRSPs) that are meant to be oriented towards poverty reduction, also contain policy elements that are very similar to the macroeconomic and structural adjustment programmes implemented in many poor countries over the past two decades. (United Nations 2002a, UNCTAD 2002). The scope of conditionality should be streamlined and reduced to appropriate topics and the appropriateness of the policy assumptions and the policies themselves should be openly debated and the needed corrections made, so that the economic frameworks are growth- and development-oriented rather than have contractionary effects. Recipient countries should be enabled to “own” the process of establishing the priorities, assumptions of the policy frameworks and the policies themselves. Civil society should also be adequately consulted. The recipient countries should have options to choose among appropriate financial, monetary, fiscal, macroeconomic, trade, ownership and other economic and social policies, instead of being obliged to merely follow the IMF and World Bank prescriptions;
- As recognised by Target 15 under Goal 8 of the MDG, there is a need to “deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long run.” The comprehensive treatment needs to cover all types of debt (private, public bilateral and multilateral); it should apply to low as well as middle-income developing countries facing debt servicing problems and other developing countries that are on the verge of debt-repayment crisis. The HIPC initiative has had only limited effects and its coverage, framework, procedures and content of conditionality should be reformed to give much deeper relief to many more HIPC countries. A more serious and systemic approach to debt relief and fair creditor-debtor burden sharing should be made for middle-income developing countries. The mechanism for debt arbitration or an

international insolvency court could be an important part of the resolution of the debt crisis;

- To prevent future debt problems and financial crises, the possible sources of these problems and crises should be identified, including outside of the financial arena. For example, there should also be a review of the appropriateness of trade policies. The decline in commodity prices, the lack of export opportunities and inappropriate import liberalisation (and especially the combination of all these three factors) can cause, contribute to or worsen a financial crisis. For example, when a country liberalises its imports when its local sectors are not yet prepared to compete, while at the same time it is unable to earn more export revenue, the country's trade and balance-of-payments deficits may worsen significantly, adding to debt pressures and possibly triggering a full-scale external financial crisis.

National Actions

In the absence of such international measures as outlined above, developing countries may have no choice but to institute domestic measures to protect themselves from conditions that can lead to financial crisis and debt-repayment problems. In particular, they should consider instituting regulations that control the extent of public and private sector foreign loans (for example, restricting them to projects that yield the capacity to repay in foreign currency); that prohibit manipulation of their currencies and stock markets; and that treat foreign direct investment in a selective way that avoids build-up of foreign debt (that could result from heavy imports or large profit repatriation by the foreign firms).

The array of national policy instruments from which a country can choose should include capital controls (on both inflows and outflows) which would assist the country to avoid an excessive buildup of external debt, to curb volatility of the flow of funds and to enable the country to have more scope to adopt macroeconomic policies that can counter recession (such as lower interest rates or budget expansion) while reducing the risks of volatility in the exchange rate and flow of funds.

In this respect, it is essential to recognise and reiterate that developing countries have the right to adopt capital controls of their choice (which is sanctioned by Article VI of the IMF Articles of Agreement). It is an integral part of a nation's right to economic self-determination and no pressure should be brought to bear on any state to refrain from making use of such controls, or on a state that resorts to such controls, to abandon them. In particular, international financial institutions must desist from attempts to dissuade developing countries from having recourse to such controls by threats (overt or veiled) of the withdrawal of credits or other financial support.

In short, the crucial question of when or how a state wishes to liberalise its

capital account, or whether it wishes to embark on such liberalisation at all, should be left to its sole determination, without outside pressure.

While this discussion of the global financial system has only outlined some of the critical areas where reform is required without the level of detail devoted to the trading system and the WTO, it is clear that reforms are urgently required in both areas at both international and national levels. A great number of developing countries are still heavily indebted even after a decade or two decades or more in that situation, whilst increasing numbers of other developing countries (including the more developed among them) have also become heavily indebted. The financial system as a whole, which is increasingly characterised by liberalised cross-border flows of funds, by the absence of regulations, transparency or a fair rules-based way of resolving the burden between debtor and creditor countries, requires an overhaul. In the reforms, the interests of developing countries should be given the highest priority.

In the context of the MDGs, Goal 8 does not have a detailed enough Target to capture the manifold objectives and actions that are needed in the area of global finance, including the problem of debt, capital flows and a healthy system of financing for development. Therefore, more detailed Targets in this field should be developed, as well as more and better indicators. Most important, however, is the need to flesh out in more detail and greater accuracy the various measures, policies and frameworks required to make the financial system a key component to a “global partnership for development” rather than the problem it now is.

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CIVIL SOCIETY AND THE MDGs

by Roberto Bissio¹

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CSO pose five basic questions about the MDGs: Why should the public mobilise behind them when so many earlier UN goals remain unfulfilled? Do the MDGs apply to everyone in the global street? Do the Goals concern only aid? What trade-offs took place in reaching the “Monterrey Consensus” and how fair are they? Do the MDGs represent a new global bargain or the old-style impositions?

After the end of the Cold War, a series of major conferences and summits updated the UN social agenda. Civil society organisations were encouraged to participate, and did so by the thousands, bringing unusual enthusiasm into the diplomatic negotiating processes, attracting media coverage and advocating for a variety of proposals about issues such as development and human rights, many of which found their way into the final texts. A frequent demand during those conferences was that the lofty principles of the resolutions and plans of actions – which are not legally binding documents – be reinforced with concrete, measurable, time-bound commitments, and that follow-up processes be established to monitor them. As a result, the establishment of concrete measurable goals and targets was mainstreamed through the conference process.

The Millennium Declaration was adopted by the UN General Assembly in September 2000 and was strengthened politically by the presence of an unprecedented number of Heads of State. It updates many of the development goals originally set (and not met) for the year 2000 and reformulates them for the year 2015. It also gives UN endorsement to the goal of “halving extreme poverty,” originally formulated by the OECD,” by that date.

In fact, development goals had been set by the UN since the first “Development Decade” in the 1960s. The public at large might have assumed that somebody was monitoring progress in achieving these goals. But the mechanisms of accountability are weak and scattered into different commissions and bodies that do not communicate with each other.

In May 1998 the United Nations Economic and Social Council (ECOSOC) held a session on the Integrated Follow-up of Major UN Conferences and Summits. The President of the Council, Ambassador Juan Somavía, reported that “...in order to effectively monitor progress in the implementation of conferences at the country level, there is an urgent need for the multilateral system to develop a coherent set of basic indicators, as well as the need to strengthen the capacity of the UN system and of countries to collect and analyze statistics.”

He also emphasised that “involvement of civil society in an effective way in the intergovernmental conference follow-up process is essential in view of the significant role members of civil society have played in the conferences themselves as well as in their follow-up and implementation, particularly at the country level.”

Four years later, a final resolution on how to follow up the conferences is still pending. In December 2002, the Second Committee of the UN General Assembly decided to create a working group that will submit proposals, by mid-2003, “on

how best to address the review of the implementation of the outcomes of the major United Nations conferences and summits in the economic, social and related fields, ...bearing in mind the need to recognise the active role of all relevant stakeholders.”²

Civil society organisations have not waited for a follow-up mechanism to be put in place. In the area of human rights, the records of governments in fulfilling their obligations and commitments have been systematically evaluated and reported over the years by well-respected independent international organisations, like Amnesty International and many others. A similar surveillance effort started to be mobilised on behalf of economic and social rights or the social development agenda in the mid-1990s.

The Social Watch network was created in 1995 during the World Summit on Social Development to do precisely that, and has since grown into an active presence in some 60 countries in all regions of the world. It has been described as “an effort to do what obviously needed to be done, rather than an original idea”.

Every year since 1996, Social Watch has published global reports on what has and has not been achieved, particularly with regard to the Social Summit and the Beijing Conference on Women. As the prologue of one of these reports put it: “to report internationally on what happens nationally improves transparency and accountability.”

Providing numerical indicators is a rough attempt to capture complex realities in a simplified way. Yet, as the Olympic Games and beauty contests show, international comparisons are a powerful motivator.”³ Social Watch follows indicators for each of the key international commitments in detail and summarises them in tables showing current situation, progress and “political will”. According to its assessments, lack of progress towards the internationally agreed goals “...is not due to the lack of resources, but rather due to a deficit in political will.”⁴ It has not been timid in apportioning blame.

Many other groups, whether local or part of international networks and associations, feel empowered by the UN agenda and participate in different ways in the monitoring the implementation of conference resolutions or international human rights obligations. The Social Watch network is far from being the only one, and it does not attempt to represent the enormous diversity and richness of CSOs. But the experiences of the groups that its network comprises clearly demonstrate the kind of energies that civil society monitoring of UN commitments can unleash.⁵

Can Civil Society Campaign for the MDGs?

It seems logical that a civil society monitoring process similar to the one initiated by Social Watch for the Social Summit could be established for the Millennium Declaration and the Development Goals that it promotes. Yet complex experiences do not transfer automatically. The peculiarities of the MDGs have to

be taken into account.

The UN conferences of the 1990s emerged from lengthy preparatory processes (usually taking two years and several meetings of intergovernmental preparatory committees) and the implementation of their resolutions has been reviewed every year by commissions of ECOSOC and every five years by large international conferences (the so-called “plus five” or “plus ten” meetings). NGOs have access to all those meetings at the international and regional level and, in many cases, have also interacted with their governments at national levels, commenting on and even helping to draft the national reports about implementation of the conference resolutions.⁶

The Millennium Declaration was a result of a different process, where NGOs were not so deeply involved. Technically, the Declaration is a UN General Assembly resolution, and NGOs then had no participation at all in that body.⁷ There were no open preparatory committee meetings to negotiate the Declaration and the UN secretariat itself took a leading role in its drafting. Civil society participation in the Millennium Summit was indirect, parallel to the official process and concentrated on a single large meeting that took place months before the actual session at the level of Heads of State. As a result, the MDGs are still largely unknown by civil society organisations at the national level, and there isn't the same feeling of “ownership” as citizen groups have over “Agenda 21” that resulted from the Earth Summit or the Ten Commitments adopted by the governments during the Social Summit.

In terms of assessing implementation and following up on its recommendation, the Millennium Declaration “requests the General Assembly to review on a regular basis the progress made in implementing the provisions of this Declaration, and ask the Secretary-General to issue periodic reports for consideration by the General Assembly and as a basis for further action.”

With regard to NGOs or civil society in general, the Declaration commits governments “to develop strong partnerships with the private sector and with civil society organisations in pursuit of development and poverty eradication” and “to give greater opportunities to the private sector, non-governmental organisations and civil society, in general, to contribute to the realization of the Organisation's goals and programmes.”

That formulation could give ample room for civil society involvement at national and international level, but it is far from being specific. In a worst-case scenario, there would be no country reports, since they are not mandated. The UN Secretary General could produce the reports without any civil society input, and those reports could be considered by the General Assembly without the NGOs even being allowed to observe the proceedings. Chances for NGO involvement would be reduced to helping to implement poverty eradication programmes at the national level, something they are already doing anyhow.

Obstacles to Civil Society Involvement

Obstacle 1: Skepticism

The public is skeptical. So many goals have not been met in the past; why should it be different this time? This is not a question that can be answered at this stage and pessimists and optimists can debate endlessly whether the glass is partly empty or partly full. It is a fact, however, that unless current trends substantially change, the Goals will not be met. That fact could be either an excuse for cynicism or a motivation to do better.

The year 2002 stands exactly halfway between the base year of 1990, taken as reference for the indicators that measure achievement of the MDGs and the target year of 2015. In a report called *Halfway there?*, ActionAid states that “At current rates of progress the poorest regions are set to fail to meet the targets. Latin America is making steady progress, but not fast enough, and improvements in South Asia are uneven. However, it is Sub-Saharan Africa that poses the biggest challenge, where some of the key target indicators are actually getting worse.”

Obstacle 2: Does it apply to me?

During the second World Social Forum, in January 2002, UNDP officials met in Porto Alegre with civil society anti-poverty campaigners from all over the world to discuss ways in which the message of the Millennium Declaration could reach the very people that the MDGs are intended to benefit.

As a Brazilian NGO activist commented, “If we go to a poor community with the message that poverty will be reduced by half, the immediate reaction will be ‘Which half am I in?’ A few months later, former metalworker Luis Ignacio da Silva, universally known as “Lula,” won the Brazilian Presidency after a campaign that emphasised “Zero Hunger” as the goal of his government.

It is easy to understand that extreme poverty (frequently defined as the inability to meet basic food requirements) cannot be eradicated instantly, and that any process to eradicate it will be cumulative and gradual, where the number of people under the poverty line will be reduced by half, two thirds, three quarters, etc. But in terms of mobilising support, the commitment “to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty”⁸ can be inspirational, while the technical formulation of “halving the proportion of people living on less than \$1 a day, by 2015” is not.

In order to capture the hearts and minds of public opinion, and even those of committed campaigners, the MDGs still need to be translated from technical jargon into formulas that, true to their actual meaning, can be readily understood by the men and women in the streets.

Obstacle 3: Is it just about aid?

The Monterrey Summit on Financing for Development (FfD) was the first

major UN conference after the approval of the Millennium Declaration. The central issue of how to finance the MDGs became the focus of the debate. Estimates were published as to how much additional development aid was needed to achieve the targets, ranging from \$50 - \$100 billion dollars a year. While the first figure, quoted by Kofi Annan in his address to the last meeting of the FfD Preparatory Committee, would imply a doubling of the current aid level, it still falls short of meeting the commitment made in the 1970s by developed countries to contribute 0.7 per cent of their GDP to development.

Both the United States and the European Union announced during the Conference unilateral decisions to gradually increase their development aid, promising an additional \$12 billion within a few years. While clearly falling short of the established benchmark, this promise would reverse for the first time in many years the decreasing trend of aid. As such, it was highlighted as a major achievement, even when no substantial progress was made on the other issues of the agenda.

The enthusiasm of the officials from development cooperation ministries in the rich countries and international development agencies about the “success” of FfD contrasted sharply with the mood of the NGOs. Civil society groups dissociated themselves from the so-called “Monterrey Consensus,” which they characterised as a “Washington consensus in a sombrero.” While no spokesperson in the NGO community criticised the MDGs or the increase in official development assistance *per se*, the antagonistic perceptions about the results in Monterrey created a feeling that MDGs were **only** about aid and ultimately did not address the concerns of middle-income developing countries or transition countries, or poor and vulnerable groups in the developed world.

