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Securing rights, creating jobs and ensuring sustainability: A cooperative way for empowering indigenous peoples

INTRODUCTION

The year 2014 marked 25 years of the ILO Indigenous and Tribal Peoples Convention, 1989 (No. 169),¹ which has played a crucial role in furthering the rights of indigenous peoples across the world. The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)² of 2007 signifies another important milestone in securing indigenous peoples' rights. More recently, at the World Conference on Indigenous Peoples³ of 2014, UN member States made strong commitments towards securing, respecting and protecting the rights of indigenous peoples. However, despite the progress in recognizing their rights at the international level, indigenous peoples continue to be among the most vulnerable groups to exclusion and discrimination.

Historically, indigenous peoples⁴ have long borne the weight of multiple forms of marginalization. Although considerable strides have been made at both the national and international levels to address historical injustices, a recent World Bank policy brief stated that indigenous peoples are "still among the poorest of the poor".⁵ It is estimated that although indigenous peoples constitute about 5 per cent of the world's population, they account for 15 per cent of the world's poor.⁶ For instance in Asia, where about 70 per cent of the estimated 370 million indigenous peoples worldwide live⁷, development indicators for indigenous groups across the region, with some exceptions, remain below population

averages.⁸ Such a persistence of poverty and inequality reflects that indigenous women and men still face numerous challenges in the world of work that reinforce socio-economic vulnerabilities.

Indigenous peoples are affected by issues that stem from a lack of directed attention, consultation and participation, as well as recognition and protection of culture and rights, especially rights to land, territories and resources. A major consequence of this has been loss of access to land and natural resources which indigenous peoples have traditionally occupied and depended on for livelihoods and income generation.

The livelihoods of indigenous peoples that are based on traditional and sustainable use of natural resources are also severely under threat by the impacts of climate change. Amidst increasing livelihoods insecurity, many indigenous peoples have resorted to migrating away from traditional areas, often migrating to urban settings, where they struggle to make a living. They often work in the informal economy, in which work tends to be precarious and hazardous, with inadequate access to social protection. Indigenous women are particularly vulnerable to discrimination and exploitation in such a setting, from both within and outside their communities. Furthermore, due to a lack of education and skills training, low productivity of traditional economic activities, non-recognition of traditional skills, limited access to markets and credit, as well as systemic racial and ethnic discrimination, indigenous peoples face numerous barriers to enter the labour market and fully benefit from the opportunities presented by today's economy.⁹

1 See *Indigenous and Tribal Peoples Convention, 1989 (No. 169)*, ILO, n.d., http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_ILO_CODE:C169 [accessed 12 October 2015].

2 See *Declaration on the Rights of Indigenous Peoples*, UN, n.d., http://www.un.org/esa/socdev/unpfi/documents/DRIPS_en.pdf [accessed 30 June 2016].

3 See *The World Conference on Indigenous Peoples*, UN, n.d., <http://www.un.org/en/ga/69/meetings/indigenous/#&panel1-1> [accessed 12 October 2015].

4 To find out more on identifying indigenous peoples see: ILO: *Understanding the Indigenous and Tribal People Convention, 1989 (No. 169). Handbook for ILO Tripartite Constituents*, International Labour Standards Department (Geneva, 2013)

5 The World Bank: *Still among the Poorest of the Poor*, Indigenous Peoples Policy Brief (Washington, DC, 2011).

6 The World Bank: *Implementation of Operational Directive 4.20 on Indigenous Peoples: An Independent Desk Review*, OEDCR (Washington, DC, 2003).

7 *Statistics and Key Facts about Indigenous Peoples*, Rural Poverty Portal Powered by IFAD, n.d., http://www.ruralpovertyportal.org/topic/statistics/tags/indigenous_peoples [accessed 12 October 2015].

8 See G. Hall and H. Patrinos (eds): *Indigenous Peoples, Poverty and Development* (New York, Cambridge University Press, 2012).

