

## Contributing Paper

# The Chixoy Dam: The Maya Achi' Genocide. The Story of Forced Resettlement

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**More than 400 people have been victims of the violence related to the filling of the Chixoy dam in Guatemala. Some of them still remain unknown.**

This updates the report '*Large-scale Dams, Peoples' Rights and the Environment: the cases of Yacyretá, Chixoy, Katse. The role of Italian TNCs, development aid, the World bank and governments'* prepared by Reform the World Bank Campaign and presented to the International Indigenous Peoples Tribunal, that convened in Denver, Colorado, in June 1997. An analysis of the International Law and World Bank Directives violations concerning the Chixoy case was included in that report. The judgement delivered on Impregilo is attached to this study. On March 1999 the report was presented to the World Commission on Dams as a submission of Reform the World Bank Campaign and 41 Italian NGOs.

Special thanks for the collaboration should be addressed to Annie Bird of the US NGO Guatemala Partners ([partners@guate.net](mailto:partners@guate.net)). Without her help the June 1999 on-the-spot mission that was carried out by the author should not have been so useful. Special thanks go also to Carlos Chen, Cristobal Osorio Sanchez, Jesu Tecu Osorio and Don. Mario, Don Angel and Don Juliano from the Rio Negro community, and to Antonio Vasquez Xitumul from the Chicruz community for their testimonies and help, and to Lic. Louis David Alonso, Lic Mario Marroquin and Lic. Danilo Palma for their collaboration.

Most importantly, this report reflects the views of the Rio Negro community, with whose collaboration it has been produced. By means of a letter to the author, the community has endorsed the contents of the report.

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## 1. Introduction

This paper mainly tells the history of the struggle of one indigenous group, the Maya Achì of Rio Negro in Guatemala, to survive the genocide connected to the decision of building the Chixoy dam in 1976 and to regain their previous standards of life; it also tries to identify the responsibilities, direct and indirect, of the government of Guatemala, funding institutions and building companies. It contains an analysis of how the interaction between the interests of TNCs, public funds and military goals, with various roles and degrees of responsibility, has generated not only a ruthless exploitation of natural resources and the marginalisation of local communities, but also their physical suppression and put at risk their present means of self subsistence.

The Chixoy hydro-electrical project was built during the military dictatorship in Guatemala and in the midst of a violent civil war fought between the army and armed opposition groups, a war that caused about 200,000 victims among civilians between 1980 and 1984. The construction of the dam was heavily affected by the war, the "tierra arrasada" strategy, and the "forced resettlement" policy adopted by the military junta of Rios Montt in order to control guerrilla warfare in the country's inner areas by means of militarised "model villages". This work mainly considers the case of the Rio Negro community for the gravity of its social and environmental impacts, still widely present today, and the severity of violence and massacres involved. A mission conducted by the author in 1996 focused on the latest developments of this case and sketched some steps for the carrying on of the compensation process still under way, following new criteria.

### 1.1 The affected people: the Maya Achì of Rio Negro and their homeland

The Chixoy dam was built in the area where the Maya Achì indigenous group have lived for hundreds of years: the department of Alta and Baja Verapaz, a region which holds approximately 75,000 Achì-speaking Maya people. The largest community living along the banks of the Rio Chixoy River, in what would later become the dam basin, was that of Rio Negro, in the Rabinal department. Out of the 463 families, about 1500 people, officially recognised as affected by INDE (Guatemala National Institute of Electrification) in 1976, 150 were from Rio Negro, until 1981 the strongest group in terms of culture and with an entirely indigenous population.

In the late '70s, when the dam project was drawn up, the community numbered 791 people, according to a census taken by INDE in 1977<sup>1</sup>. Each family farmed its own parcel of land and many of them raised horses and livestock (5 to 25 head of cattle), devoted themselves to fishing using traditional systems, and farmed corn, beans, tomatoes, chilly, oranges, mania and ayote along the wide river banks, the only fertile lands. There were also fruit trees, and Rio Negro inhabitants, women especially, were dedicated to the craft-made processing of palm materials and the production of fabrics that were sold on far away markets together with some agricultural products, by means of transport on horses and mules. They also had common lands for pasture and firewood and other natural resources.

Occasionally, some individuals from Rio Negro families joined the thousands of Guatemalan subsistence farmers as seasonal workers harvesting cotton, sugar or coffee on the large plantations on the country's Southern coast. There were no roads leading to Rio Negro. Rabinal, the nearest market, was at an eight hour walking distance, along a mountain path.

A first study made by INDE listed the "*attachment shown by the involved communities to their region and land*" among resettlement problems<sup>2</sup>. The attachment that INDE referred to is due to the fact that, since the classic Maya age (330 AC to 900 DC), the area around the Chixoy river was inhabited by indigenous people who built up various ceremonial religious centers.

But the Rio Negro community was only one of the many affected. The basin was planned for 50 km along the river, including some tributaries (Carchelà and Salama), and affecting around 3,445 people<sup>3</sup> living along the river's embankments in the Rabinal, Cobulco, S.Cristobal Verapaz and San Miguel Chicaj departments. The basin flooded all the lands between 700 and 900 metres above sea level: 741 ranchos and 54 brick houses. While the Rio Negro

### The funding of the dam and the private sector

In 1975 INDE, the Guatemala's National Institute of Electrification publicly announced the project of a dam to be built on Rio Chixoy north of Baja Verapaz, whose objective was to develop a reliable source of cheap and abundant energy. In a period of deep crisis in Guatemala, dams were to be used to cut the high costs of oil purchase.

Funding for the project came first from the Inter-American Development Bank (IDB) in 1976, and then from The World Bank - already involved for many years in restructuring the Guatemalan Energy Sector – in 1978: US\$105 million and US\$72 million respectively. A further 14 billion lira (about US\$8.7million) were allocated by Italian bilateral aid in 1992 - in favour of COGEFAR-Impresit - as aid credit for maintenance of the Chixoy hydro-electrical plant.

The consultant group contracted by INDE, Consorcio Lami, planned the building of four hydro-electric dams, for a total length of 155 km of the river and a submergence area of 6000 square km, to generate 550 MW. The first stage envisaged the construction of the 100 metre high Pueblo Viejo Dam, connected with a 26 km tunnel to drive the water to Quixal turbines (300MW). The engineering consortium, including Lahmeyer (Canada) and COGEFAR (then Impregilo-Italy) estimated the initial cost at US\$270 million, which would have soon been covered by the profit generated by the dam, saving the country US\$30-33 million in oil costs in the first year alone. Instead, after an earthquake in 1976 halted construction for 15 months, the cost was raised to US\$ 800 million (an increase of 300%), due to a re-design of the project because of the earthquake and complicated geology in the environmentally-fragile region. Ultimately, the total cost of the project was estimated to be more than US\$ 1 billion. The first dam was the only one to be built.

community owned 22,25 caballerias of inundated land (1 caballeria is 64 ha), 12 as private property and 10,25 as common land, not everyone belonging to the other communities owned farmland. In some cases the land management system was the “colonato” meaning that they were farming the land of a private landlord receiving the rights to cultivate a little parcel for their own needs, as a salary.