Obstacle 4: Is the trade-off fair?

The FfD process had actually started several years earlier and the major issues it was originally supposed to address included debt, the volatility of capital flows and the financial crisis this causes, and the overall reform of the international “financial architecture,” including the governance structure of the Bretton Woods institutions. The latter were established more than half a century ago and are deemed obsolete by many, due to the disproportionate voting power of a few developed countries. There was a trade-off in diluting the content of the FfD Summit against the political benefit of having President Bush’s personal attendance and endorsement of its final consensus. Similarly, there is a trade-off between lowering the benchmarks and targets of previous UN conferences and achieving unanimous acceptance of the MDGs by the world leaders. Diplomacy is always about trade-offs, the issue always being that at the end everybody wins something, even if not every aspiration of all participants has been met.

In the case of the MDGs, it is important to confront the trade-off between the need to focus on the poorest of the poor and the need to widen the constituencies to support a campaign or action plan, without which the political will to actually implement the resolutions will be lacking. The World Summit for Social Develop-

ment in 1995 attempted to address that dilemma by structuring its agenda around three issues (poverty, unemployment and social integration) that would address concerns of, respectively, developing countries, developed countries and the public at large everywhere.

Obstacle 5: is it a new bargain or the old-style impositions?

According to Mark Malloch Brown, the Administrator of UNDP, “both the uncontrolled and ultimately mismanaged entitlement culture of aid that characterised the ‘60s and ‘70s and the top-down, destructive conditionality approach of the so-called Washington consensus that dominated development thinking in the ‘80s and ‘90s have been discredited. In their place, what is emerging is a new consensus that demands that we match mutual commitments and mutual accountability: a political bargain being built around a partnership of self-interest between the countries of North and South under which sustained political and economic reform by developing countries will be matched by direct support from the rich world in the form of the trade, aid and investment needed if they are to succeed.”⁹

In a similar vein, World Bank President James Wolfensohn stated during a roundtable at the opening of the annual Bank-IMF meeting in Washington last September, that “we are talking very much about the issue of trade, about the issue of a two-sided bargain, and maybe we’ve been slow in learning, but it is the hymnbook that we’re singing from now.”¹⁰

If the MDGs are to become the reference for a new “Global Compact for Growth and Development,” whose terms are still to be defined, a balance needs to be found between the obligations of developed and developing countries. The targets mentioned with measurable precision and a date in the Millennium Declaration all refer to what needs to be achieved in the poorest countries, not what needs to be done in order to achieve desired goals. Significantly, the “to do” list of the richest countries (debt relief, market access, more aid) is not linked in the document to any specific date or performance indicator.

Southern diplomats expressed similar concerns, and the perceived need for balance ultimately led to a reformulation of the MDGs, from an initial list of the development targets formulated in paragraph 19 of the Millennium Declaration, to an eight-goal summary, adding to the initial six bullet-points a Goal 7 (related to the environment, which is a separate section of the Millennium Declaration) and a Goal 8 on “developing a global partnership,” which refers vaguely to all the systemic issues of the world economy.

Globalisation has already limited enormously, through binding international trade agreements or the conditionalities imposed by the international financial institutions, the menu of economic policies from which governments (and consequently citizens) can actually choose. And there is a risk that they might be reduced even more, further undermining sovereignty and rendering democracy useless.

Goals 2 to 6 of the MDGs refer quite directly to basic service delivery in the areas of health, education and water provision. Goal 1 on poverty is also to a major extent related to access to services (even when poverty is now recognised as a multidimensional problem, with a variety of internal and external causes).

While everyone agrees that basic services need to be improved and made accessible to the poor, the discussion about how to accomplish this is increasingly controversial: On the one hand, the Bretton Woods institutions and their major shareholder governments tout the benefits of privatising the public sector. On the other hand, civil society organisations across the global North and South are increasingly resisting the adoption of policies that put basic services into private hands. Some privatisation measures have led to spontaneous citizen mobilisation that threatened the survival of national governments.

Where do we go and how do we get there?

While an integrated follow-up mechanism to review all of the major conferences resolutions (including the Millennium Declaration) is being worked out, can the MDGs be an effective rallying point to stimulate civil society participation? The answer is, as with most things in life, “it depends.” For international groups, the MDGs can provide an excellent base, both in terms of providing a standard to evaluate implementation, as well as to stimulate analysis (and campaigning!) on the different obstacles that hinder the achievement of the Goals.

At the national level, a local “translation” of the MDGs into national realities is needed. Since the MDGs have been formulated in a way that emphasises the situation of the least developed countries as a priority, the first impression in middle-income and transition countries tends to be “This does not apply to us.” In developed countries, only groups directly concerned with aid or solidarity with the poorest countries immediately identified with the MDGs, and in the poorest countries themselves, the civil society organisations wonder what is the difference or the added value of an MDG approach when compared to the PRSP process.¹¹ In all of these cases, civil society could become involved in the national process of “internalisation” of the MDGs, setting national goals, defining national poverty lines and strategies towards poverty eradication. It could also become highly engaged in the necessary process of creating the national (or even local) indicators and accountability mechanisms.

To link the MDGs with a particular set of policy prescriptions would be the wrong approach, no matter which policies are prescribed, precisely because there is no single “correct” policy for all societies and circumstances. At the same time, the Goals can be a source of legitimacy for the countries to pursue the policies of their choice.

Speaking during a panel discussion organised by the UN General Assembly on “managing globalisation,” Ann Pettifor, Director of the Centre for International Finance and Governance of the New Economic Foundation, said that the

proposed international insolvency framework should be overseen by the United Nations instead of the International Monetary Fund (IMF).¹² Such a framework would allow countries to deal with unpayable sovereign debts in a manner similar to that of firms facing bankruptcy.

The IMF, where the creditors have a majority, would cease being the only arbiter, perhaps becoming one in a tribunal, in which the debtor country would choose the second member and those two would agree on a neutral third, under UN supervision. What should the criteria be for such a tribunal to decide how much of the debt is sustainable and has to be paid, and which portion of the country's income should go to other priorities? The answer promising the best chance for consensus and equity is clear: the MDGs. Only after making sure that the essential services required to meet the MDGs are delivered would debt be serviced. This is similar to provision already in place in the USA for indebted municipalities.

In the same vein, a developing country should be able to demand "special and differential treatment" in meeting the obligations contracted under trade and investment agreements. The MDGs could be the objective standard in the discussion over the establishment of state monopolies, tariff protection for local production, subsidies aimed at specific social sectors, or control over the international flows of capitals. As a result, for example, exemptions to the protection of the intellectual property rights of pharmaceutical corporations (resulting in more expensive medicines) would be admitted where those rights are proven to be an obstacle to achieving the goal of curbing the spread of HIV/AIDS.

In the case of the General Agreement on Trade in Services (GATS), if liberalisation of a basic service sector is shown to undermine the MDGs after binding offers are made and accepted, an escape clause should enable developing countries to impose regulations that are not consistent with WTO rules without having to pay prohibitively costly compensation.

The process of international macroeconomic policy-making known as "globalisation" is currently enforced by the rules set at the WTO (and regional or bilateral trade agreements) and by the conditionalities imposed to indebted countries by the Bretton Woods institutions. The obscure decision-making and disproportionate weight of a handful of developed countries in those institutions, combined with the enormous (and frequently negative) social impact of the policies they have endorsed, has resulted in an unprecedented legitimacy crisis. That crisis is expressed noisily in the streets by a variety of constituencies and more silently, but not less effectively, in negotiations by officials of developing countries. On the other hand, the Human Rights instruments, the ILO conventions and the declarations of the UN conferences of the 1990s are perceived as legitimate, but also ineffective. Mechanisms like those suggested above would help reestablish balance and start building the "Development Compact," a set of negotiated mutual commitments between developed and developing countries, without which the MDGs cannot be achieved.

In such a perspective, the vibrant mobilisation of civil society around a strategy that is inspirational and viable is an asset that may be too difficult to measure, but essential for real changes.

Endnotes

¹ Roberto Bissio is the Coordinator of Social Watch.

² UN General Assembly, A/C.2/57/L.70, December 9, 2002, Fifty-seventh session, Second Committee, Agenda item 92, Integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields.

³ Social Watch Report 1999.

⁴ Easier Said than Done: Indicators 2000, preface by Roberto Bissio.

⁵ The global analyses of Social Watch reports derive from national reports written by independent civil society groups at the country level. Each national team selects one or more commitments of the 1995 World Summit on Social Development; gathers relevant information on its implementation from governmental and non-governmental sources; and promotes national public debate about its findings, starting with a formal launch of its report. The international secretariat of Social Watch provides guidelines and model questionnaires, as well as training, upon request; includes these national reports in its yearly publication; circulates information among network members; and promotes the expansion of their initiatives in conjunction with regional coordinators.

⁶ The “plus 5” processes has been criticised by some governments – particularly the United States – as time-consuming and ineffective. In the case of the Social Summit, the “plus five” review meeting (Geneva, 2000) ended without deciding to convene a “plus ten” follow-up in 2005.

⁷ A resolution calling for NGO involvement at all levels of UN work was approved, but the modalities for its implementation are still under discussion.

⁸ Paragraph 11 of the Millennium Declaration.

⁹ Mark Malloch Brown, “Meeting the Millennium Challenge,” Address delivered in Berlin, Germany, 27 June 2002.

¹⁰ “Capstone Roundtable,” Friday, September 27, 2002. Transcript available at <http://www.imf.org/external/mmedia/view.asp?eventID=126>.

¹¹ In that process for obtaining debt relief, the Poverty Reduction Strategy Papers themselves are written by the governments of highly indebted poor countries in consultation with civil society.

IFAD's Work in Support of Indigenous and Tribal Peoples: Challenges and Ways Forward

By Victoria Tauli-Corpuz

Paper presented during the International Fund for Agricultural Development's (IFAD) Governing Council Meeting held February 15 - 18, 2005 in Rome, Italy.

Mainstream development has acquired a bad name for indigenous peoples and tribals in many parts of the world. After colonization, the development enterprise played a key role in denigrating and destroying indigenous economic, cultural, political and social systems. Newly independent nation-states regarded indigenous peoples and their systems as the representations of backwardness and primitiveness. The mission, therefore, was to release them from backwardness towards modernity through the development enterprise. Their assimilation or integration into the dominant society and to mainstream development was the policy option taken by many governments. This has led to the violation of their basic rights to their ancestral lands and resources. This is why some indigenous peoples refer to mainstream development as “development aggression.” Their cynical attitude with regards development, in general, and the Millenium Development Goals, in particular, comes from such negative experiences.

Fortunately, not everything is dark and gloomy. Within the past two decades there have been positive examples of development projects or programmes which have been implemented in their communities. This came about mainly as a result of the sustained efforts of indigenous and tribal peoples to question the kind of development being pushed by nation-states, the international community and the market. IFAD is one of the few intergovernmental organizations which at its inception opted to address the issue of poverty among indigenous and tribal peoples. To be true to its mandate which is to “enable the rural poor to overcome their poverty” it has provided substantial funding and a wide-range of assistance to them. Most indigenous and tribal peoples are the poorest of the poor in rural areas.

This paper will look into some of the projects of the International Fund for Agricultural Development (IFAD) which were implemented among indigenous and tribal peoples. It will highlight the lessons learned from these and how these projects or aspects of these, reinforced or integrated indigenous and tribal peoples' perspectives on self-determined development. There is a lot to learn from IFAD's experiences which should be shared more widely with the development community. This overview paper is mainly based on desk reviews of reports and publications of IFAD. Field work is being done in a few project areas which we have identified as cases which can demonstrate good practice. These case studies will be presented in the 4th Session of the UN Permanent Forum on Indigenous Issues (UNPFII) in May 2005.

Policy Changes within the International Decade of Indigenous Peoples

In the 80s and 90s, multilateral development banks, who are the main bearers of the mainstream development paradigm, acknowledged the problems with their model. The Asian Development Bank Policy Paper on Indigenous Peoples says “... in mainstream-oriented economic development policies, indigenous peoples communities may bear a disproportionate burden of the negative social, economic, and environmental effects that such development projects may bring,

without realizing commensurate benefits.”¹ In recognition of the adverse social and environmental impacts of projects they fund and in the face of the struggles waged by indigenous and tribal peoples against these, the World Bank had to evolve social and environmental safeguard policies² for indigenous peoples and the environment. The World Bank (WB), the Inter-American Development Bank (IADB) and the Asian Development Bank (ADB) undertook poverty studies among indigenous peoples in Latin America and Asia. The Latin American studies concluded that poverty maps coincided with territories occupied by indigenous peoples.³ The ADB study on “*Indigenous Peoples, Ethnic Minorities and Poverty Reduction*” also came up with similar conclusions. These findings can be considered as indictments on the failures of development.

In the past two and a half decades, indigenous and tribal peoples stepped up their engagement with governments and intergovernmental bodies at the local, national, regional and global levels. This engagement ranges from influencing how development projects should be implemented, protesting against mega-development projects and policies which have adverse impacts on them, participating in standard-setting and policy making processes, and asserting their right to pursue their own model of self-determined development. There has been a growing relationship between indigenous peoples and tribals with the United Nations and its agencies, funds and programs, multilateral development banks, the European Commission and other donor bodies.

In the face of the obvious failures of development and with the constant challenges posed by indigenous peoples and tribals, some governments, inter-governmental bodies and donor agencies undertook policy reforms and created new policies. Within the International Decade of the World’s Indigenous People (1994-2004), policy papers on indigenous peoples⁴ were made and national laws⁵ on recognizing indigenous peoples’ rights emerged. Changes in the priorities, approaches and frameworks of development agencies and funds in terms of how they are dealing with indigenous peoples and tribals have been done. So far, the multilateral development banks like the World Bank, the IADB and the ABD are the ones which have written strategic frameworks for indigenous peoples’ development. It is worthwhile noting that the IADB for instance has looked more in depth into its practices and policies and it came up with an insight which should be stressed.⁶

The challenge for our institution is not just to increase the number of small scale initiatives that are a direct response to a specific indigenous need however, important this may be, but also to routinely include indigenous concerns in the operations that constitute the very core of the Bank’s work; the large scale national or regional projects in education, health, rural development, basic infrastructure, development of micro and small enterprise, environmental management, state reform, administrative decentralization and others. In practice this is difficult to do and requires a systematic effort to sensitize and prepare Bank officials as well as government institutions in borrower countries.

