

Indigenous Peoples are Redefining Development on Their Terms

By Sherry Kennedy, NARO

The Global Case for Cultural Inclusiveness

The nexus between indigenous peoples¹ and economic development has not always been smooth. In the past, the mainstream development agenda held little regard for the significance and importance of culture. Today indigenous peoples are attempting to redefine their place in the development dialogue by asserting their traditions and culture. They believe that increased participation in decision-making processes will lead to more successful development outcomes—improved social and economic indicators and eventual self-sustainability.

This year's International Day of the World's Indigenous Peoples, held on 9 August at the United Nations (UN) headquarters in New York, marked the end of the International Decade of the World's Indigenous People, as proclaimed by the UN General Assembly in 1995. The main objective of the Decade was to strengthen international cooperation to improve the plight of the world's indigenous peoples. Although many milestones were reached during this period, including the establishment of the UN Permanent Forum on Indigenous Issues (UNPFII), much remains to be done.

Speaking at the General Assembly on the closing of the Decade, Ole Henrik Magga, Chairperson of UNPFII and noted Norwegian scholar of Sami linguistics, stressed the importance of continued international partnership in the future. "As

we find ourselves 10 years into the first Indigenous Decade and at the dawn of the second one, it is crucial to remember that indigenous peoples have waited far too long to see their way out of marginalization and poverty—and some, we know, have been lost to humanity for ever.

"Yet, the message that is the starkest this International Day is that indigenous peoples...have the vision of a more just, multicultural, and peaceful world and the courage to pursue it in unison" with the international community, he added.

The movement toward self-definition and a culturally defined development model is well under way in native communities around the world. Whether in native-owned for-profit companies in Hawaii, federally funded programs in Canada, or community-based approaches in Asia, indigenous peoples are looking to the past to define their future. Giving prominence to cultural identity may be the key to ensuring that their dreams are realized in the next decade.

The North American Indigenous Voice: Making Room for Culture

At a groundbreaking international conference held in Alaska last June, indigenous peoples, led by the Alaska Federation of Natives, gathered to create a road map on building knowledge-based economies within native communities. The conference was supported by the Omnibus Appropriations Act, which was signed into law on 23



STRUGGLE Indigenous peoples of Asia are slowly being heard

January 2004 and coauthored by Alaskan senators Ted Stevens and Lisa Murkowski. On the federal level, the Native American Capital Formation and Economic Development Act of 2003 (S.519 Bill), authored by Senator Ben Nighthorse Campbell, will create a development corporation targeting all

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In this publication, \$ refers to US dollars.

¹ In this article, the terms native and aboriginal are used synonymously with indigenous.

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aspects of development on Indian lands. Although the Asian Development Bank (ADB) and the World Bank were invited to lend their experience to the conference in Alaska, and specifically to the potential formation of a native development corporation, the road map drafted by participants paved a path to development that was uniquely indigenous.

Senator Lisa Murkowski and other participants emphasized the importance of such cultural inclusiveness in developing often remote and isolated indigenous communities. She said these people “should not have to make a choice between a job and a way of life.”

So, can culture provide the groundwork for native economic and social development? If yes, what is its potential? In North America, this could take the form of

indigenous-owned businesses that incorporate traditional values of ecology and holistic and communal approaches to business. For instance, indigenous peoples in Hawaii have successfully used this business model in various for-profit industries—real estate development, tourism, and technology.

In a recent Forum on Establishing a Tribally-Owned Development Corporation, sponsored by the US Senate Committee on Indian Affairs in conjunction with the proposed S.519 Bill, many tribal leaders and indigenous business leaders touted the financial wealth created by many tribes under the Native Gaming Act and federal self-determination policies. These laws have helped create several successful native corporations that today boast a combined income of billions of US dollars. This success, however, has not trickled down to tackle the large-scale social ills plaguing

many native communities. As Julie Kitka, President of Alaska Federation of Natives, stated in her 2003 testimony to the Senate Committee on Indian Affairs in support of S.519, it is important to remember that “despite owning and operating a number of successful corporations as Native American owned entities, promoting economic growth and reduction of poverty remains a huge challenge, which requires a paradigm shift.” This shift may just materialize into the development corporation, currently proposed under the S.519 Bill. If completed, it has the potential to be the model of a development organization, conceived and led by indigenous peoples.

Promoting economic growth remains a huge challenge, which requires a paradigm shift

—Julie Kitka, President, Alaska Federation of Natives

The Asian Indigenous Voice: Fighting for Cultural Recognition and Survival

The voices in Asia are also growing against a political and social backdrop that has historically been reluctant to provide legal recognition or protection for its indigenous populations. Although a substantial number of the world’s indigenous peoples live

Efforts Under Way to Help Indigenous Peoples in North America

The Hawaiian Homestead Technology, Inc. (HHT) is one such success story. A wholly owned for-profit subsidiary of the nonprofit Council for Native Hawaiian Advancement, HHT was conceived in 2002 to provide document digitization services (converting documents from paper to electronic form) to create technology jobs that provide a living wage for native Hawaiians and build the community association’s capacity.

