

other problems, in the same way. And that's what is important for our people." He remains cautious, waiting for the national park to be officially sanctioned by Congress. "Quinquen is a symbol of the struggle of the Indians, of our people. So that's what we're struggling for. I can only hope that Chilean society would realize once and for all, that the authorities, who have always discriminated against us, would realize that this must not happen again...

**Please write today to encourage President Aylwin to continue pushing for this important legislation**  
**President Patricio Aylwin**  
**President of Chile**  
**Palacio de la Moneda**  
**Santiago, CHILE**  
**Phone: 56-2-714-103**  
**or 56-2-717-054**



## **BIO-BIO DAMS THREATEN PEHUENCHE**

(Chile) The mountainous river basin of the Bio-Bio is the ancestral land of the Pehuenche Indians. Their right to cultural and economic survival is now being seriously threatened by the proposal of Chile's electric company, ENDESA, to build a series of six dams on the Bio-Bio. Approval for the first of the dams has already been obtained, but full-scale construction has been delayed pending a decision by the International Finance Corporation (the private sector wing of the World Bank) on whether to provide 25% of the Pangué Dam's funding. Chilean and international environmental and indigenous organizations have sounded a warning that the social and ecological costs of the project far outweigh any potential benefits. Perhaps the greatest indictment of the project is the fact that the Pehuenche, whose subsistence is directly tied to the river and its banks, have been almost entirely left out of the planning, assessment and decision-making process. At the eleventh hour, they have been told that their future is in perilous danger.

If approved, the IFC loan will be the beginning of the end for the 5,000 Pehuenche inhabiting the region. Part of the Mapuche indigenous society that once inhabited much of southern Chile and Argentina, the Pehuenche are still living traditionally. The subsistence activities of the Pehuenche are carried out along the banks of the river and its tributaries where they live, cultivate, raise livestock, and celebrate their religious ceremonies.

The proposed Pangué dam would have multiple direct and indirect consequences for the Pehuenche people.

The flooding, which is projected to be 14 kilometers in length, would directly result in the relocation of 600 indigenous peoples and 300 non-native Chilean peasants. Road-building and excavation for construction materials would displace another 400 Pehuenches. Three of the six proposed dams would irreversibly destroy over one-half of Pehuenche territory. It's estimated that the flooding of the scarce flat and arable fields on the banks of the river will do away with almost all of the subsistence agriculture practiced in the region.

The construction of roads and other structures is already having major effects on the physical landscape, and is causing culture shock in this formerly isolated region. Major tourist development of the reservoirs created by the hydroscheme is likely. Around the world, this type of development has been accompanied by environmental contamination and degradation, the loss of land ownership by poor and indigenous people, and dramatic changes in local subsistence economies. Already there is evidence that local landowners are using bribery and corruption to take advantage of the need to prove legal title to the land and claim traditional indigenous lands as their own.

Human and cultural rights are guaranteed by international laws by which the new government in Chile portends to abide. The social and economic council of the United Nations has prepared a Universal Declaration on Indigenous Rights which affirms the collective right of indigenous peoples to exist without being forced to assimilate, the right to their traditional property and lands, the right to indemnization, and protection against discrimination. The International Labor Organization has issued a similar document, signed by many heads of state including Chile's President Aylwin, manifesting their intention to respect the rights of indigenous peoples. Moreover, Chile's proposed new indigenous legislation reaffirms the right of Native people to maintain their ethnic identity, cultural customs, and the right to live on their ancestral land.

In compliance with the most fundamental human rights principles, the government of President Aylwin and the IFC must reject any project which could adversely affect the traditional way of life of the Pehuenche and Mapuche people. Because ENDESA is privatized and the Pangué Dam project has already been approved, there are limited avenues for Chilean organizations to apply domestic pressure. Still, they are hopeful that coordinated international pressure applied to the World Bank, ENDESA and President Aylwin, will give them leverage to convince the government to re-evaluate the project.

**Please take action today!!! Write to the World Bank, encouraging them not to fund the Pangué Dam project:**

**Barber Conable, World Bank, 1818 H Street NW  
Washington, DC 20433, Fax: 202-477-6391**