Indigenous peoples have moved beyond criticizing mainstream development towards strengthening further their own indigenous systems and elaborating what and how development should be pursued in their territories. There are various terms and concepts which they evolved to differentiate their paradigm of development from the mainstream model. The ones currently being used are self-determined development, life projects⁷, development with identity,⁸ autonomous development and ethno-development. This paper chose to use the concept self-determined development. The key elements of indigenous self-determined development will be discussed in the final section of this paper as the realization of this remains the key challenge for the development community.

IFAD and its Support for Indigenous and Tribal Peoples

We now take a look at some of the experiences of IFAD. Since its creation in 1978 a significant proportion of IFAD funds have been channeled for the support of indigenous peoples. Loan funds disbursed to support indigenous peoples in Latin America and Asia between 1979-2002 has reached USD 736 million which is around 26 per cent of total loan funds released.⁹ In 2003, it allotted USD 138.1 million loans to six projects which will benefit more than half a million indigenous and minority nationality families in China, Ecuador, India, Indonesia and Laos.¹⁰ USD 1.3 million for five grants went directly to indigenous organizations and support groups in the Amazon Basin, Brazil, Guatemala, India and the Philippines in this same year. This speaks of the importance IFAD gives to indigenous peoples and tribals. It does not mean, however, that IFAD started in the right track in its support for indigenous peoples. Just like many development agencies, in the beginning, the participation of indigenous peoples in deciding projects was absent. It was only after evaluating past projects that it realized the need to be more sensitive to indigenous peoples and to endeavour to involve them in decision-making.

This increasing sensitivity is manifested in the identification of vital issues which need to be addressed if the target beneficiaries are indigenous peoples, tribals and their communities. (see Box 1) Some important efforts were initiated to consolidate the lessons learned by IFAD from the projects supported by its loans and grants and to raise the awareness within IFAD and the general public on indigenous issues. One was through the formulation of a discussion paper¹¹ which was distributed during the World Summit on Sustainable Development (WSSD) of 2002 in Johannesburg, South Africa. Another was a Roundtable Discussion on "Indigenous Peoples and Sustainable Development" which was held during the Twenty Fifth Anniversary Session of IFAD's Governing Council in February 2003. A discussion paper¹² for this was also prepared and distributed widely. A parallel workshop was organized during this same period with civil society organizations which dealt on "Facilitating access to natural resources by marginalized groups: sharing experiences and ways forward." There was a presentation here on the struggle of the Adivasis in Andhra Pradesh to recover their tribal lands.

To further contribute in making indigenous identity and raising intercultural awareness more visible, it supported the production of a documentary about the Garo people in Northeastern India. This is called *Still, the Children are Here*. It was produced by Mira Nair, a famous producer from India, and directed by Dinaz Stafford. This was shown during the 3rd Session of the U.N. Permanent Forum on Indigenous Issues in New York and was selected by the prestigious Locarno Film Festival in Switzerland.¹³

The development of the two discussion papers in IFAD indicates a positive way forward in further systematizing the way it is addressing indigenous peoples' issues. **It is high time, however, for IFAD to go beyond the preparation of discussion papers and move towards developing a Comprehensive Framework and Strategy Paper on Indigenous and Tribal Peoples. We believe this can be done with confidence by IFAD because of its long years of experience in supporting indigenous peoples.**

The key lessons highlighted in the discussion paper done for the WSSD are the following:

1. **Duration, nature of support and adaptive planning:** Support to indigenous peoples must be calibrated to the pace of the changes and transformations taking place within each specific context. It takes a long time to enable institutional strengthening and self-empowerment. Evidence shows that process-oriented, demand-driven, participatory approaches, emphasizing self-empowerment and self-development of beneficiaries take at least ten years for sustainable impacts. Programme, rather than project support, is better suited for indigenous peoples;
2. **Security and a holistic approach:** Programmes for indigenous peoples need to have an holistic view of their livelihood systems in which culture, identity and tradition are integral aspects. Changes brought forth should be compatible with indigenous cosmogony and cultures. Support to bilingual education is essential in strengthening identity. Intercultural sensitivity training for non-indigenous populations is crucial;
3. **Strengthening traditional institutions and governance structures as a medium for empowerment.** There is a need to promote dialogue and awareness campaigns to ensure gender and intergenerational representation in decision-making bodies;
4. **Indigenous peoples as main actors in the project cycle:** Treating them as partners instead as beneficiaries and ensuring their representation in design teams ensures ownership of programmes or projects. Recruiting indigenous professionals as consultants and project directors have positive impacts;
5. **Rights-based approach to development planning:** This may be required in implementing programmes with indigenous peoples. There are many existing international and national frameworks to underpin this approach;

Box 1: Vital issues addressed by second and third generation IFAD Projects

- Secure access to, and titling of, traditional lands and territories;
- Enabling self-empowerment;
- Participatory design and implementation;
- Sensitivity to cultural issues;
- Assistance in promoting intercultural awareness and bilingual education;
- Revitalizing indigenous knowledge;
- Fostering indigenous identity and self-esteem;
- Enhancing 'agency' of women;
- Institutional strengthening;
- Promoting apex organizations as a first step towards building coalitions of the poor.

Source: Valuing Diversity in Sustainable Development, IFAD. (2002).

6. **Legal training and the establishment of legal defence funds:** Training indigenous peoples on their rights increases their awareness of their claims and enhances their participation in policy and political processes. Legal defence funds support them in asserting their rights and claims;
7. **Strengthening managerial capacity of indigenous peoples;**
8. **Central role of rights to land and resources:** Central to the issue of sustainable livelihoods for indigenous peoples is the need to secure their rights to land and resources. Funds can be allotted to provide technical and financial assistance to support negotiations in securing land right, doing land delineation, and developing land management plans;
9. **Participatory mapping to demarcate ancestral lands:** This exercise provides powerful visual instruments for discussing and reflecting concerns on gender, inclusiveness and intergenerational equity. These are also useful tools for making community land management plans, workplans and budgets;
10. **Capacity building for collective action:** Collective action brings more results in negotiations and assertions of claims;
11. **Judicious and effective use of funding mechanisms through increased grant facilities:** Grant facilities are necessary complements to loans but there is a need to increase these through new funding mechanisms;
12. **Enhancement of indigenous women's capabilities to contribute towards social transformation, agricultural and economic development and peace-building:** The need to address structural obstacles to the realization women's rights are vital for their empowerment.

Box 2: Lessons from IFAD's ongoing experience in India

- (i) Because rain-fed areas are diverse, the availability of location-specific technological solutions is crucial. Thus more emphasis is required on both research and extension in dryland agriculture.
- (ii) For the poor and other deprived groups, economic development is fundamental. More attention ought to be given, however, to empowering them through a "coalition of the poor."
- (iii) Communities have demonstrated an encouraging responsiveness to the projects. This is especially true among women. With their empowerment, substantial gains can be made in building social capital.
- (iv) Generation of self-employment has been accented, but given widespread landlessness, illiteracy and the lack of entrepreneurial abilities among target groups, the possibility of creating wage employment still needs to be explored.
- (v) While it is true that institutions and policies may not always enable transfer of titles or usufruct rights over land on a wide scale, certain changes in the ownership and usage patterns can be introduced locally.
- (vi) The lack of access to financial resources for productive investment and to absorb shocks often constitutes a major obstacle to the development of the target groups. The standard terms and conditions of FFIs and high transaction costs usually act as deterrents.
- (vii) Proper skills can alter attitudes of dependency ingrained by past welfare approaches to tribal development and the absence of a culture of savings and financial management.
- (viii) Food-security strategies that seek to replace the traditional subsistence economy with cash-crop production diminish the role of women. They may even worsen the household's food-security situation.
- (ix) The implementation capacities available and prevailing public-sector attitudes are not always conducive to a participatory approach; change will require long-term efforts.
- (x) When allowed to lead the process of capacity-building in their sectors, strong NGOs can contribute significantly. Their involvement in project implementation requires a careful analysis of approach, experience and ability to expand capacity in a short period of time.
- (xi) Building the capacity of community-based organizations (CBOs) requires effort. But it also generates greater long-term benefits. Thus the Government's recent devolution of authority to local government institutions presents an opportunity to build local capacity while ensuring the relevance of development assistance and the sustainability of benefits.

Source: Republic of India COSOP, EB 2001/74/R.11, 7 Nov. 2001.

It is encouraging to see that in most Country Strategic Opportunities Papers (COSOP), the lessons learned from previous experiences are integrated. The India COSOP of 2001 contained lessons learned. (See Box 2) It is worthwhile looking into whether these lessons effectively informed the implementation of new projects.

To be able to appreciate better how IFAD projects fared in terms of addressing indigenous and tribal peoples, we will look at how these have addressed the following:

- Securing territorial, land and resource rights;
- Strengthening indigenous and tribal peoples' organizations and governance systems, inclusion of women and youth, and capacity-enhancement;
- Revitalizing indigenous natural resource management practices, enhancing sustainable livelihoods, and creating more peaceful and stable communities;
- Strengthening cultural identities and bilingual education.

For the purposes of this overview paper, we looked at a few projects from India, Nepal and Latin America.¹⁴ The projects where field work is being done are the North Eastern Region Community Resource Management for Upland Areas in India, PRAIA in particular the Ticuna Educational Project in Brazil, and MARENASS and CORREDOR in Peru.

Imperative of securing indigenous and tribal peoples' territorial, land, and resource rights

Ensuring that the right to territories, lands and resources is respected is the basic foundation of self-determined development for indigenous people and tribal peoples. IFAD recognizes that many still do not have the legal right to live on the lands they occupied since time immemorial nor are they able to use the resources they managed sustainably for thousands of years.¹⁵ This is why it considers securing land and resource rights as a vital issue for the second and third generation IFAD projects. The land issue is very sensitive, however, so there are not many projects which explicitly state their objective as securing land and resource rights. The projects which clearly define this as their objectives are those which are done in partnership with the International Land Coalition (ILC).¹⁶ The collaboration of IFAD with the ILC and other partners made it possible to expand its programmes to assist national governments to develop policies which will recognize indigenous peoples land and resource rights.

One of the very first IFAD projects which addressed land and resource rights is the Orissa Tribal Development Project in India. (See Box 3)

Box 3: Land and resource rights in the OTPDP

In India, one of the first projects which dealt with securing land and resource rights was the Orissa Tribal Development Project (OTPD 1987-98). It had a component for land surveying which regularized titling of lands with slopes above 10 degrees. Land settlement schemes led to the distribution of 17,175 *dongar* (hill) lands to the 6,837 tribals. Titles were provided to spouses and these were registered under the names of the wife and husband. Their collective rights over community and forest land were also recognized. This was done even before the passage of the Panchayati Raj (Extension to Scheduled Areas) Act [PESA] in 1996. This Act gives the rights of ownership of minor forest products to the respective Gram Sabhas and is inclusive of all the reserved forest areas since it is applicable to all scheduled areas (Section 4(m) (ii)).

Source: India Completion Evaluation of Orissa Development Project: Seven Lessons Learned :1998.

In Latin America where the indigenous peoples' movements are relatively older and stronger than the tribal movements in India, the IFAD projects are more forthright in identifying the protection of indigenous land and resource rights. One such project is the *Sustainable Rural Development Project for the Ngobe-Bugle Territory and Adjoining Districts - Panama*. (See Box 4) PRAIA, which is one of the longest running programmes supported by IFAD had a focus on working for territorial recognition at its First Phase. (See Box 5) .Another one is the Alto Mayo Rural Development Project in Peru. IFAD ensured that a condition for disbursing the loan for this project is the requirement for the titling of lands of the Aguarunas. This led to the titling of 60,000 hectares of land.

Other activities undertaken by IFAD projects which help to secure land and resource rights are:

- policy dialogues towards policy formulation;
- the provision of legal funds to support legal cases which are related to land claims;
- Adoption and operationalization of rights-based approach to development.

Since land and resource issues are issues of rights, there should be more support for the operationalization of the human-rights based approach to development. IFAD supported a project in Nepal, the Western Upland Poverty Alleviation Project (WUPAP), which states that it will “..focus on poverty alleviation through a rights-based approach, by promoting the formation of grassroots organizations to empower the participants to mobilize their natural, physical, and financial resources to harness external resources and obtain social justice.”¹⁷ While

Box 4: Sustainable Rural Development Project for the Ngobe-Bugle Territory And Adjoining Districts: Panama

IFAD supported a process that ended the historic land exploitation by the non-indigenous farmers and settlers with the adoption of a set of laws that established the borders of the territory and restored the rights of indigenous communities. Through the project, IFAD provided economic and logistical support to the Intergovernmental Commission of the Ministry of the Interior and Justice and to the indigenous leaders involved in negotiation of the laws. To ensure informed participation in the process, IFAD also supported the dissemination of the laws and financed various general and regional congresses. According to the constitutional chart of the Comarca, which establishes communal ownership of the territory, traditional authorities are responsible for equal utilization of the land by its inhabitants. To strengthen community leaders' capacity to carry out this task, the project provided training in planning and administration. A new phase of the project has been signed. It will focus on natural resource management, taking traditional practices into account, and has expanded the project area outside the Comarca in order to stimulate intercultural relations and access to markets.

Source: Evaluation Report (2001) quoted from "Valuing Diversity In Sustainable Development, IFAD (2002).

Box 5: Regional Programme in Support of Indigenous Peoples in the Amazon Basin (PRAIA)

The first phase of the programme focused on territorial recognition – the main concern of indigenous peoples at the beginning of the 1990s, when indigenous organizations were struggling for territorial recognition, for their right to be considered citizens on an equal basis, and for the right to preserve a different cultural identity. During that phase, the programme supported political dialogue, legal reforms, territorial recognition, bilingual education programmes and a number of productive projects. Now, ten years later, most of the Amazonian countries have adopted constitutional reforms and legislation that recognize the rights of indigenous peoples located on approximately 100 million ha of land.

Source: Report and Recommendations of the President to the Executive Board for PRAIA Phase 111, April 2003.