## 1.2 Planning of the dam and beginning of the conflicts

The project completely disregarded the people displaced by the dam: no consultation with local indigenous peoples was envisaged or undertaken in the planning of the Chixoy dam that ended in 1975 and no meaningful information was given to them. Initial consultations took place only in 1976, after the dam construction had started. INDE representatives flew over Rio Negro by helicopter to inform people that a dam would be built and that the resulting reservoir would submerge their lands. Further contacts between INDE and local indigenous peoples took place in a climate of terror and intimidation. Rio Negro people were repeatedly threatened by INDE governmental representatives.

In 1980 INDE asked two representatives to go to its offices to claim their rights over the affected lands; the mutilated bodies of the two were later discovered and the document they were bringing, as evidence of their ownership (Libro de Acta) was never found again. The initial problems between INDE, the government, the army and the people arose because from the beginning the Rio Negro population was opposing the relocation. Instead the mestizo community of Chicruz of the Cobulco department didn't adopt a similar attitude. According to Luis D. Alonso, a lawyer committed to the

affected communities, the reason for this different behavior was due to the fact that “*the Rio Negro valley was the most fertile and well connected to the forests and their resources, the river and the upper Verapaz markets, where the people could trade handcrafts and food*”. Another major cause was related to the ethnic component of the population. The Rio Negro community, on which the work of education and awareness carried out by CUC (Coordinadora de Unidad Campesina) had a greater hold, didn't want to move to culturally different areas and areas. After long discussions, local communities elected a committee to negotiate the resettlement.

The initial documents by INDE significantly only mention people who had to be displaced, whereas in a feasibility study commissioned to Consortium Lami, only five lines are devoted to the assessment of the population living in the area: “*...the population in the zone is mainly indigenous ...in the area of the study there is almost no population, most of the population in this area live in the higher parts of nearby mountains*”<sup>4</sup>. In reality, as was pointed out above, the Rio Negro and other communities were mostly living along the river embankments.

### **The impact of development projects on indigenous peoples in Guatemala: the policy of “National Security and Development”.**

The development projects launched by Guatemala since the 50s, and amidst the political debacle, always pursued economic development at the expense of social development, whereas programmes for a sustainable development were always opposed by the army. The production of electricity - part of the “two tracks” strategy supported by the USA strategy for Latin America (introduction of structural changes and support to local armies) - had a fivefold increase during this period since it was mainly due to public investments. In those years of strong militarisation of the government many jobs, such as executive manager and administrative manager were assigned to members of the army; among them the direction of INDE was given to general José Oscar Sandoval Torres.

In 1982, under Rios Mott government the “National Plan for Security and Development” was presented.

This plan foresaw in its actions three measures:

1. The “tierra arrasada” strategy used by the army on the civil population with the aim of eliminating all supports to revolutionary groups through the physical and collective elimination in neighbouring communities, generally mistaking indigenous farmers as guerrillas;
2. The construction of “Model villages” and “development poles” where people resettled or forced refugees were generally victims of the military campaigns of destruction;
3. The “Civil Defence Patrols” (PAC or death squads), submitted to forced recruit and with more than one million conscripts at the end of the 80s, more than 10% of the total Guatemalan population. In this framework of violence the Chixoy dam construction project was developed as part of the Integrated Development Plan of Baja Verapaz.

## 2. The Rio Negro struggle against the dam and the massacres

By 1976, 70 km of access roads had already been built to reach the site and the Chixoy Project officially began. Work continued until an earthquake delayed dam construction for 15 months and the project had to be modified. From June 1978, to avoid continuous increasing of the construction cost, it was deemed urgent to resettle the families living in the future basin, and the area was declared as “zone of national emergency”<sup>5</sup>.

Initially, INDE offered the Rio Negro people a possibility to move to two areas, but those proved to be located too far away. According to an INDE official, one of these two areas, Finca Primavera, conceived to host all the communities of the Chixoy valley despite their different ethnic provenience and existing conflicts, was located on the northern side of Rio Chixoy in a remote area without water or fertile lands. At the end, the area chosen by INDE was located in Finca Pacux, close to the city of Rabinal; construction work began in 1978 and in 1980 Rio Negro residents could see what would later become their new homes. They didn't like it and decided to stay in Rio Negro: “we didn't believe that man could really build such a huge dam to flood all our land, only God can do these things”, later said a Rio Negro inhabitant.

During the construction of the Chixoy dam, gravel and sand were removed from land shared by the villages of Pajales, Rio Negro and Xococ. Following protests from the locals, US\$120,000 was given as compensation, but the money was divided unequally, causing conflicts among Rio Negro and Xococ communities. Internal conflicts due to the resettlement and compensation issues were not the only problem: the entire area felt the consequences of the civil war, then raging in the country. The Xococ inhabitants that Luis Alonso described as “the community with the most right-wing extremist approach who helped the army and cooperated with military secret services” started to report to the army that guerrilla people were present in Rio Negro. It was during this period that INDE began to denounce Rio Negro residents as being guerrillas and to act against them.

The intimidation campaign against the Maya Achí Indians began in 1980, following the community's refusal to move to the new settlements provided by INDE. In March 1980 seven people were killed during a meeting and in July 1980 the same fate befell two representatives who were going to claim titles to their land at INDE offices. In 1981, the Guatemalan government introduced Civil Defense Patrols (PACs), which became an armed network of community-based, counter-insurgency militias targeting community leaders, religious workers, development specialists, human rights workers, and others. Those opposing the dam were considered as part of the pro-guerrilla movement giving the Guatemalan government reasons for the massacres. In Xococ, a neighboring village to Río Negro, a PAC was formed.

In February 1982, 73 men and women from Rio Negro were ordered to report to Xococ. According to what reported by Rio Negro inhabitants they were subsequently slaughtered by the Xococ PAC, one of the most famous paramilitary task forces used by the government as a death squad, while according to Xococ inhabitants they were brought to the military headquarters and then disappeared.

In March, 70 women and 107 children were brought to the mountains a one-hour walk from Rio Negro in a place traditionally known as Pacoxon and there they were raped and killed. Three women and some children succeeded to escape whereas 18 children in working age were kidnapped and made slaves for many years, until they were freed (with the help of the catholic dioceses) and could relate what had happened. Before September of the same year, another 84 Rio Negro people were tortured and killed in Los Encuentros as were, subsequently, a further 35 orphans children in Agua Fria, another village in the vicinity, where they had found refuge after the Rio Negro massacres. Fifteen women were forced to board a helicopter and nobody still knows what has happened to them.<sup>6</sup> Thus, prior to dam completion and the resettlement of local residents, between February and September 1982, the death squads and the army killed about 400 men, women and children from Rio Negro, during mass or individual massacres. The attacks were officially declared by the government as being counterinsurgency activities. Between September 1981 and August 1983, about 4-5 thousand people were killed in the Rabinal department<sup>7</sup>.

The filling of the basin began in January 1983 right after the final massacre. The people had to start moving away and the Rio Negro village was abandoned. They took refuge in the mountains and of them "a non precised number of men, women and children died because of the forced transfer"<sup>8</sup>. Some remained in the mountains for five years and only after the first amnesty, announced by General Mejia Victores in 1985, they started to walk towards their resettlement village, Pacux, escorted by the army.