Through a partnership with a native association, HHT secured and renovated a building on a Hawaiian Homestead (reservation), hired and trained full-time staff, and managed the project. Such partnerships allow communities to engage in and manage economic development projects that are based on the vision and needs of their communities.

HHT has since completed digitization projects for the US Army, Navy, and Delta Airlines. In its second year of operation, it is expected to gross over \$1 million and to open two additional pro-

cessing centers in two other homestead communities.

Traditional values are combined in this model to create a uniquely indigenous approach. For instance, the emphasis on collective versus individual advancement is implemented in HHT’s reward and bonus system, which is based on team production rather than individual performance. Other core values of generosity, cooperativeness, and a communal approach are incorporated in a flat management structure, a revenue-sharing mechanism with employees and community partners based on productivity, and a system that ensures 100% of the profits is returned to the native Hawaiian community through the Hawaiian Way Fund, a philanthropic fund set up to support native Hawaiian cultural and community development organizations.

In Canada, the indigenous voice resounds in most federally assisted development programs that target native communities. The Aboriginal Human Resources Development Strategy (AHRDS),

for example, is a 5-year (ending in 2004) investment worth Canadian dollars (Can\$) 1.6 billion, that has seen the gradual transfer of programming authority from the federal government to aboriginal peoples at the national, regional, and community levels. Native people design and deliver employment programs and services best suited to meet the special needs of their communities.

Tools used include language handbooks, planning tool kits, financing management training, and evaluation and accountability workshops. During 1999–2000, about 8,200 clients found employment out of a client list of 27,000. This accounted for a federal saving of Can\$7 million in employment insurance and social assistance payments.

Other federally assisted, culturally based initiatives provide education to adult and youth populations, with emphasis on language and cultural training, natural resource management, community governance, strengthening women’s leadership skills, and economic development. ■

in Asia and the Pacific, few countries in the region have adopted laws that recognize or support the rights of indigenous peoples. Some governments have shown reluctance to adopt such laws, fearing that they may undermine national unity. The laws that exist are often generic, without specific reference to indigenous peoples. Despite this—or perhaps because of it—indigenous peoples in Asia and the Pacific continue to be resourceful in their struggle.

A salient example of the vulnerability of Asia's indigenous peoples can be seen in the constant threat of extinction of their many languages and cultures. In this case, extinction of any culture or language is bound to impact beyond the borders of native communities. Today, indigenous peoples speak three quarters of the world's 6,000 languages, but this number is projected to drop by 50–90% over the next century.

What could extinction mean and what is its significance in the context of development? Culture could be seen as an adaptive mechanism that provides “a body of ready-made solutions to the problems encountered by the group—a cushion between man and his environment,” as cultural anthropologist Ina Corrine Brown

theorizes. In this definition, minimizing the importance of indigenous cultural perspectives in the development dialogue could hinder their successful participation in the process and, in turn, limit development.

Social and cultural diversity is in the interest of society and should not be placed at odds with national development or economic stability. In support of this value, ADB has been working with governments in several countries, including Cambodia, Indonesia, Philippines, and Viet Nam to address such issues as cultural preservation and identity. In Viet Nam, for example, the Government has identified the need for special policies to support ethnic minorities from 30 different ethnic groups, who account for over two million people or one quarter of the country's ethnic population. ADB's country strategy and program, prepared jointly by ADB and the Government, stresses the need to preserve these cultures and identities of ethnic minorities in the central region of Viet Nam.

In Asia, indigenous voices are slowly being heard. With the support of community groups, international organizations, and other partners, they are joining a dialogue that seeks recognition of their

cultures and languages and, ultimately, equal participation in the development process.

What Can Multilateral Development Banks Contribute?

To address the unique problems associated with vulnerable communities, multilateral development banks (MDBs) are shifting from a development aid policy that supports large-scale projects to a participatory model that emphasizes smaller-scale sustainable development projects, according to Indira Simbolon, Social Development Specialist in ADB's Regional and Sustainable Development Department. Guided by the 1989 International Labour Organization (ILO) Indigenous and Tribal Peoples' Convention No. 169, MDBs have also adopted policies that endorse common principles of participation, avoidance of adverse impact, and recognition of the value of cultural diversity in these populations.

Although most countries, specifically in Asia, have not adopted ILO's Convention No. 169, the question now is whether ADB should push for countries to formally ratify the international standards or work toward gradually implementing the national standards into their existing national laws and policies. Whatever input is decided, it must be arrived at with guidance and input from indigenous communities in cooperation with governments.