Box 6: Adoption of Rights-Based Approach – Nepal

The Western Uplands Poverty Alleviation Project (Nepal) was the first IFAD project to adopt a rights-based approach. Its aim is to reduce the high level of discrimination towards ethnic minorities and women by:

- (i) sensitizing communities and civil servants on human-rights issues;
- (ii) offering financial incentives to communities that meet specific social objectives;
- (iii) raising awareness of constitutional rights through studies and information campaigns;
- (iv) furthering policy dialogue by reporting human-rights violations, training people on rights issues, and funding policy reviews and measures promoting dialogue with community organizations; and,
- (v) establishing a legal fund to defray the costs of legal action.

Source: IFAD Formulation and Appraisal Reports (1999, 2001), quoted from Indigenous Peoples and Sustainable Development: Discussion Paper, 2003.

the description of the activity (See Box 6) does not refer to land and resource rights, the fact that it wants to adopt the rights-based approach in itself is laudable. There is a lot of talk about the human-rights based approach to development but much remains to be seen in terms of its implementation.

Another activity which will help further secure land and resource rights is the participatory mapping of territorial boundaries. The Philippines is a country where there is an Indigenous Peoples' Rights Act (IPRA) which recognizes the rights of indigenous peoples to their ancestral domain. There are defined processes in the Implementing Rules and Regulations (IRR) of this law and one of these is mapping of the ancestral lands. IFAD has supported some of the mapping activities in the Philippines. (See Box 7)

There are other projects which has land delineation as a component. These include the Regional Programme in Support of Indigenous Peoples in the Amazon Basin (PRAIA). The North Eastern Region Community Resource Management Project for Upland Areas (NERCRMP) also initiated training workshops on *Participatory Community Mapping and Land Use Planning through 3D-modelling*. These included hands-on training and field testing which were conducted in the village of Sasatgre in West Garo Hills in the State of Meghalaya, Community mapping experts from the Philippines were also involved in ancestral land mapping projects in the country were hired to do this workshop. Positive feedback emerged from this experience. (See Box 8)

Lessons Learned

Box 7: Self-Delineation of Ancestral Domains –The Philippines

The IFAD-funded Cordillera Highland Agricultural Resource Management Project (CHARM) has supported a process of participatory mapping that includes three-dimensional mapping by the people, ground surveys and delineation of ancestral domains. The mapping activities follow the principle of 'self-delineation' as mandated by law. Both traditional and state of the art technology, including the Global Positioning System, are used to ensure accuracy of the data gathered and to minimize costs.

Source: Philippines Association for Intercultural Development, IFAD/NGO ECP Grant Proposal (1998-2001) quoted from Valuing Diversity for Sustainable Development.

Many lessons can be learned from the efforts of IFAD to ensure that the right of indigenous peoples to their territories and resources is at the center of development efforts undertaken with them. The Discussion Paper "Indigenous Peoples and Sustainable Development" which came out during the 25th Anniversary of IFAD summarized some of the lessons learned. (See Box 9) We will add some more points to these.

Additional insights and lessons learned are the following:

Box 8: Evaluation and Feedback from the Participatory Community Mapping and Land use Planning through 3D-modelling

- Now that we have completed this 3D model, we can see the boundaries of our Akhing land which we have never seen before;
- We can see clearly which part of the Akhing land has the forest, and which part is used for jhumming;
- I believe this the most useful learning for our community as a whole. We can identify very easily how many streams and water sources there are in the Akhing land and easily identify areas to source drinking water;
- When we plan for jhumming next year, we don't need to go to the actual sites to portion the homesteads. We will come to the 3D and sit around it to decide which part of the Akhing land we will use for jhumming;
- We can tell our children what the boundary of the Akhing land is, teach them what areas for orchards and apal and other uses, so that they will know how to preserve the streams and the forest.

Source: Workshop Report: May 2003.

Box 9: Lessons Learned in Securing Indigenous Peoples' Land Rights

- It is essential to initiate a dialogue on indigenous rights with governments and to exploit any treaties that governments may already have ratified. These include the International Labour Organization (ILO) Convention 169, Convention 107, Convention on Biological Diversity, Convention on the Rights of the Child, etc.;
- Participatory mapping of territorial boundaries is consonant with the principle of self-determination, which in turn is a precondition for building ownership and hence sustainability;
- Legal recognition of demarcated lands lays the groundwork for participatory preparation, implementation of land management plans which incorporate indigenous knowledge systems;
- Indigenous women often do not own lands and production resources even if they are key in forest management, agricultural production and other livelihood projects. Significant awareness-raising is needed to change this situation in a culturally sensitive way;
- The struggle to assert land rights changes mindsets and enhances the confidence and capacities of formerly submissive men and women. Appropriate support must be provided for unplanned initiatives even if these are not directly related to production.

Source: Indigenous Peoples and Sustainable Development: Discussion Paper, IFAD, 2003.

- The human-rights based approach to development is a very appropriate tool to further secure the rights of indigenous peoples to their territories and resources. This is a framework which has yet to be fully operationalized and implemented by development agencies, funds and governments;
- IFAD can play a very positive role in fostering dialogue between indigenous peoples and governments and encouraging and supporting governments to adopt and implement the human-rights based approach to development;
- It is important to sustain awareness-raising and training workshop seminars among indigenous peoples on what their rights are in national and international law so they will be able to use these tools more effectively. Not many indigenous peoples in the Philippines know about the existence and substance of the Indigenous Peoples' Rights Act, for example. In India, this may also be the case with the Panchayats Raj (Extension to Scheduled Tribes). More funding support should be provided for awareness-raising activities.

Strengthening indigenous and tribal peoples' organizations and governance systems, inclusion of women and youth, and capacity-enhancement

Integral to the empowerment process of indigenous peoples is the recognition and respect of their right to use and strengthen their own socio-political systems. Colonization and modernization have undermined these systems but there are still many indigenous communities which managed to sustain their traditional systems of governance. Many traditional leaders gain their status not by money or influence but because of their wisdom and consistency in living by indigenous values and sustaining community solidarity. Some IFAD projects provided support for the revitalization of these systems. In addition to this, IFAD projects also helped to strengthen the democratic content of these systems by infusing the aspects of gender and intergenerational equality and implementing demand-driven participatory methodologies and participatory decision-making processes.

Participation is a key issue for most indigenous and tribal peoples as their history has been a history of exclusion from decision-making in development activities and from governance bodies. Their consent to many of the projects brought into their communities has not been sought by governments nor by the development agencies. What IFAD has done is to ensure that meaningful participation of indigenous and tribal peoples becomes a key component in all the phases of development work. In the past, social mobilization and community participation were merely seen as a mechanism to prepare the people for the delivery of services. Most of the state agencies and the personnel involved in implementing the projects still possess the paternalistic mindset and attitude that it should be the state which will be centrally involved in development activities. Even the labels used for indigenous and tribal peoples have an effect on how the state deals with them. In India tribals are officially labeled as primitive tribal groups (PTGs). This immediately conjures an image that these people could only be wards of the state and be objects of development, not subjects of their own development.

It is without any doubt that IFAD's insistence on the centrality of participation in projects it supports played a key role in reshaping the attitudes of those in the government bureaucracies and even NGOs who got involved with these projects. Since the state plays a key role in either creating dependency or empowering indigenous and tribal peoples, the evaluation point on the role of the state in the APTDP is worth highlighting. (See Box 10)

IFAD's projects helped in setting the norm of participation into the tribal development scene. Thus, it is not enough to be limited to the objective of increasing employment through labour-intensive programs. Now, we can speak of direct involvement of indigenous and tribal peoples in shaping programme and project management which are community-initiated, executed and monitored.

Box 10: The Role of the State in Participatory Processes

The evaluation recognizes that the state, too, has a crucial and concurrent role to play in participatory processes, in particular by promoting a favourable environment that can lead to the erosion of the 'dependency culture' that is deeply rooted in tribal societies, which are accustomed to receiving services and resources from the 'top.' This 'dependency' not only suggests the need to develop self-reliant tribal communities that take charge of their own decisions and their own resource allocation, but also refers to the 'dependency' that has arisen in the Government apparatus and among Government officers supporting tribal development, that is, the project officers, ITDA staff and others whose performance is largely assessed on the basis of the "results achieved" in tribal development. Therefore, project-related staff often focus on targets and output achievements. Consequently, their approaches do not necessarily favour more open and lasting participatory development, which, by the nature of the concept, requires a longer term investment and is a more laborious process, since the necessary incentives and motivations are lacking. It is therefore important to build a culture in which people are not so much accountable for the 'results achieved,' since results are not exclusively in the

hands of a single person or institution, but are accountable for their ability to manage in order to achieve results.' In sum, overcoming the dependency culture requires a paradigm shift whereby needs are addressed from both angles.

Source: Completion Evaluation of APTDP, EC 2002/30/W.P.4, 31 Jan. 2002.

They can now reclaim their self-determining status to be the primary actors in managing their natural resource base and creating sustainable livelihoods for themselves.

The recommendations from the Completion Evaluation of the Andhra Pradesh Tribal Development Project reflects the changes which have emerged from out of the experiences in doing participatory processes. (See Box 11)

The shift from supply-driven approach to demand-driven service provision has remarkably contributed in making indigenous peoples the key decision-makers in their communities. The experiences in Peru with the IFAD project called MARENASS (Management of Natural Resources in the Southern Highlands Project) and the Puno-Cusco Corridor Project (CORREDOR) attests to this. (See Box 12)

In the evaluation of many IFAD projects, one outstanding practice is the organization of village-level organizations, which come under different names (Village Development Committees, Village Tribal Development Associations, etc.)

Box 11: Recommendations on Participation

- Participation should not be confined only to specific activities. Instead, it is necessary to devote attention to local-level institutional development in order to promote grass-roots participation and empowerment following the 'development ladder approach.' This could consist of the institutionalization of SHGs, village development committees and cluster-level (apex) organizations of village development committees, which should all be organically linked, nurtured and facilitated. In this way, participation will not be merely a process determined from the top into which those below are involved.
- Participation as a means of empowerment does not involve only the delegation of the powers of project functionaries. It includes the entrustment of functions, funds and control to participatory groups at the local level. The building of groups and the development of institutions that are nurtured over a period of time result in a successful empowerment process.
- Participatory processes can be better sustained beyond the project period if they are institutionalized within existing structures and programmes. This lesson was established during the IFAD Country Programme Review and Evaluation in Vietnam (2000).
- Training and capability development for social mobilization should be an integral and regular aspect of project design and implementation. They should not be a one-time affair or training modules implemented in an ad-hoc manner. Given the limited quality of the training institutions (specific to tribal scenarios) in Andhra Pradesh, adequate investments for the development of resource persons, resource materials and training methodologies must be provided on a long-term basis. The institutionalization of the expertise and training skills generated needs to be given careful attention so that the capabilities that are developed become sustained.
- The project design should make provision for the involvement of competent NGOs in activities such as the social mobilization at the grass roots, awareness-building and the training of tribal people, as well as in service provision in selected areas depending on the comparative advantage of the NGO. It is recommended that NGOs be identified and selected during the project design process, so that different project partners are aware of each others roles and responsibilities. Selected NGOs should become part of the design process, following a thorough capacity assessment of each institution.
- Supervision missions have played an important role in changing administrative behaviour and in providing implementation support. It is extremely important that the composition of supervision missions is based on specific project requirements and that adequate financial resources are available for this activity.

Source: Completion Evaluation Andhra Pradesh Tribal Development Project, 2002

Box 12: MARENASS and CORREDOR

The fundamental change in the approach to rural development in the poor Southern Highlands has involved the shift from traditional, supply-driven state extension and related services to the empowerment of farmers by meeting their demands for investments and services of their own choosing. The change has strengthened peasant communities and women's organizations as the driving force of development. It has helped to empower communities by making them directly responsible for the management of financial, natural and social resources and by strengthening community organizations. Poor marginalized communities are now involved in civil society and the formal economy.

The strategy of transferring decision-making power and authority over resources to the communities and families has had a positive impact by increasing their revenues and assets and helping strengthen the legitimacy of community responsibility for planning and administration of collective resources. The transfer of decision-making capacity to poor peasant communities has resulted in the acquisition by these communities of rights and abilities as 'persons and citizens' and has enabled them to become active economic and social protagonists who exercise their rights as citizens. In turn, this has reinforced the self-esteem of poor populations.

Source: Case Study: Scaling up Innovative Project Strategy Approaches for Poverty Reduction in the Southern Highlands of Peru. March 2004.

and self-help groups (SHGs). The Village Development Committees which were created in the project areas of the North Eastern Region Community Resource Management for Upland Areas (NERCRMP) in India is one of its most innovative features. These committees are composed of the poorest members of the villages and include women and the youth. (See Box 13)

The author had a discussion with an evaluator for this specific project and asked her what was the single most impressive aspect she found out -- her reply was the vibrancy of the Village Development Committees. She said that this has really shifted the power dynamics in many communities as with these VDCs, the very poor members of the community were involved as well as the women and youth. I asked her how these VDCs converge with the traditional leadership structures which are still strong in many of the project areas. A representative of the traditional Village Council sits in as a member of the VDC so the tensions between the new and old formations are not very distinct. The work in this area might have been benefited from the lessons learned in the experiences of the Andhra Pradesh Tribal Development Project.

The APTDP lacked a coherent strategy to ensure the convergence of community institutions with the traditional power structures. On top of these, there

Box 13: North Eastern Region Community Resource Management for Upland Areas

This project has a component called “Capacity-Building of Communities and Participating Agencies” and the defined objectives are the following:

- Establish viable, equitable and sustainable village institutions;
- Promote community self-reliance;
- Integrate women into community-decision making processes;
- Reorient the local power structure so that it reflects the interests of the marginalized groups in the community;
- Contribute to change towards a bottom-up and people-centred planning process.

The strategy to meet these is the establishment of Village Development Committees (VDCs) which will manage and monitor the implementation of the project and this comprise representatives of the Village Councils, women, youth, resource poor households and other community-based organizations.

Source: Appraisal Report: 1997.

were also tensions with the existing government structures. This has weakened the bargaining power of the community with the existing power structures. One recommendation which emerged from this experience is that there should be a more systematic investigation of the nature of traditional authorities. Necessary links between the new and old institutions should be recognized and established.