## 2.1 How the tragedy was addressed

For ten years after the worst repression, the Rio Negro community – like virtually all Guatemalans – kept a low profile and basically tried to get by. In 1992, they began to urge that the Rio Negro massacres should be remembered and the crimes committed against them and their families addressed. It was in the context of this initiated "confront-the-past" work that the surviving Río Negro members, founded the Río Negro Widows and Orphans Committee in 1993, which then became the Rabinal Widows and Orphans Committee in 1995.

The strong will of the victims of violence and survivors, in particular the widows' organisations, led to start the recovery of memory for the victims of the Rabinal massacres and of the rest of the country. The survivors began to speak out about the events and undertook efforts to have the events documented, such as exhuming the mass graves by a forensic team in November 1993. In January 1994, the bodies of 85 children and 58 women were unearthed in the secret cemetery of Rio Negro and in 1995 a new gravesite called Monument to the Truth was inaugurated. In 1996, they collaborated with an US-based organization Witness for Peace, which published a report "A People Dammed: The Impacts of the World Bank Chixoy Hydroelectric Project in Guatemala".

Justice was sought in several arenas, including the United Nations, the World Bank, and within Guatemala. The World Bank sent a mission to investigate, which recognized the massacres, but yet admitted no responsibility. Criminal suits were brought against military leaders in Guatemala. In November 1998, three Civil Patrol commanders were found guilty of the murder of three individuals killed during the massacres, but in February 1999 the verdict was annulled on appeal. The community is now demanding that new negotiations for compensation occur, considering the physical, psychological, cultural, and material losses. As of September 7, 1999, a second trial has been opened against the three Civil Patrollers and a Special Prosecutor has been appointed.

Also in February 1999, the United Nations-sponsored Commission for Historical Clarification concluded that in certain regions of the country the Army planned and carried out genocide (according to article 11 of the Convention on Genocide), classified the violence that occurred in Río Negro as genocide, and included the forced resettlement among the causes of elimination of the Río Negro community. In the face of still remarkably horrific conditions, the survivors have been able to have their experience – in terms of genocide, violence, loss of traditional livelihoods, and the poverty and instability that these create – verified and corroborated at high levels. They continue to push towards full achievement of commitments, justice, and restitution and are using new avenues and arenas, such as the Working Group on Indigenous Populations of the UN during its July 1999 session and the World Commission on Dams' public consultation held in San Paulo in August 1999.

### 3. The resettlement village of Pacux

The resettlement village was one of the "model villages" that the Guatemalan army had built to control guerrilla movements. A military base was located at the entrance of the village and constantly controlled the population. In 1985, three years after the filling of the basin, the resettlement in the Pacux village wasn't finished yet; only some hundred people out of the about 800 inhabitants of Rio Negro had moved there<sup>9</sup>. As evidence of that, in December 1983, while pressing for extra funds from IDB to face some contingent expenses due to the repairing of the tunnel that had collapsed in some points, INDE Relocation Committee had to admit the failure of its resettlement program<sup>10</sup>. It was immediately clear that the economic situation of the resettled people in Pacux was worse than in their previous village: the Rio Negro people, who had reached Pacux only with the clothes they were wearing since their houses had been burnt after the last massacre and all their goods - cattle included- had been stolen by PAC<sup>11</sup>, found houses badly constructed and already damaged by the army, who had lived in them during the first years. The situation was so dramatic that during the first years INDE had to distribute food to the resettled people. Being farmers, they could support themselves only by cultivating their land, but land was bought and given to them only later on and, at least two thirds of it, turned out to be unsuitable for farming.

The arrival in Pacux didn't put an end to violence: for some days, all men arriving at the village were seized, interrogated, mistreated and tortured by the army. Some of them were left without water and food for 12 days, after the hard life in the mountains, they did not survive the suffering and died<sup>12</sup>. This situation lasted for many years. Pacux became a forced refuge for the victims of massacres made by the counterrevolutionary strategy more than a project of national development. Widows and orphans (about one hundred of them), still predominant in Pacux today, are good evidence of that.

#### 3.1 The Long Suffering for Compensation

Compensation for the families and communities damaged by the project were listed among the terms of the agreements signed with funding institutions. An executive body was created as a result of these agreements. It had to evaluate the compensations for lands, houses and crops that would be lost. At the beginning, the Inter-American Development Bank carried out the monitoring, and the Human Resettlement Program established by the multilateral body foresaw the purchase of lands equal to those flooded (the land should have the same or a better value, with woods for firewood and farming areas), the building of new houses and services in the traditional way, programs to improve craftsmanship, refunding for the loss of crops, actions to increase awareness and promote social and cultural development. In 1978 the World Bank took over. Its directives envisage the restoration of living standards and revenue generation capacities of displaced people, but this did not happen in the case of Chixoy. As we have seen, the village was inhospitable, housing badly built. Electricity and water supply were provided, but up to today the supply was at best sporadic (moreover people will soon have to pay for them).

On the land problem, in 1976 INDE measured the lands to be flooded with the help of the Committee for National Reconstruction - a body established after the earthquake of 1976 and made up prevalently by military people - and estimated that the number of families involved would be 150. Without consultations, INDE decided to give 3 hectares to each family directly damaged and 2 hectares to

those damaged indirectly. But in 1980 the papers proving the ownership of the lands disappeared. The three fincas in Rabinal (Pantulul, Corralabaj and Corral Viejo) were bought only some years later for a total of about 122 hectares out of the 450 envisaged. The treeless land was inadequate for the resident population and the majority of it could not be used for farming because of poor quality, rocky and steep terrain and no water availability.

In 1983, while the majority of survivors were still on the mountains, INDE took a new census and dropped the number of families to be compensated to 106. From that moment on, INDE considered this new figure as the number of families to compensate whereas the Rio Negro people always claimed that the figure was not correct since INDE did not acknowledge the heirs of those families completely destroyed during the massacres and that could not assert their rights. Besides, the “new families” formed by those who were not of age at the time of flooding but who formed a family soon afterwards were not considered, although they needed lands and a house. In 1984, when the 150 houses had just been built, the army came to pull down those in excess. People were threatened not to dare to put up other members of their community. As for the compensation or restoration of farming and land assets, problems started since the feasibility study done by LAMI in 1974. Under the agriculture section (only 11 lines) we read: *“there is no important agricultural development along the river... agricultural utilization increases on the higher and flatter parts of the hills”*. In reality, for decades Maya Achì communities had cultivated the embankments of the river leaving the upper part of the hills to sheep farming.

At the beginning of its works, in the 70s, INDE promised well paid and long-term jobs to people, but they only obtained a maximum of 15 periods of 15 days to build the resettlement houses. Sometimes they were paid with “food for work”, 2 pounds of corn every two weeks. Besides, only 340 workers from Rio Negro - out of the 800 promised<sup>13</sup> - really received a contract to finish the construction, whereas corruption rapidly spread. Many people not damaged by the dam were in fact hired in the sites. According to Mr. Mario Marroquin of the World Bank Mission in Guatemala City, “In 1984, the World Bank granted the second loan to the government of Guatemala, without evaluating the use of the previous loan and the conditions of the affected people, although the institution already had clear policies on resettlement and respect of human rights”<sup>14</sup>.