9 See Inter-Agency Support Group on Indigenous Peoples' Issues: *Indigenous Peoples' Access to Decent Work and Social Protection*, Thematic paper towards the preparation of the 2014 World Conference on Indigenous Peoples, Jun. 2014. Also see ILO: *Indigenous Peoples in the World of Work: Snapshots from Asia*, Gender, Equality and Diversity Branch (Geneva, 2015).

With the adoption of the Sustainable Development Goals in 2015, which are committed to eradicating poverty, engaging with and addressing the issues faced by indigenous peoples in the world of work is fundamental for an inclusive process of development. Similarly, the 2015 Paris Agreement on climate change recognizes the importance of indigenous and local knowledge in adapting to changing climate,¹⁰ while the 2015 Addis Ababa Action Agenda on financing for development identifies the challenge of indigenous peoples' exclusion "from participating fully in the economy".¹¹ With a growing international focus on addressing the socio-economic vulnerabilities faced by indigenous peoples and incorporating their traditional practices for tackling today's challenges, the cooperative model offers an important platform for sustainable job creation and income generation within a participatory framework. Furthermore, cooperatives also have the potential to enhance indigenous peoples' contributions to broader economic growth in an environmentally sustainable way.

Cooperatives and indigenous peoples' rights

Cooperatives are founded on and committed to values of self-help, self-responsibility, democracy, equality, equity and solidarity, among others. These values enable young people and women as well as those who are often marginalized to participate meaningfully in decision-making processes, receive training, and adequately benefit from socio-economic processes.

What are cooperatives?

A cooperative is defined by the International Co-operative Alliance and the International Labour Organization as "an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise."

Source: International Co-operative Alliance. Available online at <http://ica.coop/en/what-co-operative>

This is also reflected in the ILO's Promotion of Cooperatives Recommendation, 2002 (No. 193),¹² which recognizes that cooperatives should "promote the fullest participation in the economic and social development of all people". It further stresses that cooperatives should be promoted in all countries, while ensuring that they are able to respond to the needs of the members and the society at large, "including those of disadvantaged groups in order to achieve their social inclusion".

The cooperative principles,¹³ along with the directed focus of Recommendation No. 193 on inclusion, sustainability and addressing the needs of the community, align closely with the principles that underline the rights of indigenous peoples. In both Convention No. 169 and UNDRIP, principles of consultation and participation, cooperation for overall economic development, respect for traditional institutions as well as the right to decide the priorities for the process of development are of significance with

regard to cooperatives. The intersection between the international legal framework of indigenous peoples' rights and the principles that guide cooperatives open up new avenues for collaboration through which they can reinforce each other. Cooperatives can play a vital role in securing and protecting indigenous peoples' rights while integrating decent work opportunities for a sustainable and inclusive process of development for indigenous peoples.

A cooperative way for overcoming challenges

Cooperatives are "people centred businesses that can, under the right circumstances, enable people to pool their assets, talents and energies in such a way that they can collectively meet their own needs."¹⁴ Through a model of member-based self-help organization, they provide job opportunities for even the poorest segments of the population and foster social inclusion. In addition, they contribute to empowerment and towards security by reducing vulnerability to risks. Cooperatives therefore contribute to sustainable development's triple bottom line of economic, social and environmental objectives, besides furthering the governance agenda and satisfying the members' socio-cultural interests.¹⁵

Cooperatives and other social and solidarity economy enterprises and organizations¹⁶ (SSEOs) can bolster the collective rights of indigenous peoples by giving them a stronger economic voice, while also enabling the integration of community institutions with business models. For instance, the one member one vote principle of cooperatives can ensure stronger representation within the organization. Furthermore, collective approaches can strengthen consultation and participation processes beyond the cooperative organization, and can enhance social dialogue across the broader social, political and economic spheres. The Inuit cooperatives in Canada are a case in point. They are multi-purpose cooperatives involved in a range of activities such as retail stores, hotels, restaurants and tourism, among others. In addition, federated Inuit cooperatives in Northern Quebec have also played an important role in achieving some political leverage, especially with regard to the economic and political systems, territory and education.¹⁷

a. Securing livelihoods, creating jobs and enabling access to market opportunities