The observation of the evaluator of the NERCRMP was affirmed by the findings of the 2002 External Review of IFAD. This concluded that one of the most significant impacts of IFAD is its creation of social capital and people empowerment. (See Box 14)

Promoting Gender and Intergenerational Equity

Ensuring participation of indigenous and tribal women and youth in IFAD-supported projects has been a conscious policy from the outset. This cuts across all the various projects which were reviewed. The activities used to increase women's agency range from:

- raising their awareness of their rights as indigenous peoples and as women;
- economic empowerment through improved access to credit for productive activities;
- literacy trainings;
- increased participation in project implementation units and political-administrative entities;

Box 14: Impact on Social Capital and “People Empowerment”

The ERT (External Review Team) found some of the most impressive innovations – and impact – in the creation of social capital and people empowerment. True, there has been a general recognition that the more decision-making is performed by people affected by a development activity, the greater their sense of ownership and the better the prospects for an effective use of resources. The project activities reviewed provide strong evidence that IFAD has taken advantage of numerous opportunities to build social capital; indeed, rural people’s organizations have been encouraged in a majority of the projects reviewed. IFAD has made commendable efforts towards increasing the self-help capacity of local communities, while also seeking to decentralize traditional government services so as to bring decision-making close to the people in the project area. However, the varying degrees of progress made in this area in the different countries reviewed clearly indicate that cultural traditions and current government policies are critical determinants in the effectiveness and speed with which IFAD is able to reproduce more participatory approaches in project formulation and implementation.

Source: External Review of the Results and Impacts of IFAD Operations, 2002.

- capacity-enhancement and women’s leadership trainings.

It has been proven that by involving them in one or more of these activities, women end up playing leadership roles in mixed formations not only in the community level organizations but even in apex bodies.

There is a wealth of experience in building self-help groups, with women being the main members. Most of the projects in India have SHGs as integral components of the projects. In a recent women’s leadership training we held in Northeast India in October 2004 where tribal women from the seven States participated, they said that the self-help groups - which IFAD projects have initiated - are still very active even if the IFAD-funded projects have ended. The tribal women are now managing their own self-help groups and these are not only sources of credit but spaces for leadership development of women. This is one example of how community institutions built through projects did not only exist for service delivery or acceptance purposes but became platforms for community participation and empowerment. The APTDP and the Tamil Nadu Women’s Development and Empowerment Project show these gender impacts:¹⁸

In the Tamil Nadu women’s SHGs there was an increase in women’s mobility, interaction with officials, increase in women’s intra-household decision-making powers, more prominently in the areas of children’s health, and the use of household assets. Women’s groups have also been tackling issues of domestic violence and alcoholism

Box 15: MARENASS: Women as Key Decision-Makers

Women's groups were entrusted with the administration of small funds providing small amounts of credit for the development of micro businesses such as agricultural production and livestock breeding and fattening. Some groups are also working to preserve biodiversity through the recovery of seeds of native species and the development of small nurseries. The fund has been successful: average capitalization is around 50 percent. Ideas about social and family equity disseminated through gender and other types of training, combined with the increased empowerment of villagers, have led to a fairer distribution of benefits among the poorest. Women especially, now enjoy improved status due to training and their increased ability to manage funds. The greater visibility and prestige of women – of their productive and reproductive roles and contribution to the family – have also led a more equitable sharing of responsibility within families, further enhancing women's status and position. Women and children have more free time to spend on improving their living conditions and concentrating on education. Women will need to have access to further training in managing microcredit and micro businesses as continued support for their roles as key decision-makers.

Source: Tales of the 21st Century, IFAD, August 2000; Giving people a chance: the value of Opportunity, IFAD 2002.

among men. Young widows were reported to overcome restrictive social norms by insisting on continuing to wear decorative accessories.

In the APTDP the women's SHGs even took up contracts for constructing minor irrigation works and school buildings. Where these SHGs formed clusters as in the still continuing APTDP and Maharashtra, the cluster level organizations also began to take on the functions of NGOs facilitating the development of new groups. On the other hand, the promotion of wet rice cultivation in terraces led to an increase in men's control over household income, as rice is seen as the 'male' crop, while swidden crops are 'female.'

MARENASS has a rich experience in involving women in the various components of the project. An assessment of the impact on the women can be seen in Box 15.

Revitalizing indigenous natural resource management practices, enhancing sustainable livelihoods, and creating more secure and stable communities

IFAD correctly analysed the relationship between natural resource management, sustainable livelihoods, cultural and indigenous and tribal peoples' concept of self-determined development.¹⁹

Box 16: Land Rights: An Incentive to Manage Natural Resources

The IFAD-supported Orissa Tribal Development Project in India provided titles to land above 10 degrees in slope to tribal groups for the first time in Orissa. Land occupied by tribals became transferable to women in the form of inheritable land titles (dongo pattas) in perpetuity. Project supervision missions pointed out that such land titling led to major improvements in natural resource management (NRM), with the incentives derived from clear property rights. Comparisons between project areas where land titles had been granted, and adjacent open access areas, illustrated dramatic differences in land quality. The positive impact of the project on NRM has been a central feature of the policy dialogue with the government prior to the second phase of the project, during which the entire state will hopefully be covered.

The Andhra Pradesh Tribal Development Project (APTDP) has also contributed to a major shift in NRM policy. By building community NRM institutions and supporting a village-based NRM extension training programme (where villagers act as animators in resource planning at the local level), the project demonstrated that tribal groups successfully managed natural resources at the community level. The experience was central to the decision by the Government of Andhra Pradesh to support a virtual surrender of sovereignty of land to tribal groups.

Both these projects in India have attempted to foster community involvement in developing the natural resource base with the micro-watershed as the planning unit. This approach usually cannot be realized without secure (individual and community) land rights and without community participation in planning.

Source: UNOPs Supervision Reports of Orissa and Andhra Pradesh Tribal Development Projects, June 1996: Quoted from Assessment of Rural Poverty: Asia and the Pacific, IFAD, 2002.

The close interdependence of most indigenous livelihood systems with the natural environment, reflected in their ethical, cultural and spiritual values, means that indigenous peoples can offer many lessons not only for survival but also achieving a better quality of life and managing the environment sustainably. In fact, indigenous peoples' notions of development are holistic and hence different from mainstream development practice. They aspire to protect and enhance their identity and cultural integrity, together with their land and their right to self-determination. In this context, it is even more important that development initiatives are culturally sensitive and take into account the needs and aspirations of indigenous peoples.

IFAD's development thinking, undoubtedly, is being reshaped through its long years of engagement with indigenous and tribal peoples. This is very much evident around the thinking on natural resource management, indigenous knowledge systems and sustainable development. The summed-up experiences of IFAD

in working with indigenous and tribal peoples would show that the holistic development approach which is undergirded by human rights is the model which will have the highest possibility of success. An excellent example of these various linkages is illustrated clearly in the experiences in India. (See Box 16).

Some NRM projects implemented by indigenous peoples assume unique characteristics because these are usually infused with the traditional natural management practices. One example of such a project is MARENASS (Management of Natural Resources in the Southern Highlands Project - Peru). This is a special project of the Ministry of Agriculture of Peru launched in 1998 in response to the grim situation of poverty and the deteriorating condition of natural resources in the Southern Highlands. It is complemented by the Puno-Cusco Corridor Project (CORREDOR). MARENASS focuses on natural resource management while CORREDOR strengthens the organizations and households and facilitates the linkages between the community and the market. This region is the homeland of most of the indigenous peoples in the country. It is the poorest region in the country with a poverty index of 2.6 per cent compared to the national average of 2.0 per cent. By its very title, it is clearly focused on natural resource management. The challenge for these projects is how to alleviate poverty in this region through the sustainable use of its natural resources. The other challenge is how to bring about physical and economic benefits without losing their identities and cultures as indigenous peoples.

As pointed in the earlier sections, MARENASS is one of the IFAD projects which benefited from the shift towards demand-driven service management away from supply-driven state extension services. This has made possible the empowerment of indigenous peasant organizations and women's organizations as these are now the ones directly managing the financial, social and natural resources in their territories. They are now the ones who will decide what kind of technical services and technologies they need and who they will hire to provide these technologies. These two projects have devised a system whereby the communities assume the role of policy-making, regulation, guidance and facilitation, while economic activities are left to the families and households. In this way the indigenous world views and practices are used as guideposts in shaping the way the communities work out their development. They have devised and used planning tools and incentives which conform to their indigenous worldviews and ways of life. (See Box 17 and 18)

Because of the conscious process of devolving the management of the project to the communities there is a strong sense of ownership over this:

The families and communities participating in MARENASS have taken ownership of the project and, with it, of something that they feel was theirs already: the terraces, the houses, the water, the pastures, a technology with a high labour content that produces high returns with little or no external input. But above all, they have taken ownership of a 'friendly' project that has offered technologies that are within their reach and rooted in their culture and ancestral practices. The project's sustainability

Box 17: Talking Maps as Planning Tools

Indigenous households, organizations and communities establish goals and plans of action with the use of talking maps. This is a collective way of representing the past, visioning the future and planning the present through the use of symbols as seen in their crafts and birth to death rituals. The process of putting the talking map together strengthens the collective “dreaming” effort of the community, a process which is part of the collective decision-making processes.

Source: Valuing Diversity in Sustainable Development, IFAD. (2002)

Box 18: *Pacha Mama Raymi* “Festival of Mother Earth”

This is a methodology that draws upon the cultural, mythological and religious traditions of the local. It is a methodology that draws upon the cultural, mythological, and religious traditions of the local Andean communities that relate to the cultivation of ‘Mother Earth’ and which allow for the management of productive natural resources whilst respecting the vision and needs of local farmers. *Pacha Mama Raymi* uses competitions to promote new technological practices amongst villagers to improve natural resource management, agricultural production and living conditions. The families or communities who best apply the advice provided by technical staff and who achieve the top results earn a cash prize presented at a Mother Earth festival. The competitions are a catalyst, an efficient and effective means of sharing, disseminating and replicating local technological innovation throughout the entire project area.²⁰ This is an innovation on the collective sharing of ideas and experiences that happen usually at the village level. The maximization of the festivals and the addition of a competitive element “which utilizes the natural competitiveness of these inhabitants of the Andes”²¹ has been an effective tool in information and technology dissemination.

depends largely on this concept of ‘regaining ownership’ and on acceptance of the idea, oft-repeatedly by the community members ‘We are MARENASS.’²²

In terms of strengthening the community organizations and empowering the women, the MARENASS experience also has something to show.

Because of their work with MARENASS, “community councils have been re-established or strengthened through the official designation and recognition of the communities, training of community leaders, selection and planning of joint activities (community plans) for the capitalization of social goods or community assets or the regulation of their use. Community leadership has been

strengthened as a result of greater recognition and appreciation of the functions of the community councils.”²³ Community organizations have been legitimized and strengthened with the development and transfer of responsibilities – planning, managing funds and overseeing family and community natural resource management processes, regulating grazing in communal areas, participating in competitions between communities.

Traditionally, women have been responsible for feeding and herding animals and for small-scale sales of small species and agricultural products. With MARENASS they now have assumed additional roles. Groups of organized women (OGW) are now themselves operating microenterprises from agricultural production and livestock breeding and fattening to micromarketing and microcredit operations. Others have started their native seed recovery efforts and management of small nurseries as part of biodiversity preservation. The economic benefits from the project by families have been most felt by women, most especially those which related directly to the home, like animal husbandry and crop production.

In terms of building more peaceful and stable communities some IFAD projects also contributed to this. The APTDP (Andhra Pradesh Tribal Development Project) helped reduce the intensity of conflicts in Andhra Pradesh. The role of IFAD as a peace builder was seen through this project. (See Box 19)

IFAD also played a role in raising the awareness among Government and civil servants that the way to deal with the protest movement is to understand the root causes of the conflict and to address these. The lack of access to land and the non-recognition of the rights of indigenous and tribal peoples to their ancestral lands is one of these root causes of many armed conflicts. This is true in Andhra Pradesh, Sri Lanka, Philippines, Guatemala, among others. In the case of Andhra Pradesh, the advocacy role of the APTDP led the government to distribute land to tribal peoples in Bhadarachalam and other Integrated Tribal Development Agency (ITDA). The APTDP also instituted participatory contract procedures for the construction of irrigation, soil conservation works and other related activities. Outside contractors were subsequently banned from the tribal areas and all public works are executed by the village-level self-help groups.

Operations of money-lenders, traders, middle-persons, etc. were regulated so that the tribals will not be cheated and mercilessly exploited. Aside from all these it helped build and strengthen peoples' participation and their exercise of self-determination through the community coordination teams, village tribal development associations (VTDAs), SHGs, village development committees, among others.

Many indigenous and tribal communities have been and are still sites of armed conflicts. The situation described earlier in Andhra Pradesh is not unique. In indigenous territories which are post-conflict areas there is a lot to be desired in terms of how the state is addressing the roots of the conflict. So even after the

Box 19: IFAD as a Peace Builder

The APTDP offers an unusual, possibly unique opportunity to examine the role IFAD can play in conflict resolution, in particular since, because of it, one can assess the relationship between a radical protest movement, Naxalism, and the operation of a participatory development project in tribal areas. During the 1970s and 1980s, the project area witnessed a campaign of varying intensity mounted by the Peoples War Group (PWG), which in its early stages at least appears to have been motivated by a genuine desire to end the exploitation of tribal peoples and to achieve for them a measure of social justice in terms of land, resources and opportunities. At that time, the PWG served to highlight the problems of the tribal people and the urgent need for measures to protect them, in particular by putting an end to the alienation of their tribal lands and their exploitation by unscrupulous money-lenders and middlemen.

What made the APTDP different from other interventions aimed at the advancement of tribal people? Primarily, one must record that the APTDP was the first project exclusively devoted to the development of tribal people that was supported by an international organization in Andhra Pradesh. The mere involvement of IFAD in such a sensitive area was seen as a serious effort by the Government to respond to tribal disaffection and exploitation. IFAD provided a silent bridging leadership, playing the role of a facilitator that could be trusted and was committed to furthering the interests of the tribal communities.