## **3.2 The Present Situation**

From 1984 to 1996, the issue of compensation for Chixoy resettled people was completely forgotten. Only in July 1996, after denunciations from Witness for Peace<sup>15</sup>, did the World Bank carry out an on-site investigation<sup>16</sup> which concluded that local people were never adequately compensated and urged the purchase of more land. In 1995, INDE, pressed by the Pastoral Social of Coban, created another Commission for Human Resettlement for the payment of compensations, but only the intervention of the World Bank gave a new start to the process. Through the mediation of the Catholic Diocese of Verapaz, and of the World Bank, the Pacux community negotiated with INDE the compensations that were agreed with the Guatemalan government 16 years earlier (in 1980), in particular those on property titles, money compensation and the purchase of new land. The sums given for the loss of crops were the first to come but their amount was ridiculous: 500 quetzal (about US\$ 50) for 3 hectares of land per family while the real value would have been at least ten times as much. INDE considered the rates of 1978 as point of reference for the negotiation.

INDE, the State energy company, was at this stage in extremely difficult circumstances and the World Bank, following the on-site investigation in 1996, expressed doubts that outstanding requests, in particular for the purchase of lands, could be fulfilled. In 1997 INDE had only 250,000 quetzal (about US\$ 25,000) to buy a new finca (farm) but market prices were twice as much. Later on the situation became even worse as INDE could pay only 1,000 quetzal per hectare for land carrying a market price of 10,000 quetzal per hectare. The World Bank had to negotiate with FONAPAZ (National Fund for Peace) the commitment for the missing land. In 1998 INDE was then privatised.

On 19 January 1999, with FONAPAZ money, a new finca was bought in the municipality of Coban, Alta Verapaz, at about 8 hours drive from Rabinal. As of September 1999 property titles for the new land have been assigned, but not yet handed out delivered, to 62 Rio Negro families. Most importantly, the land handed out as compensation in the past face the same legal situation. The new finca, called Sahomax Yalchacti, is made up of 320 hectares of farming land with a well settled production of cardamom and good perspectives for the starting of new crops but it lacks facilities for living on it and cultivating it. Rio Negro people had to wait twenty years also to receive property titles for their houses. Only in 1999, when 80 titles were assigned, the number of people who received them reached 146. The process of legalization was further complicated because INDE did not acknowledge 44 families whose recipients had died or had disappeared at the time of violence and for whom it was necessary to set up a process of presumed death acknowledgement that lasted two years.

### **3.3 The Situation in Cubulco: Some Hints**

In 1989 the 189 families of Cubulco, who had lost 16 caballerias of fertile lands, were resettled in El Naranjo Colony, built after Pacux. They received 8 fincas, the largest of which Chitocoy, was 6 caballerias. Seventy families remained in Chicruz (the largest community flooded in the municipality) and ten in San Juan. These communities and other seven that were located above the line of maximum filling of the basin are now completely isolated. The only wooden bridge built two years ago was pulled down by hurricane Mitch and was never rebuilt. At the time of negotiations with INDE, the construction of another colony - Chicuxtin -, for which land had been bought, was envisaged. Only in 1999, and thanks to the intervention of the World Bank, did FONAPAZ start to build 65 houses destined to "new families" in Chicuxtin, but the work is still under way<sup>17</sup>.

### **3.4 The Unfinished Process: the INDE and World Bank commitments on compensation**

Since the process of compensation was reopened, the criteria adopted were limited to the completion of what INDE had imposed to local communities in 1980, in a climax of terror and not of consultation or negotiation. The target was to give to all families titles to three hectares of land, titles on houses and some payment for lost crops. A short-term target with a limited compensation value that did not take into account the real needs at the time of relocation and new needs caused by the resettlement of the communities. Are three hectares of land (desert and without water) enough to support a family? What do the titles of individual property mean to a Maya Achí? Can compensation money compensate for the sacredness of lands and the loss of a larger area where they used to collect firewood, fruits and medicinal herbs? Besides that, not all the commitments have been fulfilled:

1. there are no houses in the new finca and FONAPAZ committed itself only to build the floor and the roof. Drinking water, electricity and health services are lacking. Due to its location far from Rabinal, an increase of value for the land is unthinkable without these housing requirements. Besides, an agronomic project on the new finca started by the community was suspended since a map of the land is still unavailable.
2. In Pacux, 4 houses are still lacking titles and the titles for the farming land (included the new finca) have not yet been delivered to the families. The social structures, a school and a health centre have not yet been delivered to the local entities charged for their management.
3. 44 families, although acknowledged as legal heirs for the housing issue, haven't yet received any farming land and survive thanks to the solidarity of the other members of the community.
4. The three finca of Rabinal do not have sufficient land for its 46 legal owners: each family only owns 2.6 hectares. The fincas are short of 16 ha.

5. In Cubulco, titles for Chicuxtin houses have not been delivered and the situation concerning titles on farming land is the same as in Pacux.

In spite of this in July 1999 experts very close to the World Bank believed that almost all relocated communities had reached the level they had in 1976 or were almost about to reach it. After having restarted and strongly supported the compensation process for two years, the World Bank officials in Guatemala now consider the compensation process, agreed with INDE in 1980, as ended with the fulfillment of the resettlement needs and payment of compensation to affected communities from the Chixoy river basin.

Moreover, during some meetings held by the author with WB representatives, a discriminating and trustless approach towards the self-management and cooperation of the Rio Negro people relocated in Pacux emerged. In the rebuilding of events, it's in fact said that those living in Pacux “...*did not cooperate with INDE in the selection of new lands*” and for this reason they got lands of bad quality, and that “*those now claiming the non fulfillment of compensation...omitted important initiatives in crucial moments...*”<sup>18</sup>. This refers to the 44 families living in Pacux that were excluded from land compensations and anyway decided not to move to Alta Verapaz, and that after the massacres of 1982 had decided not to cooperate (with INDE and the army) to look for new lands. In the light of the cultural eradication and violence described above, these considerations seem - to say the least - shallow considerations. The case of the 44 families who did not receive compensations is very serious: the World Bank considered it a fraud attempt from the Rio Negro people who arbitrarily increased the number of heirs of people died in massacres. The responsibility for the lack of property titles, officially acknowledged by the government, must be with INDE, which in 1980 stole them by deception and afterwards “lost” them. This made it impossible for a long time to identify the number of people to whom compensation was due. In 1996, however, the World Bank acknowledged the process of recovery of the rights of these families to houses.

There is also another issue remained addressed due to the lack of support to the Rio Negro community: before the dam project started the community could claim ancestral rights, shared with the other communities of Pajales and Xococ, of usage on another farm, Finca Pajales. Recently, however, the lack of legal and financial support forced the Rio Negro community to give up their participation in the legal assignment of acknowledged rights on this land. Due to the lack of competence and means of transport to reach the place of negotiation, they have probably lost the possibility of asserting legitimate claims on it.