The traditional livelihoods of indigenous peoples are often based on subsistence activities that tend to face challenges such as low productivity, limited training and capacities, low levels of investments and few linkages to markets. As traditional occupations and activities in many situations fall short of adequately meeting the needs of the people, alternative sources of livelihoods and income generating activities are increasingly gaining significance. In this context, the cooperative model can assist indigenous peoples to tackle poverty by enabling their entry into the marketplace and providing opportunities to earn a decent living. Cooperatives can contribute significantly to this

10 UN: *Paris Agreement*. Available at https://treaties.un.org/doc/Treaties/2016/02/20160215%2006-03%20PM/Ch_XXVII-7-d.pdf

11 UN: *Addis Ababa Action Agenda of the Third International Conference on Financing for Development*, The final text of the outcome document adopted at the Third International Conference on Financing for Development (Addis Ababa, Ethiopia, 13-16 July 2015) and endorsed by the General Assembly in its resolution 69/313 of 27 July 2015, UNDESA, Financing for Development Office (New York, 2015).

12 See *ILO Promotion of Cooperatives Recommendation, 2002 (No. 193)*, ILO, n.d., http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R193 [accessed 12 October 2015].

13 These principles are: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; cooperation among cooperatives; and concern for community.

14 J. Birchall: *Cooperatives and the Millennium Development Goals* (Geneva, ILO, 2004).

15 ILO and Alliance: *Cooperatives and the Sustainable Development Goals - A Contribution to the Post-2015 Development Debate - A Policy Brief* (n.d.).

16 The ILO defines Social and Solidarity Economy as a concept designating enterprises and organizations, in particular cooperatives, mutual benefit societies, associations, foundations and social enterprises, which have the specific feature of producing goods, services and knowledge while pursuing both economic and social aims and fostering solidarity. For more information see: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---coop/documents/publication/wcms_175515.pdf

17 See M. Mitchell: *Inuit Co-Operatives*, Historica Canada, 2006, <http://www.thecanadianencyclopedia.ca/en/article/inuit-co-operatives/> [accessed 12 October 2015].

through facilitating the pooling of resources to improve access to credit, enhancing self-reliance and further developing knowledge and information creation and sharing to meet market needs. Moreover, a collective approach can also enhance capacities for negotiating higher prices for goods and services in the market. Cooperatives can therefore play an important role in strengthening traditional livelihoods and creating new jobs, especially by helping in the development of enterprises. This may, in turn, boost local income generating activities, which could help reduce migration by indigenous women and men away from traditional areas.

For example, established in 1982, the Union of Indigenous Communities of the Isthmus Region (UCIRI)¹⁸ in Mexico has brought together coffee producers from 53 different communities from Zapotec, Mixe and Chontal ethnic groups across five different municipalities, reaching over 5,000 families. The cooperative has a wide range of national clients and sells at a more competitive price internationally through the Fair Trade market. This cooperative's success has culminated in the construction of infrastructures like warehouses, transport, food supply systems and health services. It has also established a cooperative "Solidarity Fund" for the acquisition of consumer goods and equipment, as well as provision of credit support. The cooperative is influenced by indigenous governance systems and has played a key role in strengthening of their indigenous culture. Moreover, following the cooperative principle of education, workers have greatly advanced their knowledge in organic production methods.

b. Formalizing informal economic activities and protecting workers

Amidst livelihoods insecurity, especially due to poor income generation through traditional activities as well as loss of land and access to natural resources, many indigenous women and men have been migrating to urban and rural areas in search of employment. However, due to low skills, lack of training and education, discrimination, and limited job opportunities in the formal economy, indigenous peoples are often forced into jobs in the informal economy. Work opportunities within the informal economy largely include wage work (both casual and seasonal) on farms and plantations, in mines, and on construction sites; and jobs in informal enterprises or as street vendors and domestic workers. Working in the informal economy exposes workers, including indigenous peoples, to exploitation and violations of labour rights, especially when they are involved in precarious and hazardous work. In this context, the cooperative model can mitigate these conditions by providing training to workers vulnerable to exploitation and reducing migration by securing livelihoods. Establishing a recognized cooperative enterprise can assist in formalizing informal economic activities and has the potential of strengthening legal protection, stabilizing income, providing access to social protection, and enhancing the power to negotiate.¹⁹ Furthermore, cooperatives, and other SSEOs, can also assist in raising awareness about workers' rights and reduce vulnerabilities to exploitative working conditions.