Source: Completion Evaluation Andhra Pradesh Tribal Development Project, 2002.

conflict has been resolved there is still a lot of insecurity because of this. According to IFAD:²⁴

A critical step in post-conflict situations is to help the rural poor to 're-establish' themselves as independent producers. It is essential to recognize that time is needed to rebuild trust among stakeholders. A strong gender focus is also necessary not only because the number of woman-headed households usually increases during and after periods of strife, but also because women can act as effective peace brokers. Finally, reconciliation at the community level is best fostered by enabling a genuine decentralization process that helps grass-roots organizations to undertake fully transparent and demand-driven community development actions. IFAD has found that allowing the communities themselves to control how their living conditions will be improved can foster a powerful process for consolidating peace.

Guatemala is one of the countries which has the longest and most violent armed conflict in Latin America. The majority of around 200,000 people who were killed are indigenous peoples. After the peace negotiations up to the present the situation has not really significantly improved for the indigenous peoples.

Box 20: Peace and Reconciliation Programme for Rural Development and Reconstruction in the Quiche Department (PRODERQUI) and the Rural Development Programme for Las Verapaces – Guatemala

Both programme areas were hit by institutional violence in the early 80s and also had the weakest socio-economic indicators. Both programmes are executed by the National Peace Fund (FONAPAZ), the Government entity responsible for coordinating the implementation of the Peace Agreement. In both, a flexible, phase-by-phase approach is being applied to ensure the building of confidence among the more vulnerable populations. The focus is on strengthening grass-roots and community organizations in their planning and implementation capacity. Programme management is decentralized into municipal offices, channeling most of the service delivery activities through local NGOs to strengthen relations between the public sector and civil society.

The International Land Coalition is also providing a grant to the Verapaz Union of Community Organizations (UVOC) to strengthen the negotiating capacity of their members in resolving conflicts related to land disputes.

Source: Appraisal and President's Reports, 1997-1999: quoted from Valuing Diversity in Sustainable Development.

IFAD supports two projects which are aimed to help reconstruct the communities social structures and restore confidence in the local authorities. (See Box 20)

Strengthening cultural identities and bilingual education and revitalizing indigenous knowledge systems

It has not been a usual practice among development agencies to include culture in their programs. It was only very recently that the cultures and knowledge systems of indigenous and tribal peoples were regarded in a different light. The right to practice one's culture, speak your own language and maintain a distinct identity is one of the key demands of indigenous and tribal peoples. The misrepresentation of indigenous and tribal peoples cultures and histories is one of the injustices done to them. Written histories of nation-states rendered them invisible even if they played major roles in independence struggles. IFAD realizes that:

there is a growing awareness that the recognition and strengthening of local cultures not only preserves cultural diversity, but also enhances a sense of identity and social cohesion. This is particularly true with indigenous peoples. Culturally sensitive approaches to addressing the specific needs of indigenous peoples have shown that strengthening cultural identity and promoting sustainable socio-economic development are mutually reinforcing, rather than mutually exclusive, objectives.²⁵

Box 21: Ticuna Educational Project

The general purpose of the Project is to give the indigenous teachers the conditions to plan and manage their formal education - strengthening the pedagogical and administrative autonomy of the schools – understanding the school as a space for creation, reflection and political action, compatible with the expectations and needs of the communities, with their self-determination projects. Most specifically, the project's objectives are to implement a differentiated quality school, giving value to the mother tongue and traditional knowledge, stimulating the maintenance of art and culture and its diffusion in and out of the country, promoting health, defending the land and its natural resources, and also to defend the Indigenous people's rights and that of the citizenship.

The main activity is the training of the Ticuna teachers, though since 2002 other ethnic groups such as the Kocama and Kaixana were admitted for the teacher's Program. But there are also other programs, which activities maintain a close relation with the educational process that will better the life of the population. They are programs focusing on health, environment, art and culture, linguistics, production of didactic materials, school-library, structuring of the curriculum's proposal, pedagogical follow up, management of the school, rights of the indigenous people and the citizenship

Source: Vanessa Mara, Ticuna Educational Project: Case study of a successful experience in the Brazilian Amazon, 2005, unpublished paper.

Supporting bilingual education is a culturally-sensitive approach which is crucial for the perpetuation of indigenous language, culture and values. A very interesting project which is a component of PRAIA is the Ticuna Educational Project. (Box 21) The Ticuna is an indigenous people who live in the vast frontier region of the Amazon between Brazil, Peru and Colombia. This project has trained 212 Ticuna teachers in 1997 who are qualified to teach and more are undergoing training. They organized themselves into the General Organization of the Ticuna Bilingual Professors (OGPTB) to ensure that they can sustain their autonomy in their educational process. Upscaling and replicating this project should be considered by IFAD in its future work.

The revitalization of indigenous knowledge systems has also been a priority for IFAD. They have observed that the livelihoods of indigenous and tribal peoples can be safeguarded through this. Projects which blend indigenous knowledge with modern technology are also supported. Some project activities around this concern are the following:

- Revitalizing traditional soil and water conservation methods and cropping systems in project areas;

- Revival of traditional, low-cost and efficient technologies like percolation ponds, pitcher irrigation;
- Traditional water harvesting projects;
- Revitalization and documentation of traditional health systems;
- Technology blending.

Challenges Ahead

This overview did not cover the whole breadth of IFAD's work with indigenous and tribal peoples. From what is written here, though, we can already see that two and a half decades of work with indigenous and tribal peoples has already resulted into positive results. No doubt, there are also weaknesses, but this was not the focus of this paper. This additional effort to do a scoping exercise of where IFAD is, with regards its support to indigenous and tribal peoples, is still skimming the surface. As mentioned earlier, there are ongoing field studies in a few selected places. The results of these will be presented in a side event during the 4th Session of the U.N. Permanent Forum. So this is still a work in progress.

What we are hoping is that with this effort, IFAD will be able to have a better appreciation of its strengths and build upon these further. From this modest study alone we can say that IFAD is contributing significantly in achieving the Millenium Development Goals, especially in relation to indigenous and tribal peoples. IFAD should enter into more dialogues with indigenous and tribal peoples so that joint recommendations can be made on what are the next steps.

During the panel at the Permanent Forum, time can be set aside to discuss this in more detail. The U.N. Permanent Forum will provide the space for more dialogues with IFAD.

To help IFAD think further ahead, I will append a last section (See Annex, next page) which is a brief overview of the concept of indigenous self-determined development. This is also a work in progress and it is just an attempt to spin off more discussions.

On behalf of Tebtebba, and also on behalf of the Permanent Forum, I would like to thank wholeheartedly IFAD for supporting this endeavour and for the genuine partnership it has been extending to indigenous peoples. We will be looking forward to more collaborative endeavours and exciting challenges in this partnership.

Annex**Self-determined Development**

The point stressed by indigenous peoples and tribals many times over is that the paternalistic and assimilation oriented policies designed and implemented by nation-states for decades failed to bring meaningful and tangible benefits to them. At worst, their autonomous and self-governing communities, poor they maybe, were destroyed. Development projects, whether brought in by the state, the private sector, or non-government organizations, succeeded in weakening or destroying indigenous cultural, social, political and economic systems. The strategy of *indigenismo*, in the 50s to 60s, defined how Latin American states structured their relationship with indigenous peoples. It was unilaterally designed by the state and its only goal was to integrate the indigenous peoples into the nation-state. Indigenous peoples were asked to forget about their distinct identities, cultures, languages and autonomous ways of life and help constitute one national identity, shift their subsistence production towards intensive agriculture and commercial manufacturing, and speak Spanish. As Demetrio Cojti Cuxil, a leader of the Maya peoples in Guatemala, said “..according to the liberals, in order to lift the indigenous peoples out of poverty, one first had to lift them out of their culture and language: ‘the Indian has to be killed to be saved’; to put it another way, one had to take the Indian out of the Indian...”²⁶ Fortunately, this strategy has changed in the 80s and 90s due to the strength of indigenous peoples’ movements. Presently, *indigenismo* has become more consultative and seeks to involve multistakeholders and more diverse in its goals.

Self-determined development is a concept that represents indigenous peoples’ aspirations and visions. This concept starts from the recognition that the appalling situations of poverty, discrimination, and inequality amongst indigenous peoples has deep historical and structural causes. It also recognizes the potential of indigenous peoples’ rich cultural heritage and social assets. The shifts in thinking within the past two decades especially in terms of development and nation-building provide a solid basis to pursue this. The demolition of the idea that the creation of a national identity through cultural homogeneity is a crucial shift. This has led to amendments in many constitutions of countries in Latin America to acknowledge the multicultural and multi-ethnic nature of their societies is a very important step. This is the first step towards eradicating assimilationist, exclusionary, and discriminatory policies and the recognition and respect of cultural diversity. Diversity is an asset for any nation and not a liability. The implications of this shift in terms of reinventing development and the nation-state are profound. If this is truly internalized by the nation-state it has to radically reform many of its existing laws, policies and programs. For starters governments have to enter into serious and meaningful dialogues with indigenous peoples.

Self-determined development has several important components. The first is respect for the collective, individual and intergenerational rights of indigenous peoples. These rights, include among others, the right to self-determination and the

right to territories and resources. Being self-determining means to be able to freely determine one's political status and pursue one's economic, cultural and social development. This is a right accorded to all peoples, including indigenous peoples. While there are still ongoing debates within the United Nations whether indigenous peoples only have the right to internal self-determination but not external self-determination, this has not hampered indigenous peoples from practicing and asserting this right. Indigenous peoples have been self-governing communities even before the nation-state was created.

The second component is autonomy. Autonomy is the most popular form of self-determination contrary to what some governments believe.²⁷ Autonomous arrangements require a new division of authority and roles among the various institutions of the nation-state (villages, municipalities, districts, regions, states, federal state) to ensure the participation of indigenous peoples in all decision-making processes. There are different forms of autonomy depending on the particular situation where this will be developed. The essential point is the acceptance that the nation-state needs to be reformed and de-bureaucratized and that resources and authority need to be transferred to the communities. Participatory approaches, democratization and good governance are crucial aspects of autonomy. They are given the freedom to design their path to development and the resources they need to do this are made available. It also means they will strengthen traditional governance and economic systems and customary laws which are underpinned by the values of reciprocity, redistribution, community solidarity, a serious relationship with nature, and a deep sense of responsibility towards changes.

The third component is territory. Being autonomous means that there should be a physical space where this will be exercised and developed. This is the fundamental basis and guarantee for autonomous or self-determined development. The assertion of the right to territory does not mean infringing on the sovereignty of the nation-state. It just means indigenous peoples will be able to have control and influence over how this physical space will be used for their own development. This is the space where they will continue to practice their values and norms, their traditions and cultures and their ways of organizing and governing themselves. This is where they will manage their relationships between themselves and their neighbours and between them and their natural resources. This is the space for economic production and cultural renewal. Laws and policies should be reformed to acknowledge and respect the right of indigenous peoples to their territories and resources and to develop programs which will help secure this right. In cases where indigenous peoples already lost their territories and they are living with others different arrangements will have to be created.

The fourth component is revenue sharing. The situation of many indigenous peoples is that they live in territories which are rich with natural resources but they remain the poorest of the poor. This again is an evidence of the failure of development. Self-determined development means development with justice and equity. Just and equitable distribution of the national revenue and development aid has to be instituted. Indigenous peoples should be able to establish direct relationships with sources of funding and not be obstructed by bureaucratic and institutional barriers set up by governments and even by NGOs. This implies, however, that there

should also be a high level of accountability of indigenous organizations to their members and partners.

Essentially, self-determined development means that indigenous peoples are main players in designing, planning, implementing, monitoring and evaluating their own economic, social and cultural development. The emergence of the concepts of human development and the human-rights based approach to development resonate with the indigenous concept of self-determined development. The human rights based approach to development if applied to indigenous peoples is basically what self-determined development is all about.

Endnotes

¹ ADB Policy on Indigenous Peoples, http://www.adb.org/Documents/Policies/Indigenous_Peoples/ipp-003.aspx downloaded 7 Feb. 2005.

² World Bank Policy on Indigenous Peoples: Operational Directive 4.20 now revised to WB Operational Directive 4.10.

³ See Harry Anthony Patrinos and Pschacharopolous, George, eds. 1994, *Indigenous Peoples and Poverty in Latin America: An Empirical Analysis*. Washington D.C. The World Bank.

⁴ Some of these include the following; WB Operational Directive 4.10 (2004, revision of OD4.20), UNDP Policy of Engagement with Indigenous Peoples (2001), Pan American Health Organization (PAHO) Strategic Orientations for Implementation of the Health of the Indigenous Peoples' Initiative (1997); World Commission on Dams; Dams and Development (2000), European Bank for Reconstruction and Development (EBRD); Mandate on Ethnic Minorities. 1993; European Union: Council Resolution on Indigenous Peoples within the Framework of the Development Cooperation of the Community and Members States, 1998; DANIDA. Danish Strategy for Support to Indigenous Peoples, 1994; German Federal Ministry for Economic Cooperation and Development: Concept for development co-operation with the indigenous peoples of Latin America. 1996; Swiss Agency for Development and Cooperation: Swiss Action for Indigenous Peoples, 1998. Agencia Española de Cooperación Internacional (AECI): Spanish Strategy for Cooperation with Indigenous Peoples, 1997. Netherlands Ministry of Foreign Affairs. Indigenous Peoples in the Netherlands Foreign Policy and Development Cooperation. 1993.

⁵ Constitutions of 13 countries in Latin America recognize the rights of indigenous peoples and 17 out of 19 countries with indigenous peoples recognize customary law. The Philippines passed the Indigenous Peoples Rights Act in 1997.

⁶ Strategic Framework for Indigenous Development (GN-2295), Inter-American Development Bank, Indigenous Peoples and Community Development Unit, March 11, 2004.

⁷ Some indigenous peoples would rather use the term life projects, self-development, ethno-development, or 'development with identity', to distinguish their paradigm from mainstream development. Life projects capture the indigenous cosmovisions and views and proposals of getting to the future which is distinct from the mainstream development projects carried out by the state and the global market.

⁸ The IADB defines 'development with identity' as a "concept that recognizes the conditions of material poverty, inequality and exclusion of indigenous peoples, as well as

the potential of their cultural, natural and social assets, with a view to increasing their access, with gender equity, to the opportunities for socio-economic development, at the same time as strengthening their identity, culture, territoriality, natural resources and social organization, under the premise that sustainable development requires the initiative and empowerment of the beneficiaries, respect for their individual and collective rights, and the recognition that indigenous peoples' development significantly benefits society as a whole." (quoted from the Profile: Operational Policy on Indigenous Peoples, Feb.13, 2004).