### **3.5 The Process not Undertaken: the need for new criteria**

One of the first promises, forgotten by INDE at the time of resettlement and now by the World Bank and FONAPAZ, was that the land assigned to affected people had to be of the same quality and quantity of that lost. This is also foreseen in the WB directives on resettlement (OD 4.30) and indigenous people (OD 4.20) and in the ILO Convention 169, signed by Guatemala in 1996. As for the quantity, the Rio Negro people have so far obtained only 7 caballerias against the 22.5 caballerias of flooded land, that is, less than one third. All fincas bought so far are located very far from these people's native land, both in Pacux and in Colonia El Naranjo, and there is no water for irrigation. This creates problems such as loss of working hours for farming and difficulties in continuing traditional activities. The issue of population growth was not taken into account: more than 170 families now live in Pacux, but there are only 150 houses and there is no land available to build new ones. In many cases three or four families must share a house of few square meters. In the future the situation is due to worsen.

In 1981 INDE made a study on the type of housing used by communities living along the river, but only the people of Carchelà were resettled in a traditional type of housing. The other communities were given radically different houses, designed for an urban environment and placed one after the other with no room for animals, had concrete floors with no foundations and a flat roof. No common

places were foreseen for open-air meetings, for ceremonies, animals or the common fireplace. In Pacux, houses are in advanced decaying condition since they were built utilizing poor techniques and materials.

The impacts of the Chixoy project on culture, socio-economic structures and health of the Maya Achì communities as well as the environmental and territorial damages were not taken into consideration. The affected local communities have therefore been trying to widen the framework of what was considered "damage" until today and develop other wider criteria. Some of these criteria are included in the conclusions and recommendation.

### **3.6 Cultural changes and socio-economic losses**

The Chixoy dam is located in a remote area of Guatemala, where contacts between the local population and the rest of the country were occasional. The closest village was at a several hours walking distance from communities living in the Maya Achì area. Dam construction led to more frequent contacts with Spanish speaking communities, the "ladinos", and to the necessity to adapt traditional social organisation. For example people's representatives had to be appointed to interact with governmental officials in charge of managing dam construction and resettlement. The most important damage not considered in the compensation process is perhaps the destruction of social structures and the culture of the community.

As elsewhere in Guatemala, the Rio Negro massacres aimed at depriving the ethnical and cultural groups of their mechanisms of continuity: all elderly people were killed, and they were those who knew and handed down basic religious and cultural practices. Today the survivors find it hard to remember and rebuild their traditions: playing the marimba; dancing the "baile costeño" and the religious syncretism like the candle ritual; furthermore, they haven't got enough money to prepare these rituals with the help of people outside their community. They have also lost all their internal capacities of conflict resolution. All medicinal plants growing along the river were lost due to the dam construction and the two Maya priests of the community as well as those who knew traditional healing systems were killed.

A Dominican priest living in Salvador is the only repository of the memoirs these people can be still proud of: some photographs of children swimming and fishing, community people before the massacres and traditional houses taken before the village was abandoned. The Widows' Coordination of Pacux organization is now trying to start a museum among many difficulties. In the early 80's a mission of French archaeologists, contracted by INDE, and leaded by Mr. Ychon, started excavations in the Pueblo Viejo area with the purpose of digging out archaeological objects from the areas that were to be submerged. In this case too, the local population was not consulted and felt the presence of the archaeologists to be an invasion and the excavations a robbery of their cultural heritage, although some Rio Negro workers had been hired for the excavations. The archeological commission took many precious items (Maya statues, jewels etc.) and the local people never had them back.<sup>19</sup>

Among the archeological losses were also the Cahuinal site in Cubulco, with its religious temples where communities went to pray, the Pelota playing field, more than 150 other buildings and other 16 Mayan ceremonial sites. Every year, during the dry season, Cahuinal emerges and today, after 17 years, the irreparable signs of its deterioration are evident. In a 1982 survey on the Chixoy impacts, INDE stated that "*although some archaeological sites are to be flooded, this will be compensated by the survey made, since it will enrich the knowledge of national heritage*"<sup>20</sup>. Nobody from the Rio Negro community could make use of this survey.

The substantial negative impact caused by this project (with the loss of traditional economies, lands and housing) makes it now almost impossible for the affected communities to satisfy their primary

needs. It also provoked the disintegration of their complex and delicate system of traditional and cultural internal regulation (loss of traditional law, of the role of the chief and of access to places of symbolic and religious importance). In this context, the loss of land, as a consequence of forced resettlement policies, is of crucial significance. When indigenous peoples are involved, some of the negative impacts are rendered even more serious due to the particular relationship that such people have with their land and the environment in which they have lived for generations. The threat to their survival is further worsened by the lack of consideration given to their vulnerability to "development" mechanisms. In the case examined here, studies on social and anthropological impact either do not exist or have not been published even though, according to a World Bank directive, such studies must be carried out when the problem of resettlement of indigenous peoples has to be tackled. Social impacts are linked with others, frequently irreversible, on health, the environment and food availability. Now local people cannot manage or have direct access to natural resources, thus affecting their living conditions and the wider environment.

From a cultural point of view, the compensation process reopened in 1996 could even make the situation worse: the new finca is located in a different ethnic area, a Kekchí area, where people speak a language the Maya Achí cannot understand. For this reason it is normal that only a few of them have accepted to move there. After the dam caused their forced transfer to inhospitable lands for twenty years, now the survivors of the 1982 massacres are forced to move to faraway lands to restart their life. The subsistence economy has, starting from 1982, very much deteriorated. There are no working opportunities in the area and men are forced to migrate to work in large plantations. Sometimes whole families migrate to the South for seasonal work, with all the problems that seasonal migration involves - a change of climate, working conditions, family disintegration. It also seems that the most attractive work for young people from Pacux at the moment is three-year army service, where they get clothes, housing, food, and are paid \$60 a month. By a twist of fate, the sons of those who died during the massacres of the early '80s are now becoming part of the military system.

In the following paragraph, the comparison between life in the old site and in Pacux will better clarify the changes brought about by the forced relocation process to traditional economies. This kind of loss was not taken into account in the compensation process.

## 4. The New Rio Negro

In 1991 three families frustrated with the living conditions in Pacux have returned to their ancestral home and have started to live in straw and nylon huts. To go back to Rio Negro was not easy. In 1989, when they started to sporadically return to the area, they needed a temporary permit by the military commander even for fishing and remaining in the area for a short time. After that 18 families came to live in the area. Only 12 of them are there today, but a greater number of those living in Pacux have now taken the habit of walking monthly to Rio Negro (height hour walk) to supply themselves with what they were used to and/or they cannot buy: fish, palm trees, ocote (pinewood used for setting fires) and cal (lime to cook corn). In the village they fish, hunt and cultivate the small land available on the new desert river banks. In the "new Rio Negro" life is difficult: food and farming lands are scanty, there are no close sanitary services and people have only one launch for their travels (out of the 12 promised by INDE). For this reason, the trade of palm and the other few products left, that once took place at least twice a week, now take place only once a week. The closest market to reach on foot is Xococ, four hours walk away, and the closest hospital is in Coban, six hours away. Along the river, everyone had his fishing net, but in the artificial basin - where there is only stagnant water - more sophisticated techniques, for which not everybody is equipped or can buy the necessary equipment, is required.

Despite these conditions, they prefer it to Pacux , says Don Juliano, the first to come back here, "*where there was no room to keep animals, to farm or to light a common fire, where firewood and all other needed things must be bought*". But the dream of coming all back here remains a utopia, since "*there wouldn't be enough room and land for everybody*". Electricity came just in May 1999 with the installation of solar panels donated by a private company; some components of the solar panels, however, will have to be replaced in five years and no funding is currently available for that. Only one year ago did they obtain roofs for their houses and a school, with the help of Coban Pastoral Social. ”.