MDBs can continue to require loan and grant conditionality to ensure that borrowing countries apply the principles of its indigenous peoples policy in all its projects. In the case of ADB, this conditionality also extends to its private sector operations. Such policy reforms have had some success. In certain cases, this has meant the recognition and creation of indigenous peoples rights in sectoral policies such as ADB's supported Land Law of Cambodia in 2001 that includes a chapter on the rights of indigenous peoples.

Indigenous peoples in Asia, as in the rest of the world, will, despite the hurdles, continue to move forward in their desire to successfully participate and reap the benefits of development. Ms. Simbolon said, “with or without the introduction of the state and its national laws, indigenous

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Assisting Asia's Ethnic Minorities

The Asia Indigenous Peoples Pact (AIPP) is a regional forum, comprising 18 indigenous peoples' organizations from 10 countries that have banded together to build cooperation and solidarity among the threatened indigenous peoples of the region. AIPP enables regional groups to participate in its conferences by making presentations and providing interventions on their behalf at UN meetings, and coordinates networking activities and communications among groups.

It held the Asian Conference on the Rights of Indigenous Peoples, which produced the first and only Declaration on the Rights of Asian Indigenous Peoples in 1995. Member groups, such as the Partners of Community Organizations in Malaysia, use a community-organizing approach to ensure the social, cultural, and economic development of the communities it serves. In short, AIPP is creating space for Asian indigenous voices to be heard. ■



UNTAPPED RESOURCES Much remains to be done in developing the skills of ethnic minorities

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peoples have already possessed their own customs and traditions, and the rule and regulations pertaining to the natural resource use and management.”

After centuries of living and adapting to remote and extreme environments, harvesting and managing their environment’s natural resources, and maintaining nature’s fragile ecological balance, indigenous peoples have developed valuable skills that could benefit the work of MDBs. More appropriately, an alternative question might be—how can development organizations benefit from indigenous peoples’ skills? Knowledge sharing could work both ways by encouraging the many highly skilled organizations and individuals in the native communities of North America and Asia to bid on MDB-financed loan and technical assistance projects. As James Rockett, ADB’s North America Resident Director General has stated in his speech during the international conference in Alaska last June, “knowledge sharing could work both ways by encouraging the many highly skilled organizations and individuals in the native communities of North America and Asia to bid on ADB-financed loan and technical assistance projects.”

It has become difficult to insulate or exclude indigenous peoples from development because development projects are increasingly focusing on rural communities, most often the natural habitat of native populations. The development community also takes a special interest in raising the standards of living of these vulnerable populations. To attain the Millennium Development Goals by 2015, to which MDBs are committed, they need to continue their focus on the plight of indigenous peoples. Creating partnerships to promote development, human rights, and peace is a vital part of this process. But, as Secretary-General Annan said at the opening of the Third UNPFII in New York in May, “these partnerships will only work if there is genuine participation of indigenous peoples in the decisions that affect them—and if there is genuine sensitivity towards their culture.”

For more information, visit <http://www.adb.org/IndigenousPeoples> ■

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NEW INDIGENOUS PEOPLES PROJECT PROFILES

Educating Poor Girls and Indigenous Children in Cambodia

This grant project on Targeted Assistance for Education of Poor Girls and Indigenous Children has four components: awareness activities on social and cultural inequalities and bias against girls and indigenous children, capacity building for scholarship programs, pilot testing community-managed scholarship programs, and dissemination of experiences and policy dialogue on the educational system. It will cover 75 lower secondary schools in Cambodia’s poorest areas and will utilize a participatory implementation model that includes community groups, village development committees, and parents’ associations in the process.

For more information, visit <http://www.adb.org/Documents/Profiles/GRNT/36152012.ASP> ■

Reducing Poverty Among Ethnic Minorities in the Nam Ngum Basin

The goal of this grant project is to reduce poverty and improve the socioeconomic status of ethnic minority women, who are among the poorest and most disadvantaged in the Lao People’s Democratic Republic. The project targets seven areas for improvement: livelihood, social infrastructure and services, training and skills development, participatory planning, baseline surveys, consultancies, and project management. The components emphasize a participatory approach for empowering women.

For more information, visit <http://www.adb.org/Documents/Profiles/GRNT/36491012.ASP> ■

NARO Welcomes Deputy Resident Director Brent Dark

The North American Representative Office (NARO) of the Asian Development Bank (ADB) welcomed Brent Dark as new Deputy Resident Director in August. Mr. Dark, a Canadian citizen, brings more than 15 years of experience in financial sector reforms, promotion of private sector participation and good governance practices, rural development, and poverty reduction analyses.