⁹ See "Valuing Diversity in Sustainable Development: IFAD Experience with Indigenous Peoples in Latin America and Asia", Draft for Discussion. 2002. IFAD. Rome. p.2.

¹⁰ IFAD press release on the International Day of the World's Indigenous People. www.ifad.org/media/events/2004/ip.htm downloaded 11 Feb. 2005.

¹¹ See "Valuing Diversity in Sustainable Development." 2002.

¹² See "Indigenous and Sustainable Development: Discussion Paper." 2004. IFAD. Rome.

¹³ *Ibid.*

¹⁴ India: North Eastern Region Community Resource Management Project for Upland Areas (NERCRMP: 1997-2004), Andra Pradesh Tribal Development Project (APTDP: 1991-1999), Jharkhand-Chattisgarh Tribal Development Programme (JCTPDP 2001-2009): Orissa Tribal Development Project (OTDP 1987-98), Nepal: Western Uplands Poverty Alleviation Project (WUPAP) Latin America: Peru-Management of Natural Resources in the Southern Highlands (MARENASS 1995-2003); Puno-Cusco Corridor Project (CORREDOR 1997-2004); Brazil – Regional Programme in Support of Indigenous Peoples in the Amazon Basin (PRAIA) Ticuna Educational Project; Panama: Sustainable Rural Development Project for Ngobe-Bugle Territory and Adjoining Districts.

¹⁵ Press release on Indigenous Peoples.

¹⁶ The International Land Coalition is a global alliance of intergovernmental, governmental and civil society organizations working together with the rural poor to secure access to natural resources, especially land, and to enable them to influence decisions which will affect them. Some of the projects supported by the ILC are the following: "Protecting Indigenous Peoples' Land and Resource Rights in the Upper Mazaruni River Basin of Guyana" and "Mapping the Ancestral Domains in the Philippines."

¹⁷ Western Upland Poverty Alleviation Project, Supervision Report, 2004. p.1.

¹⁸ Review of Results and Impact, India, 10 July 2002, IFAD.

¹⁹ *Valuing Diversity in Sustainable Development, IFAD Experience with Indigenous Peoples in Latin America and Asia*, 2002. IFAD.

²⁰ "Marenass is our project," http://www.ifad.org/evaluation/public_html/eksyst/doc/profile/pl/pe.pdf.

²¹ Informe 1316-PE, p. lvi.

²² Informe 1316-PE, p. lxxxvi.

²³ Informe 1316-PE, p. lxxxv.

²⁴ *Indigenous Peoples and Sustainable Development*. IFAD, 2003.

²⁵ *Ibid.*, p.8.

²⁶ See Demetrio Cojti Cuxil, The Theory and Practice of Indigenous Development, in D.Iturralde and E. Krotz, eds. "Indigenous Development: Poverty, Democracy and Sustainability," 1996. IDB, Washington, D.C. p.48.

²⁷ Some nation-state members of the U.N. find the right to self-determination difficult to acknowledge and recognize as they associate this with secession. In reality, however, there are just a few indigenous organizations putting this as their demand. The majority still opt for autonomous arrangements within the nation-state.

ANNEXES

Resolution adopted by the General Assembly

[without reference to a Main Committee (A/55/L.2)]

55/2. United Nations Millennium Declaration

The General Assembly

Adopts the following Declaration:

United Nations Millennium Declaration

I. Values and principles

1. We, heads of State and Government, have gathered at United Nations Headquarters in New York from 6 to 8 September 2000, at the dawn of a new millennium, to reaffirm our faith in the Organization and its Charter as indispensable foundations of a more peaceful, prosperous and just world.

2. We recognize that, in addition to our separate responsibilities to our individual societies, we have a collective responsibility to uphold the principles of human dignity, equality and equity at the global level. As leaders we have a duty therefore to all the world's people, especially the most vulnerable and, in particular, the children of the world, to whom the future belongs.

3. We reaffirm our commitment to the purposes and principles of the Charter of the United Nations, which have proved timeless and universal. Indeed, their relevance and capacity to inspire have increased, as nations and peoples have become increasingly interconnected and interdependent.

4. We are determined to establish a just and lasting peace all over the world in accordance with the purposes and principles of the Charter. We rededicate ourselves to support all efforts to uphold the sovereign equality of all States, respect for their territorial integrity and political independence, resolution of disputes by peaceful means and in conformity with the principles of justice and international law, the right to self-determination of peoples which remain under colonial domination and foreign occupation, non-interference in the internal affairs of States, respect for human rights and fundamental freedoms, respect for the equal rights of all without distinction as to race, sex, language or religion and international cooperation in solving international problems of an economic, social, cultural or humanitarian character.

5. We believe that the central challenge we face today is to ensure that globalization becomes a positive force for all the world's people. For while globalization offers great opportunities, at present its benefits are very unevenly shared, while its costs are unevenly distributed. We recognize that developing countries and coun-

tries with economies in transition face special difficulties in responding to this central challenge. Thus, only through broad and sustained efforts to create a shared future, based upon our common humanity in all its diversity, can globalization be made fully inclusive and equitable. These efforts must include policies and measures, at the global level, which correspond to the needs of developing countries and economies in transition and are formulated and implemented with their effective participation.

6. We consider certain fundamental values to be essential to international relations in the twenty-first century. These include:

- **Freedom.** Men and women have the right to live their lives and raise their children in dignity, free from hunger and from the fear of violence, oppression or injustice. Democratic and participatory governance based on the will of the people best assures these rights.
- **Equality.** No individual and no nation must be denied the opportunity to benefit from development. The equal rights and opportunities of women and men must be assured.
- **Solidarity.** Global challenges must be managed in a way that distributes the costs and burdens fairly in accordance with basic principles of equity and social justice. Those who suffer or who benefit least deserve help from those who benefit most.
- **Tolerance.** Human beings must respect one other, in all their diversity of belief, culture and language. Differences within and between societies should be neither feared nor repressed, but cherished as a precious asset of humanity. A culture of peace and dialogue among all civilizations should be actively promoted.
- **Respect for nature.** Prudence must be shown in the management of all living species and natural resources, in accordance with the precepts of sustainable development. Only in this way can the immeasurable riches provided to us by nature be preserved and passed on to our descendants. The current unsustainable patterns of production and consumption must be changed in the interest of our future welfare and that of our descendants.
- **Shared responsibility.** Responsibility for managing worldwide economic and social development, as well as threats to international peace and security, must be shared among the nations of the world and should be exercised multilaterally. As the most universal and most representative organization in the world, the United Nations must play the central role.

7. In order to translate these shared values into actions, we have identified key objectives to which we assign special significance.

II. Peace, security and disarmament

8. We will spare no effort to free our peoples from the scourge of war, whether within or between States, which has claimed more than 5 million lives in the past decade. We will also seek to eliminate the dangers posed by weapons of mass de-

struction.

9. We resolve therefore:

- To strengthen respect for the rule of law in international as in national affairs and, in particular, to ensure compliance by Member States with the decisions of the International Court of Justice, in compliance with the Charter of the United Nations, in cases to which they are parties.
- To make the United Nations more effective in maintaining peace and security by giving it the resources and tools it needs for conflict prevention, peaceful resolution of disputes, peacekeeping, post-conflict peace-building and reconstruction. In this context, we take note of the report of the Panel on United Nations Peace Operations and request the General Assembly to consider its recommendations expeditiously.
- To strengthen cooperation between the United Nations and regional organizations, in accordance with the provisions of Chapter VIII of the Charter.
- To ensure the implementation, by States Parties, of treaties in areas such as arms control and disarmament and of international humanitarian law and human rights law, and call upon all States to consider signing and ratifying the Rome Statute of the International Criminal Court.
- To take concerted action against international terrorism, and to accede as soon as possible to all the relevant international conventions.
- To redouble our efforts to implement our commitment to counter the world drug problem.
- To intensify our efforts to fight transnational crime in all its dimensions, including trafficking as well as smuggling in human beings and money laundering.
- To minimize the adverse effects of United Nations economic sanctions on innocent populations, to subject such sanctions regimes to regular reviews and to eliminate the adverse effects of sanctions on third parties.
- To strive for the elimination of weapons of mass destruction, particularly nuclear weapons, and to keep all options open for achieving this aim, including the possibility of convening an international conference to identify ways of eliminating nuclear dangers.
- To take concerted action to end illicit traffic in small arms and light weapons, especially by making arms transfers more transparent and supporting regional disarmament measures, taking account of all the recommendations of the forthcoming United Nations Conference on Illicit Trade in Small Arms and Light Weapons.
- To call on all States to consider acceding to the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-personnel Mines and on Their Destruction, as well as the amended mines protocol to the Convention on conventional weapons.

10. We urge Member States to observe the Olympic Truce, individually and

collectively, now and in the future, and to support the International Olympic Committee in its efforts to promote peace and human understanding through sport and the Olympic Ideal.

III. Development and poverty eradication

11. We will spare no effort to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty, to which more than a billion of them are currently subjected. We are committed to making the right to development a reality for everyone and to freeing the entire human race from want.

12. We resolve therefore to create an environment – at the national and global levels alike – which is conducive to development and to the elimination of poverty.

13. Success in meeting these objectives depends, *inter alia*, on good governance within each country. It also depends on good governance at the international level and on transparency in the financial, monetary and trading systems. We are committed to an open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial system.

14. We are concerned about the obstacles developing countries face in mobilizing the resources needed to finance their sustained development. We will therefore make every effort to ensure the success of the High-level International and Intergovernmental Event on Financing for Development, to be held in 2001.

15. We also undertake to address the special needs of the least developed countries. In this context, we welcome the Third United Nations Conference on the Least Developed Countries to be held in May 2001 and will endeavour to ensure its success. We call on the industrialized countries:

- To adopt, preferably by the time of that Conference, a policy of duty- and quota-free access for essentially all exports from the least developed countries;
- To implement the enhanced programme of debt relief for the heavily indebted poor countries without further delay and to agree to cancel all official bilateral debts of those countries in return for their making demonstrable commitments to poverty reduction; and
- To grant more generous development assistance, especially to countries that are genuinely making an effort to apply their resources to poverty reduction.

16. We are also determined to deal comprehensively and effectively with the debt problems of low- and middle-income developing countries, through various national and international measures designed to make their debt sustainable in the long term.

17. We also resolve to address the special needs of small island developing States, by implementing the Barbados Programme of Action and the outcome of the twenty-second special session of the General Assembly rapidly and in full. We urge the international community to ensure that, in the development of a vulnerability index, the special needs of small island developing States are taken into account.

18. We recognize the special needs and problems of the landlocked developing countries, and urge both bilateral and multilateral donors to increase financial and technical assistance to this group of countries to meet their special development needs and to help them overcome the impediments of geography by improving their transit transport systems.

19. We resolve further:

- To halve, by the year 2015, the proportion of the world's people whose income is less than one dollar a day and the proportion of people who suffer from hunger and, by the same date, to halve the proportion of people who are unable to reach or to afford safe drinking water.
- To ensure that, by the same date, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling and that girls and boys will have equal access to all levels of education.
- By the same date, to have reduced maternal mortality by three quarters, and under-five child mortality by two thirds, of their current rates.
- To have, by then, halted, and begun to reverse, the spread of HIV/AIDS, the scourge of malaria and other major diseases that afflict humanity.
- To provide special assistance to children orphaned by HIV/AIDS.
- By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers as proposed in the "Cities Without Slums" initiative.

20. We also resolve:

- To promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable.
- To develop and implement strategies that give young people everywhere a real chance to find decent and productive work.
- To encourage the pharmaceutical industry to make essential drugs more widely available and affordable by all who need them in developing countries.
- To develop strong partnerships with the private sector and with civil society organizations in pursuit of development and poverty eradication.
- To ensure that the benefits of new technologies, especially information and communication technologies, in conformity with recommendations contained in the ECOSOC 2000 Ministerial Declaration, are available to all.

IV. Protecting our common environment

21. We must spare no effort to free all of humanity, and above all our children and grandchildren, from the threat of living on a planet irredeemably spoilt by human activities, and whose resources would no longer be sufficient for their needs.

22. We reaffirm our support for the principles of sustainable development, including those set out in Agenda 21, agreed upon at the United Nations Conference on Environment and Development.

23. We resolve therefore to adopt in all our environmental actions a new ethic of conservation and stewardship and, as first steps, we resolve:

- To make every effort to ensure the entry into force of the Kyoto Protocol, preferably by the tenth anniversary of the United Nations Conference on Environment and Development in 2002, and to embark on the required reduction in emissions of greenhouse gases.
- To intensify our collective efforts for the management, conservation and sustainable development of all types of forests.
- To press for the full implementation of the Convention on Biological Diversity and the Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa.
- To stop the unsustainable exploitation of water resources by developing water management strategies at the regional, national and local levels, which promote both equitable access and adequate supplies.
- To intensify cooperation to reduce the number and effects of natural and man-made disasters.
- To ensure free access to information on the human genome sequence.

V. Human rights, democracy and good governance

24. We will spare no effort to promote democracy and strengthen the rule of law, as well as respect for all internationally recognized human rights and fundamental freedoms, including the right to development.

25. We resolve therefore:

- To respect fully and uphold the Universal Declaration of Human Rights.
- To strive for the full protection and promotion in all our countries of civil, political, economic, social and cultural rights for all.
- To strengthen the capacity of all our countries to implement the principles and practices of democracy and respect for human rights, including minority rights.
- To combat all forms of violence against women and to implement the Convention on the Elimination of All Forms of Discrimination against Women.
- To take measures to ensure respect for and protection of the human rights of migrants, migrant workers and their families, to eliminate the increasing acts of racism and xenophobia in many societies and to promote greater harmony and tolerance in all societies.
- To work collectively for more inclusive political processes, allowing genuine participation by all citizens in all our countries.

- To ensure the freedom of the media to perform their essential role and the right of the public to have access to information.

VI. Protecting the vulnerable

26. We will spare no effort to ensure that children and all civilian populations that suffer disproportionately the consequences of natural disasters, genocide, armed conflicts and other humanitarian emergencies are given every assistance and protection so that they can resume normal life as soon as possible.

