

Rights Action
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February 26, 2014

INVESTING IN REPRESSION AND SUFFERING:

Is The Inter-American Development Bank Profiting Twice From The Chixoy Dam Massacres And Forced Evictions In Guatemala?

By Grahame Russell, February 26, 2014

In the 1970s and 1980s, the Inter-American Development Bank (IADB) profited financially from its investment loans of hundreds of millions of dollars in the Chixoy hydro-electric dam project in Guatemala, in partnership with the World Bank and the US-backed military regimes of Generals Lucas Garcia and Rios Montt.

Both banks profited from their investment loans in this “development” project that resulted in the illegal, forced evictions of thousands of Mayan villagers from their ancestral, riverside lands, and in the 1982 massacres of over 440 women, men, children and elderly in the Mayan Achi village of Rio Negro.

While many false promises were made to the communities that had to be forcibly moved to make way for the flooding of the dam reservoir, no compensation was ever really provided to the evicted and repressed communities that have lived in poverty and extreme poverty ever since.

IADB Offers To Make Investment Loans In Compensation

Now, 32 years after the massacres and evictions, the IADB is seeking to profit again by targeting new loans to the government of President Otto Perez Molina to help pay for some compensation to the surviving victims. (During the military regime of Rios Montt, Otto Perez Molina was a commander of the “Kaibiles” special forces in the Mayan Ixil region that suffered widespread repression and a genocide for which Rios Montt is on trial in Guatemalan courts.)

As reported by the Siglo 21 newspaper, “Luis Alberto Moreno, President of the Inter-American Development Bank (IADB) has announced that this financial institution is prepared to collaborate with Guatemalan construction of the Chixoy dam. After his meeting with President Otto Pérez, the IADB representative said that he had had the opportunity to “speak at length about the Chixoy issue.” [...] María Castro, [Guatemalan] Minister of Finance, explained that the [IADB] had said that they were “willing to redirect some loans to allow us to implement concrete projects with the communities”.” (<http://www.s21.com.gt/nacionales/2014/02/22/bid-ofrece-apoyo-caso-chixoy>)

Say No To (Twice) Profiteering From Massacres And Evictions

Nice deal for the IADB and its investor nation states: profit from initial investment loans for the project that caused widespread destruction and death; then, 32 years later, profit from investment loans for repairing some of the damages and suffering caused.

This is akin to how some corporations profit from the global weapons industry and then, after the wars and invasions end, secure multi-million dollar contracts for the "reconstruction" of the places that suffered the killing and destruction caused by the wars and invasions.

As ordered by the 2014 US Consolidated Appropriations Bill, the IADB and World Bank must take all steps to ensure that the government of Guatemala comply with its legally binding 2010 commitment to provide US\$154 million for the Chixoy Dam Reparations Plan. The government of Guatemala is legally bound to provide these funds to the victims and the IADB and WB are legally bound to ensure that this is done.

Morally and ethically, the World Bank and IADB ought to provide a significant proportion of the \$154 million. They designed and implemented the project in partnership with the genocidal regimes of Lucas Garcia and Rios Montt.

(The reason they are not providing even part of the \$154 million is that they operate with immunity from prosecution and accountability in their home country of the USA and around the world where they investment in "development" projects. Were real justice to be done for the Chixoy dam massacres and evictions, they IADB and WB would be criminally and civilly liable, along with the government of Guatemala, for the death and destruction they planned, carried out and profited from.)

At a bare minimum, they must not be allowed, now, to profit from further loans to Guatemala to help repair some of the destruction and killing they helped cause and profited from.

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Background Information:

- Article: <http://rightsaction.org/action-content/us-pushes-outside-oversight-world-bank>
- Film: "Chixoy Dam Massacres and Evictions: No Reparations, No Justice, No Peace", 16 minute film by Lazar Konforti, August 2012, <http://www.youtube.com/watch?v=xF3YI7XMNEE&feature=youtu.be>
- The Rio Negro Project: <http://rionegroproject.blogspot.com/>

Letter Writing

Please send copies of this information, and your own letters, to your own Congresspersons, Senators, urging them to demand that the WB and IADB comply with the 2014 US Consolidated Appropriations Bill and ensure implementation of the Chixoy Dam Reparations Plan.

- Congress: <http://www.house.gov/> (info about your Congress person) and call: 202-224-3121
- Senate: <http://www.senate.gov/> (info about your Senator) and call: 202-224-3121

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Since 1995, Rights Action has supported a wide range of human rights, justice and community development projects initiated by Chixoy Dam / Rio Negro massacre survivors. To support their efforts for justice and compensation, make check payable to "Rights Action" and mail to:

- United States: Box 50887, Washington DC, 20091-0887
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