### 4.1 Environmental and Health Impacts

Neither the World Bank nor INDE have ever carried out environmental impact assessments or protection plans. The consequences are now affecting the local environment and the functioning of the dam. During the feasibility study, "*no consideration was given to the possible use of other types of energy such as solar or geothermal*"<sup>21</sup>. Information available indicates that the banks of the reservoir have been heavily deforested and transformed into a desert due to the fragility of the terrain that continues to slide down into the basin. A number of attempts to replant trees have been unsuccessful, perhaps because they came too late (started in 1991). Moreover only \$ 1.5 million was set aside for environmental conservation efforts.

The majority of flooded land was of "ejidal" type, land destined to common use for sowing, pasture and firewood and for other products used by the community; but people did not hold property titles. The right to this common land has been lost and has not been compensated with the delimitation of protected areas for the benefit of affected people, as it is foreseen in the World Bank's directives on environmental impact assessment on indigenous people and applied in other cases of dams funded by the World Bank.

Relocation has caused worsened living conditions for local communities and the quality of their nutrition. This can be considered as a direct impact of the dam, although the effects are felt at a certain distance from the reservoir. In Pacux the housing situation has worsened and food production on lands of limited size and poor fertility had lead to a state of chronic undernourishment. The health centre built by INDE is unfit for use: soon after its construction, it lacked medical staff and medicines.

## 4.2 Was the Dam Useful? Its Impact on the Guatemala Economy

The power plant started operating after the reservoir was filled in 1983. However, it was shut down five months later because it was feared that the tunnel carrying water from the reservoir to the plant was about to collapse. The dam was reopened after maintenance work in 1985, but the plant has never operated at more than 70% of its expected capacity. Maintenance costs are higher than planned and additional technical problems have required additional maintenance work. In 1990, with funds received from the Italian government, COGEFAR built an additional tunnel to alleviate the weight of the main tunnel and avoid further collapses. As regards to the basin, sedimentation is higher than expected and the reservoir is likely to be filled with debris in the coming future. These factors contribute to shortening the dam's life: according to some sources it will not last for more than 20 years. In some areas north of the basin, sedimentation has reached 100% of live storage and is fast reaching the area at the entrance of the dam tunnel. This critical area of the dam, which represents the depth of the basin in front of the tunnel (which takes in the water to produce electricity), was at about 100 m. depth when the dam started operation, but was only at 70 m. depth in 1996.

The dam has turned out to be a financial disaster, since it does not cover the country's energy needs. *"By the time INDE solicited the 1978 loan, the WB had already invested 18 years and \$77 millions in Guatemala's hydro-electrification, with little success up to the point"*<sup>22</sup>. Although dependence on oil has decreased, Guatemala still spends US\$ 150 million a year to produce electricity. Every year a minimum of US\$ 8 million are spent on structural maintenance costs of the Chixoy project, and only when fully operating does it cover about 50-60% of the country's needs. Energy costs supported by the population have constantly increased during the last few years, but still only 30% of the population benefit from electric power. Moreover, the dam works in a very discontinuous way: in summer the energy demand is not sufficient to cover the total supply of the country and so the Chixoy power is not used. In summer 1997, the power produced had to be sold to El Salvador. That same year, a "sectorial door" (which increases the height of the dam) was built to improve the storage of water during the rainy season, water that had been lost until then, reducing the so-called "live storage" of the basin, perhaps due to sedimentation rates.

The final cost of the project has not yet been clearly defined. Evaluations range from US\$1.2 billion (521% higher than predicted) to US\$2.5 billion. These variations are explained with technical causes that delayed and modified the project and the devaluation of the quetzal but it's mostly corruption that played a crucial role. Various sources estimate that between US\$300 and US\$500 million dollars were lost to corruption on this project. *"The dam was the biggest gold mine the crooked generals ever had,"* according to Rafael Bolaños, dean of the School of Civil Engineering at Guatemala's San Carlos University. Because of the dam, the country's national debt has increased substantially, with the population paying the real costs of the whole operation. INDE incurred a US\$40 million debt. As of 1991, INDE's debt accounted for 45% of Guatemala's foreign debt. Meanwhile electricity prices have increased, in part to pay for the debt of this project.

## 5. CONCLUSIONS

### 5.1 The Relationship between Dam Construction and Violence: the Charge of Genocide

Violence in this region was almost non existent before dam construction began in 1977.

Those actions that the army defined as "counterinsurgency measures" are not justified by the presence of guerrillas in the area, a presence that wasn't very consistent before 1980, as confirmed in the "Guatemala Nunca Mas" survey of 1998<sup>23</sup>. According to this survey there was concomitance between the beginning of the army's individual reprisals in 1979 and the "forced transfer of some Chixoy communities, where a dam was being built". There are many facts, testimonies and documents proving the link between violence and the aim of getting rid of the more reluctant Río Negro inhabitants to allow the filling of the basin. Survivors and other witnesses note that INDE knew about and collaborated in the violence against Río Negro because the people refused to leave the village.

This is also shown by the compensation policy adopted by INDE, which during the first years compensated only those communities who did not oppose their relocation: lands given by INDE to Carchelà communities relocated in the Finca San Antonio and Italy in San Cristobal Verapaz and those given to Chicrus communities in Cubulco were the best ones: two hectares of fertile land per family since the beginning. Compensations in the Rabinal valley were instead the worst. At that time, one of the people responsible for the resettlement project stated that "the houses in Colonia el Naranjo were of different quality than those in Pacux".

The logic of the government in the selection of new lands for compensations was not determined by the farmers' needs but by security needs of counterinsurgency and the communities were moved to the so-called "polos de desarrollo" or "aldea modelo". Pacux in Rabinal and El Naranjo in Cubulco were part of this strategy and were built close to urban settlements where supervision was more effective. Río Negro people can be considered as forced emigrants resettled in Pacux, forced to emigrate by both the filling of the basin and the violence. The first organization to start questioning the relation between resettlement and violence was the US based Witness for Peace, whose 1996 report highlights that: "although the massacres were attributed to the counterinsurgency war, a careful analysis of the Río Negro events leads to the conclusion that local residents were killed because they blocked the progress of the Chixoy project..Many sources support this view"<sup>24</sup>.

At last, in February 1998, the Commission de Esclarecimiento Histórico (CEH) created after the peace agreement of December 1996 to make clear the truth on massacres of Guatemalan people during the civil war, classified the violence occurred in Río Negro as genocide in compliance with art.11 of the Convention on Genocide. In this process of event reconstruction, the CEH has significantly included the forced resettlement among the voluntary causes of elimination of the Río Negro community and concluded that "the actions directed to the massacre of all women and children on March 13 1982, the arbitrary executions of other members of the community after the massacre and the creation of living conditions that led to the death of the survivors, as it happened with the forced resettlement, show

*the intention of the army's high command to destroy completely or partially the above mentioned community...which is a deed of genocide*<sup>25</sup>. According to CEH, this case is a clear example of how "the civil population who was not part of the conflict was involved ...due to the fact that many attitudes of resistance to administrative decisions, although they were peaceful manifestations, as in the case of the dam construction, were considered beforehand as instigated by guerrillas and solved through violent repression"<sup>26</sup>. Among the testimonies collected by the CEH, a legal consultant of INDE, in reference to the communities, stated that "the use of force was necessary to move those who did not want to negotiate". As we saw above, INDE took advantage of the violence occurred to deny compensations to local people for their losses and did not fulfil the commitments undertaken with the international funding institution: in 1984, the Unidad de Reasentamientos had used only 5 million quetzals, whereas the amount foreseen was 40 million quetzals. The government later acknowledged that funds were misused and partly financed counterinsurgency policies.