Prior to joining NARO, he was Principal Policy and Planning Specialist of ADB's Strategy and Policy Department, where he was part of a team that negotiated and

drafted the eighth replenishment of the Asian Development Fund (ADF IX) worth over \$7 billion. In this position, he was also responsible for interagency coordination between bilateral and multilateral development agencies and financing institutions. In his 10-year career in ADB, he has held several senior-level positions as Senior Economist (Poverty Reduction), where he helped draft and implement ADB's Poverty Reduction Strategy. He has worked extensively in several developing member countries in Asia and the Pacific, including Bangladesh, Cambodia, Cook Islands, Lao

People's Democratic Republic, Pakistan, Philippines, and Viet Nam.

Before joining ADB, Mr. Dark was a Development Economist for the Commonwealth Fund for Technical Cooperation in the Ministry of Planning and Development for the Cook Islands and a consultant for the Canadian International Development Agency and several branches of the provincial government of Saskatchewan. He holds a Master of Science degree in Economics from the London School of Economics and a Master of Arts degree from the University of Regina, Canada. ■

Upcoming Events

NARO EVENT CALENDAR HIGHLIGHTS

Conference on Central Asia in the Global Economy

Since winning independence from Soviet rule in the 1990s, Central Asia has emerged as an increasingly attractive region for investment, economic development, and regional cooperation. The region contains a significant amount of the world's known oil and gas reserves, substantial mineral resource base (e.g., gold, zinc, and uranium), fertile agricultural land, and a large population of well-educated people. Central Asia's impressive economic growth performance of nearly 9% per year (2000–2003) underscores the region's potential.

Foreign Policy magazine and the Asian Development Bank (ADB) will cohost an international business and policy conference to promote Central Asia's rising economic potential. The Central Asia in the Global Economy Forum will be held on 4 October at the Carnegie Endowment for International Peace in Washington, DC.

The issues to be discussed at the forum were released in a special report, *Central Asia: The Way Forward*, in the September/October issue of *Foreign Policy*. The report outlines challenges and opportunities for regional cooperation to attract investment and further the region's development.

For more information, contact Nicholas Cosky, Foreign Policy Magazine at ncosky@ceip.org, telephone (202) 939-2367; or ADB's North American Representative Office, telephone (202) 728-1500. ■

ADB Business Opportunities Tour in Eastern Canada

The seminar will provide a guide on how to successfully track and bid on ADB-funded business opportunities in the Asia and Pacific region. The first day of this 2-day program will focus on the recruitment of consultants, including consultant registration, expressions of interest, short-listing procedures, and submission of competitive technical proposals. The final session will focus on the supply of goods or works, procurement methods and procedures on how to submit a competitive bid, and bid evaluation. One-on-one meetings can also be scheduled with ADB specialists.

The tour will include the following cities: St. John's Newfoundland (4–5 October); Halifax, Nova Scotia (7–8 October); Montreal, Quebec (12–13 October); and Toronto (14–15 October).

For more information, contact Keith Warren for St. John's (warren.keith@ic.gc.ca), Christine Smith for Halifax (smith.Christine@ic.gc.ca), Julie Insley for Montreal (insley.Julie@ic.gc.ca), and Lesley-Ann Reed de Rodriguez for Toronto (reed.lesleyann@ic.gc.ca).

To view a complete list of ADB events in North America, visit <http://www.adb.org/NARO/events.asp> ■

ADB Publications

Micro Success Story? Transformation of Nongovernment Organizations into Regulated Financial Institutions

ISBN: 971-561-541-4

Publication Date: June 2004

Online edition: No Charge

Hardcopy: \$10



The study examines the ownership structure, expectations, and achievements of microfinance institutions that have been established by transforming nongovernment organizations (NGOs) in Africa, Asia, and Latin America. Although these institutions are few, they have had a catalytic effect and major influence on the microfinance industry.

The purpose of the study was to help transform institutions in improving their operations to serve larger segments of the poor more effectively and to enable NGOs, considering transformation into regulated financial institutions, in making more informed decisions.

To order a copy, contact NARO or to download a free copy, visit <http://www.adb.org/Documents/Studies/microfinance-success/default.asp>

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NEWS FROM

NARO

The quarterly newsletter of the Asian Development Bank (ADB) North American Representative Office (NARO) aims to enhance communications between ADB and its client groups in North America. Articles in the newsletter do not necessarily reflect the official ADB view. We welcome readers' comments and suggestions.

Asian Development Bank
North American Representative Office
815 Connecticut Avenue, NW
Suite 325
Washington, DC 20006, USA

Tel: (202) 728-1500
Fax: (202) 728-1505
E-mail: naro@adb.org
Web Site: <http://www.adb.org/NARO>

Newsletter contacts:
Sherry Kennedy
Amir Tejpar

Asian Development Bank
North American Representative Office
815 Connecticut Avenue, NW
Suite 325
Washington, DC 20006
USA