

# The Caazapa Project

In 1982 the Paraguayan government started to implement the Caazapa Project, which is an Agrodevelopment Project co-financed by the World Bank—which contributed \$31 million.

Despite changes in World Bank lending policies in recent years, its projects continue to have significant impacts on native people. In 1982, the World Bank demanded of the government of Paraguay the legalization of Indian lands in the region affected by the Caazapa Project. Seven years later, most lands of 21 Indian communities of the Mbya Guaraní and Ach people are still pending legalization. Instead, the government proposes smaller areas, ignoring the Indian's claims to their traditional lands. Although the Caazapa Project is supposed to benefit Indian communities as stipulated in the contract, once more economic development for private interests are in conflict with the well-being of the regional inhabitants.

As a World Bank staff said: "I don't think that the current regime is going to solve the terrible conditions where Indian people are living. They are responsible for that situation: the military and some of the people in the government are controlling the land."



*Mbya children after their families' eviction from their land, "Estancia la Golondrina," in 1987.*