## 5.2 Domestic and International Responsibilities

The Guatemalan government has been financed for the Chixoy dam with funds from the World Bank, the Inter-American Development Bank and, among others the Italian Bilateral Aid. The responsibility of the Guatemalan government and INDE for the problems linked to forced resettlement and genocide was deemed absolute. The idea that the dam was an element of progress was based on the intentional denial of cultural and social differences, if not on an ideology of mere cultural homogenisation and took its roots in the "safety and development" ideology brought by the government at that time.

The Chixoy dam damaged and impoverished local communities and enriched multinational building companies and local political élites. In the light of the above the responsibility of multinational companies and the World Bank in the Maya Achí resettlement and genocide may be more or less categorical. There is no concrete evidence of their direct responsibility but there are enough elements to conclude that the companies involved and the World Bank acted somehow as witnesses of, and catalysts (by lending) for, the violations of the human and environmental rights reported in this paper.

The responsibility of TNCs goes far beyond the cultural aspects described above, or the physical building of the dam and the lobbying activities aimed at securing support from the World Bank and local governments. The environmental impact assessments of the project have been actually non existent. An evaluation of the environmental impacts both in the area and downstream was not conducted by Consorcio Lami. The poor evaluation of the reservoir-induced seismicity is a significant case in point. In Chixoy, a seismic area, the government of Guatemala and the consortium controlled by COGEFAR (then IMPREGILO) continued to build the dam, even after two years of interruptions due to earthquakes. Furthermore, Italian bilateral aid provided funding for related infrastructures. Data related to cost effectiveness and economic feasibility were overestimated while data such as water inflow requirements or the impact of sedimentation on the economic soundness of the project were generally grossly underestimated.

In Guatemala, the Chixoy dam was blocked for two years because of high costs that increased by 300% for the construction stage alone; the Guatemalan energy utility INDE had to buy fuel to generate power thus creating a large foreign debt. However, the Bank and the Italian bilateral aid continued to fund the dam. The World Bank can also be charged of not monitoring in an adequate way the use of the loan between 1978 and 1996. According to some testimonies, in 1982 a World Bank representative arrived in Rabinal but never reached Rio Negro since "the area was under the control of the guerrillas". Despite a lack of evaluation on resettlement<sup>27</sup>, massacres and evidence of corruption<sup>28</sup>, the World Bank and the Interamerican Development Bank continued to finance the project, ignoring all references to the events mentioned in their reports and documents<sup>29</sup>. Events that

were well known to them as many witnesses stated. On 1985, after only three years since the massacres had happened, the World Bank gave another loan of US\$44.6 million. In 1981 IDB gave another US\$70 million. Moreover, there is evidence that INDE was aware of the massacres and minimized the importance of those events; more likely, it encouraged the army and PAC to eliminate the obstacle represented by the organized Rio Negro communities<sup>30</sup>.

In 1996 the World Bank acknowledged the massacres of the civilian population that occurred in 1982, but still denied any responsibility or knowledge of the situation at the time of the events: "in 1982, the year of the massacres, neither the Bank nor other observers knew the extent of the violence and terror that were occurring in Rabinal, nor did the Bank associate the violence, of which it had only general and limited knowledge, with resettlement activities"<sup>31</sup>. The reason given for the massacres was "internal problems" in Guatemala. All this happened twenty years after the start of the project and only after the publication of the Witness for Peace Report. It's still to be understood how, in a time of so many massacres and resettlement problems, companies working at the dam and the funding institutions monitoring its progress did not realize what was happening. Local testimonies said that a COGEFAR lorry was used by the army for the massacre in Los Encuentros in May 1982 and that the 15 women kidnapped by helicopter were taken from Pueblo Viejo, were the dam building site was located.

### **5.3 Responsibilities in the Light of International Law<sup>32</sup>**

While identifying responsibilities in the light of International Law and regulations the charge is explicit; the responsible parties for the project (the World Bank, Guatemalan government, TNCs) have directly or indirectly violated the rights of people living in the area of the dam. The most important violations have been committed against their rights to be consulted on and to participate in the decision making process, the right not to be forcibly displaced, to benefit from activities that take place on their lands and to fair compensation for their losses. Violations were also committed against their right to information on health and environmental risks and, against their ethnic and cultural rights and above all the violation of the right to life as set forth in the 1948 Convention on Prevention of Genocide and its Additional Protocols<sup>33</sup>, which broaden the range of actions considered as crimes by the Convention on Genocide, including therein the destruction of traditional or cultural self-reproduction of an ethnic group.

These violations have also infringed upon international treaties protecting collective (ethnic, economic and cultural rights including the right to development) and environmental rights, such as the Universal Declaration of Human Rights, the ILO 169 Convention on Indigenous and Tribal Peoples' Rights, Agenda 21, the Convention on Biodiversity, and the WHO Statute. Particular attention should be given to violations of World Bank's internal regulations on resettlement (OP 4.30) and indigenous peoples (OP 4.20).

Particularly serious has been the lack of an Environmental Impact Assessment (EIA) at the feasibility stage of the project and before any further World Bank funding to the government of Guatemala. According to the ILO Convention 169, the sole international legal instrument protecting indigenous peoples, recently signed by Guatemala, all indigenous peoples forced to move from their land or territory have the right to equivalent land or territory: "*they shall be provided in all possible cases with lands of quality and legal status at least equal to that of the lands previously occupied by them, suitable to provide for their present needs and future development*" (art. 16). According to the ILO, the word "territory" means "*the total environment of the areas which the peoples concerned occupy or otherwise use*" (art. 13), although people have no titles but some right of usage or usufruct have been established on the land (art.14).

### **5.4 Recommendations**

The Rio Negro community considers as uncompleted the compensation process reopened in 1996 as the damages suffered due to forced resettlement and violence, which were inter-linked, were not

compensated in any way. This paper has listed the elements of compensation still not completed according to what INDE promised in the early 80s. But, as highlighted, even the fulfillment of INDE's promises would not repay all the environmental and cultural losses. Moreover, the quantity and quality of land given as compensation do not replace the land lost.

However, attention should not only be given to the impacts in the reservoir area; impacts on the ecosystems and on people living in a zone upstream and downstream of the basin should also be taken into account. The main value of a critical survey lies in its effort to clarify the size and range of those impacts that occurred and those that may occur in the future. Funding and planning organizations lacked and still lack this type of analysis.

In this contest "Compensation" for the genocide is a matter that requires special consideration. The CEH made a formal request for the establishment of a National Program for Compensations to Victims that should include "*individual or collective measures inspired to principles of equity, social participation and respect of cultural identity*" among which we can find: return of what lost to reestablish, if possible, the situation existing before the violations, especially in the case of land; repayment for the most serious damages and prejudices; rehabilitation and psycho-social 1 reparation.