We resolve therefore:

- To expand and strengthen the protection of civilians in complex emergencies, in conformity with international humanitarian law.
- To strengthen international cooperation, including burden sharing in, and the coordination of humanitarian assistance to, countries hosting refugees and to help all refugees and displaced persons to return voluntarily to their homes, in safety and dignity and to be smoothly reintegrated into their societies.
- To encourage the ratification and full implementation of the Convention on the Rights of the Child and its optional protocols on the involvement of children in armed conflict and on the sale of children, child prostitution and child pornography.

VII. Meeting the special needs of Africa

27. We will support the consolidation of democracy in Africa and assist Africans in their struggle for lasting peace, poverty eradication and sustainable development, thereby bringing Africa into the mainstream of the world economy.

28. We resolve therefore:

- To give full support to the political and institutional structures of emerging democracies in Africa.
- To encourage and sustain regional and subregional mechanisms for preventing conflict and promoting political stability, and to ensure a reliable flow of resources for peacekeeping operations on the continent.
- To take special measures to address the challenges of poverty eradication and sustainable development in Africa, including debt cancellation, improved market access, enhanced Official Development Assistance and increased flows of Foreign Direct Investment, as well as transfers of technology.
- To help Africa build up its capacity to tackle the spread of the HIV/AIDS pandemic and other infectious diseases.

VIII. Strengthening the United Nations

29. We will spare no effort to make the United Nations a more effective instrument for pursuing all of these priorities: the fight for development for all the peoples

of the world, the fight against poverty, ignorance and disease; the fight against injustice; the fight against violence, terror and crime; and the fight against the degradation and destruction of our common home.

30. We resolve therefore:

- To reaffirm the central position of the General Assembly as the chief deliberative, policy-making and representative organ of the United Nations, and to enable it to play that role effectively.
- To intensify our efforts to achieve a comprehensive reform of the Security Council in all its aspects.
- To strengthen further the Economic and Social Council, building on its recent achievements, to help it fulfil the role ascribed to it in the Charter.
- To strengthen the International Court of Justice, in order to ensure justice and the rule of law in international affairs.
- To encourage regular consultations and coordination among the principal organs of the United Nations in pursuit of their functions.
- To ensure that the Organization is provided on a timely and predictable basis with the resources it needs to carry out its mandates.
- To urge the Secretariat to make the best use of those resources, in accordance with clear rules and procedures agreed by the General Assembly, in the interests of all Member States, by adopting the best management practices and technologies available and by concentrating on those tasks that reflect the agreed priorities of Member States.
- To promote adherence to the Convention on the Safety of United Nations and Associated Personnel.
- To ensure greater policy coherence and better cooperation between the United Nations, its agencies, the Bretton Woods Institutions and the World Trade Organization, as well as other multilateral bodies, with a view to achieving a fully coordinated approach to the problems of peace and development.
- To strengthen further cooperation between the United Nations and national parliaments through their world organization, the Inter-Parliamentary Union, in various fields, including peace and security, economic and social development, international law and human rights and democracy and gender issues.
- To give greater opportunities to the private sector, non-governmental organizations and civil society, in general, to contribute to the realization of the Organization's goals and programmes.

31. We request the General Assembly to review on a regular basis the progress made in implementing the provisions of this Declaration, and ask the Secretary-General to issue periodic reports for consideration by the General Assembly and as a basis for further action.

32. We solemnly reaffirm, on this historic occasion, that the United Nations is the indispensable common house of the entire human family, through which we will

seek to realize our universal aspirations for peace, cooperation and development. We therefore pledge our unstinting support for these common objectives and our determination to achieve them.

*8th plenary meeting
8 September 2000*

Millenium Development Goals

Goal 1. Eradicate extreme poverty and hunger

- Reduce by half the proportion of people living on less than a dollar a day
- Reduce by half the proportion of people who suffer from hunger

Goal 2. Achieve universal primary education

- Ensure that all boys and girls complete a full course of primary schooling

Goal 3. Promote gender equality and empower women

- Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015

Goal 4. Reduce child mortality

- Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015

Goal 5. Improve maternal health

- Reduce by three quarters the maternal mortality ratio

Goal 6. Combat HIV/AIDS, malaria and other diseases

- Halt and begin to reverse the spread of HIV / AIDS
- Halt and begin to reverse the incidence of malaria and other major diseases

Goal 7. Ensure environmental sustainability

- Integrate the principles of sustainable development into country policies and programmes; reverse loss of environmental resources
- Reduce by half the proportion of people without sustainable access to safe drinking water
- Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020

Goal 8. Develop a global partnership for development

- Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory. Includes a commitment to good governance, development and poverty reduction—nationally and internationally
- Address the least developed countries' special needs. This includes tariff- and quota-free access for their exports; enhanced debt relief for heavily indebted poor countries; cancellation of official bilateral debt; and more generous official development assistance for countries committed to poverty reduction
- Address the special needs of landlocked and small island developing States
- Deal comprehensively with developing countries' debt problems through national and international measures to make debt sustainable in the long term
- In cooperation with the developing countries, develop decent and productive work for youth
- In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries
- In cooperation with the private sector, make available the benefits of new technologies—especially information and communications technologies

Making the MDGs Relevant for Indigenous Peoples

Statement by Victoria Tauli Corpuz
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Presented at the 2005 ECOSOC, HIGH-LEVEL SEGMENT
16-17 March 2005

ROUNDTABLE 1: ERADICATION OF POVERTY AND HUNGER

I would like to start by highlighting one paragraph in the concept note prepared for this Roundtable.

Even within successful countries, there are pockets where poverty and hunger are persistently high and which will not share the fruits of economic growth. Particular groups of people suffer higher overall incidence of poverty and hunger, including children, female-headed households, indigenous and tribal peoples and landless populations.

This is an important observation because averages are what we usually see in statistics presented on the MDGs. For instance, in terms of progress, reports say that “between 1990 and 2001, the proportion of people living in extreme poverty (less than 1 dollar a day) has declined from 28 to 22 percent or by 137 million people.” (Concept Note) What is not commonly known is that this decline mainly happened in Asia, particularly in China and India. Most developing countries are not on track as far as meeting the MDGs is concerned. It is crucial therefore to disaggregate data and to probe more deeply into what is behind the figures presented. Because if this is not done, the reality for some groups of people will be masked and will not be addressed in an appropriate way.

Studies done by the World Bank, Inter-American Development Bank and the Asia Development Bank on the poverty situation of indigenous peoples show that they are overrepresented among the world’s poor and the poverty map coincides with their territories. (Psacharopoulos & Patrinos, 1994; Plant, 1998, Plant, 2001). Some United Nations bodies and agencies have figures which confirm these conclusions. Information from the UNICEF’s Latin America and Caribbean office show that indigenous populations in the region are the poorest of the poor. Their data says that *in Guatemala, 87% of the indigenous population is poor, as compared to 54% of the non-indigenous population; in Mexico, that ratio is 80% vs. 18%; in Peru, 79% of the indigenous population is classified as poor, compared to 50% of the non-indigenous population; while in Bolivia, the ratio is 64% vs. 48%.* (UNICEF News Note, November 2003). The 2004 Human Development Report concluded that indigenous peoples are more likely to be poor than non-indigenous peoples. It further said that in many countries, public spending in basic social services “systematically discriminates against minorities and

¹ See Human Development Report, 2004

indigenous peoples.”¹

Unfortunately, in spite of these empirical facts, these are not reflected at all in most of the country MDG reports of countries where indigenous peoples are found. The Secretariat of the UN Permanent Forum on Indigenous Issues made a preliminary review of the MDG reports of 20 countries and they noted that 68% of these do not integrate nor respond to the situation and concerns of indigenous and tribal peoples. The MDG report of Bolivia, for instance, does not even make a reference to indigenous peoples. There is some deficiency in the way reports are made. This may lie with the guidelines for reporting. However, the UNDP which is the body in charge of MDG reports said that while there is a guide there is nothing there which prevents countries from integrating important information on specific sectors.

There is growing pessimism, especially among indigenous peoples, that the MDGs can be achieved. In rare cases where these maybe achieved, indigenous peoples can again become the sacrificial lambs. In the Philippines for example, the government gives high priority to mining as one of the paths towards economic growth even if this may lead to more poverty and hunger, displacement, conflicts, and increasing violations of the rights of indigenous peoples to their territories and resources. In Kenya and Tanzania the Maasai people, many of whom are still pastoralists, find poverty in their midst worsening as their grazing lands are converted to agricultural lands.

For indigenous peoples, the following are some of the limitations of the MDGs. Firstly, these are not shaped within a human-rights based framework. All the talk about a human rights based approach to development obviously has not influenced how the MDGs are shaped. For indigenous peoples, it is not feasible to talk of development without talking about respect for their basic collective and individual human rights. The goal to attain universal primary education for instance is not even coached in the language of the basic right to education. The same is the case with the target to halve the number of hungry people not seen within the right to food framework. Secondly, the structural causes of the problems addressed by the MDGs are not even discussed. The structural causes of indigenous poverty lies with a development paradigm which negates indigenous peoples' economic, political and socio-cultural systems, discrimination and social exclusion, continuing colonization, unsustainable debts of governments, among others. Thirdly, the indigenous peoples are invisible in the MDGs because what are usually presented are the general averages within a country and these do not reflect the differentiated realities for specific groups of people.

In a speech made by the World Bank president, James Wolfensohn, at the fifth annual conference of the Parliamentary Network of the World Bank he said that *every year the most powerful nations of the world spend over 1,000 billion dollars in weapons, 350 billion dollars in subsidies for agriculture(in the north), but only 57 billion dollars in development aid.* This is what is perpetuated by the dominant development model which has to be seriously addressed for the MDGs to be achieved. MDG goal 8, to a certain extent, touches on these issues. However, this is one of the goals which has not established clear deadlines.

In this context, I would like to reiterate a few principles and recommendations

which this High-Level ECOSOC Meeting can consider.

1. Indigenous peoples should be made visible in the MDG reports in countries where they are found, the Secretary-General's report on the 5 year review of the Millenium Declaration and the MDGs, and reports of intergovernmental bodies.

The concept note for this ECOSOC meeting says there is a need to profile the poor and the hungry and to identify hotspots. There is no doubt that indigenous peoples are hotspots for the MDGs. Preliminary profiling of indigenous peoples poverty have been done by the World Bank, the Inter-American Development Bank, Asia Development Bank and other UN agencies have already shown that indigenous peoples are the poorest of the poor. Data provided by these bodies should be used. This profiling, however, has to be done jointly with indigenous peoples. It has also been mentioned by the panelists that rural poverty, especially, poverty amidst small farmers is the dominant face of poverty in most developing countries. Many indigenous peoples in the world today are still found in rural areas and they are small-scale subsistence farmers, hunters and gatherers, pastoralists, small scale artisans, forest-dwellers and semi-nomadic and nomadic peoples. They are also the ones who still sustain socio-economic cultural systems which conform more to sustainable development principles. It is important therefore to highlight not only their poverty situations but also the actual and potential contributions they have in making this world more sustainable.

2. Need for data disaggregation based on ethnicity. This has been a standing recommendation by indigenous peoples in all the sessions of the Permanent Forum and a workshop on this was held in 2003. The results of this meeting can be downloaded from the website of the Permanent Forum which is www.un.org/esa/socdev/unpfii. Indigenous representatives have been involved in designing, identifying variables, indicators, and choosing the questions to be asked, as well as in gathering and analysing data. They are the ones best equipped to identify issues of specific importance to them as they know the contexts that should be taken into considerations when indigenous related data are gathered and interpreted. Some questions which can be asked are as follows;

- How do conditions of living vary among and within Indigenous Peoples, and within and between countries?
- Why are such variations present?
- What are current and long term trends?
- What are potential causal factors of inequities?
- What is the effectiveness of policies and interventions?

The involvement of indigenous peoples in generating data through participatory processes can further strengthen their capacity to evaluate their assets and problems, and design their own solutions. The improvement of data collection systems and development of research instruments and assessment tools constitute important foundation steps for building a body of scientific knowledge that is comprehensive, methodologically sound, and responsive to social needs, especially of the most marginalized and impoverished.

3. The human rights based approach to development should be the framework used in achieving the MDGs. The further development and operationalization of this approach is related to the earlier point. The report of the Workshop on Data Disaggregation says that *the rights-based approach to development requires the development of a conceptual framework for rights based indicators, that are relevant to indigenous and tribal peoples. It should take into account not only a process of full, active and meaningful participation of indigenous and tribal communities at all stages of data collection, but also indicators that are of particular significance to indigenous peoples, such as access to territories (land and waters), access to resources, participation in decision-making, as well as issues of discrimination or exclusion in the areas of economic, social and cultural rights. Rights based indicators to be used for data collection and disaggregation on indigenous peoples should be capable of reflecting the current status of the realization of their human rights, be useful in policy articulation and prescription and should measure both the process and the outcome of development activities. They should be able to measure dimensions of the process of the realization of human rights, such as participation, non-discrimination, empowerment and accountability.*

4. Indigenous peoples should not be used as sacrificial lambs in achieving the MDGs. This is why data disaggregation and making indigenous peoples visible are essential. This is also why it is also crucial that the human rights based approach to development undergirds the MDGs. The Millennium Declaration and the MDGs will be poorly judged even if these were achieved if indigenous peoples lost their territories, identities and cultures, and their survival as distinct peoples has been compromised. Indigenous peoples are already implementing their own visions of development which are captured in concepts and programs called , “autonomous development”, “development with identity”, “life-projects”, etc. Governments, intergovernmental bodies, NGOs and the private sector should ensure that they do not contribute in undermining these efforts. In fact, what is needed is for them to hold serious dialogues with indigenous peoples on how they can reinforce these initiatives and how do these relate with the MDGs. This includes respecting the principle of free, prior and informed consent and elaborating further on how this principle can be operationalized in a manner which is acceptable for indigenous peoples.

In conclusion, I would just like to remind this body that the Second Decade of the World’s Indigenous Peoples (2005-2015) coincides with the remaining timetable for the MDGs. The Permanent Forum on Indigenous Issues looks forward to seeing an active interface between these two processes.

Thank you Mr. Chairperson.