The cultural eradication of the group, its psychological instability deriving from a sense of uncertainty linked to resettlement and to violence, the loss of food self-sufficiency, the conflicts with neighboring communities, and the loss of traditional economies and working opportunities for about twenty years, should be taken into account when dealing with compensation to the Rio Negro and other neighboring communities. Because resettlement and violence are linked, the World Bank should continue to support the compensation process taking into account the compensation criteria listed by the CEH<sup>34</sup>. The World Bank should also monitor the compliance with its own Operating Directives on Resettlement (O.D. 4.30), Indigenous People (O.D. 4.20) Environmental Impact Assessment (O.D. 4.01) and diffusion of information (O.D. 17.50) by opening another investigation on violence, the resettlement and the compensation process.

After twenty years, it is now clear that not all the money lent by the World Bank and IDB to the Guatemalan government to finance the INDE project were used for this. Corruption went hand in hand with the use of funds to finance military activities. About US\$8 to 12 million were allocated for the compensation process, but only US\$3million were used. World Bank and INDE documents show that the housing construction lasted until 1989, whereas there is evidence that it ended in 1983. Since 1996 INDE took part in the compensations only in a marginal way. In fact, it participated in the new compensation process only to finance the registration of property titles for the houses (and not for all of them) and a ridiculous cash payment for the crops<sup>35</sup>. "*The resettlement and compensation were not made by the institution legally responsible for them*" but by FONAPAZ with a US\$200,000 financial, logistic and administrative support of the World Bank, according to WB expert.<sup>36</sup> Where did the money go? An investigation should be carried out in the funding institutions.

## Endnotes

<sup>1</sup> Gaitàn Sànchez, Gustavo Adolfo “*Los asentamientos humanos en la cuenca del Rio Negro o Chixoy. Guatemala*”. Unidad de Reasentamientos Humanos, INDE, 1981.

<sup>2</sup> INDE, “*Estudio sobre los impactos de Chixoy*”. Guatemala, 1982, pg. 45.

<sup>3</sup> Fundación de Antropología Forense de Guatemala (EAFG), “*Las masacres de Rabinal*”, 1997, pg. 95. Including people living in the upper basin estimates increase to 4,144 (Gaitàn 1981).

<sup>4</sup> LAMI “*Feasibility study of the Chixoy Project*” 1974.

<sup>5</sup> Diario de Centro América, 22, Vol. CCIX, 19 July 1978.

<sup>6</sup> For a more complete illustration of the Rio Negro massacres: EAFG “*Las masacres de Rabinal*”, 1995, 1997; Witness for Peace (WFP) “*A People Dammed- the Impact of the World Bank Chixoy Hydroelectric Project in Guatemala*” 1996; Oficina de Derechos Humanos del Arzobispado de Guatemala (ODHAG) Report “*Guatemala Nunca Mas*” 1998; Comision para el Esclarecimiento Historico (CEH) Report “*Memory of Silence*” February 1999.

<sup>7</sup> EAFG pg. 159.

<sup>8</sup> CEH : Caso Ilustrativo n.10 “*Massacre y eliminaciòn de la Comunidad de Rio Negro*” Anexo I, vol.I.

<sup>9</sup> EAFG pg. 234.

<sup>10</sup> EAFG pg. 98.

<sup>11</sup> About 300 cattle, according to local testimonies.

<sup>12</sup> Testimony of Cristobal Osorio Sanchez. The same in EAFG pg. 165.

<sup>13</sup> EAFG pg. 99.

<sup>14</sup> Danilo A. Palma Ramos: “*El proceso de reasentamiento y resarcimiento de las comunidades del area del complejo hidroelectrico del Rio Chixoy: sistematizacion retrospectiva*”, Banco Mundial Mision/Guatemala Draft May 1999.

<sup>15</sup> Letter to Mr. J. Wolfensohn, President of World Bank from International Rivers Network and Witness for Peace, 9 May 1996.

<sup>16</sup> The main findings of the WB investigation can be found in “*Chixoy Hydroelectric Project, Guatemala- Background note*” attached to Mr. Wolfensohn's letter to IRN and WFP, September 27, 1996.

<sup>17</sup> Testimony of Antonio Vasquez Xitumul.

<sup>18</sup> Danilo A. Palma Ramos, Draft May 1999 pg.36.

<sup>19</sup> According to the testimony of Carlos Chen, who was working with the archaeological commission.

<sup>20</sup> INDE “*Estudio sobre los impactos de Chixoy*”. Guatemala, 1982, pg. 74.

<sup>21</sup> LAMI “*Feasibility Study of the Chixoy Project*” 1974.

<sup>22</sup> Witness for Peace Report (WFPR), 1996, pg. 12.

<sup>23</sup> Oficina de Derechos Humanos del 'Arzobispado de Guatemala-Informe Proyecto Interdiocesano de Recuperacion de la Memoria Hstorica: “*Guatemala Nunca Mas*” 1998, vol.III)

<sup>24</sup> WFPR, 1996, p.18.

<sup>25</sup> Comision para el Esclarecimiento Historico (CEH) Report “*Memory of Silence*” February 1999, Annexo I vol. I “conclusiones”.

<sup>26</sup> Ibid.

<sup>27</sup> In the “*Project Completion Report on Guatemala Chixoy Hydroelectric Power Project*”, December 31, 1991, the World Bank admitted that “*there is insufficient data available to document whether the project achieved its resettlement objective*”.

<sup>28</sup> “.. all those responsible for the project, from the small ones to the big ones, have stolen the money... There is no doubts that INDE encouraged – and benefited from - the massacres”, P. McCully, “*World Bank to Investigate Chixoy Dam Massacre*”, Bankcheck Quarterly, Sept., 1996, 13;

<sup>29</sup> The 1991 WB “*Project Completion Report*” of Chixoy mentions massive massacres only indirectly while pointing out that main problems were “*due to intensive insurgency activity in the project area during the years 1980-1983-..two resettlement officers were killed while performing their duties...*”

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World Bank, Project Completion Report on Guatemala Chixoy Hydroelectric Power Project December 31, 1991.

<sup>30</sup> WFPR, pg. 19;

<sup>31</sup> Mr. Wolfensohn's letter to IRN and WFP, September 27, 1996.

<sup>32</sup> A detailed analysis of all these violations can be found in the Report of di L. Cori , F. Martone, J. Colajacomo “*Large-scale dams, Peoples' Rights and the Environment: the cases of Yacyretà, Chixoy, Katse. The role of Italian TNCs, development aid, the World Bank and governments*” Reform the World Bank Campaign, June 1997.

<sup>33</sup> UN Convention on the Prevention and Repression of Genocide (1948); Additional protocols Presented by the Lelio Basso International Foundation to the UN in 1993.

<sup>34</sup> A pilot program, backed by UNOPS, has been started in the Rabinal department, but it still didn't take in considerations resettlement victims.

<sup>35</sup> The exact amount of realized INDE commitments can be found in the L.D. Alonso “*Report on the accompanying process for the resettled communities during 27 months*” commissioned by the World Bank.

<sup>36</sup> Danilo A. Palma, Draft May 1999