The Nirmala Niketan,²⁰ a cooperative of tribal domestic workers in India, provides an example of collectively organizing to enhance protection of tribal women who are employed as domestic workers in Delhi. The cooperative collaborates with other organizations in Delhi and in tribal areas. It has provided placements to numerous domestic workers and enhanced an understanding of working conditions. Moreover, it also sought the help of the National Commission for Women in developing a proposal for a comprehensive legislation for domestic workers. The cooperative has since then consolidated a platform in the name of National Campaign for Domestic Workers to take forward the proposal towards enactment.

c. Traditional knowledge, environmental sustainability and cooperating with the State

Access to land and natural resources continues to be an important source of livelihoods for many indigenous communities. However, due to the concerns for environmental conservation, numerous countries have been enacting laws that restrict indigenous peoples' access to forested areas. This has repercussions for both subsistence and cultural activities of indigenous peoples who depend on these resources. Moreover, by excluding indigenous peoples from natural resource management, not only are economic opportunities thwarted; but also the use of indigenous knowledge in environmental conservation is curtailed, which is fundamental for climate mitigation and adaptation measures. A cooperative model can make significant contributions in this context through co-management of natural and common pool resources. Cooperatives have the potential of simultaneously improving environmental conservation based on traditional knowledge systems and providing sustainable sources of income. Collective approaches can also enhance the capacities of community members to negotiate and cooperate with the State with regard to the co-management as well as use of natural resources.

Experiences from Joint Forest Management in India, a system that enables people dependent on forests and the State to cooperate and co-manage forest areas in order to protect, regenerate and develop degraded forests, are emblematic of successful outcomes of a cooperative way. The co-management system has led to the social, political and economic empowerment of many Village Forest Committees, while also playing a vital role in restoring vegetation of degraded forests.²¹ This in-turn has shown that co-management practices and cooperation at the local level between communities and the State can help preserve the environment and make significant contributions towards tackling climate change.

d. Gender equality and women empowerment

Indigenous women are particularly vulnerable to discrimination, both from within and outside their communities. They make significant contributions to traditional activities, wage work, marginal and unpaid work, especially care work and other household activities. Indigenous women tend to receive lower wages than indigenous men, are susceptible to gender based violence and are especially vulnerable to trafficking for sexual exploitation.

18 See *Fair Trade Coffee Cooperatives*, Global Exchange, n.d., <http://www.globalexchange.org/fairtrade/coffee/cooperatives#2> [accessed 12 October 2015]. Also see H. Almanza-Alcalde: *UCIRI in Oaxaca, Mexico*, *Revista Vinculando*, 2005, http://vinculando.org/comerciojusto/fair_trade/uciri_oaxaca.html [accessed 12 October 2015].

19 While cooperatives that are not legally registered play an important role in enhancing protection to workers, registered cooperatives, a form of business that is legally recognized by authorities and regulators, can provide added legal protection and a route to formalize informal working arrangements.

20 *About Us*, NIRMANA, n.d., <http://www.nirmana.org/about-us.php> [accessed 12 October 2015].

21 C. Guleria, and M. Vaidya: "Evaluation of Joint Forest Management Programme in India", in *International Journal of Economic Plants* (2015, Vol. 1, No. 2), pp. 92-95.

The cooperative model can empower indigenous women by cutting across traditional and modern activities, formal and informal economies, and social and political realms. Moreover, cooperatives can play a vital role in fostering economic independence through providing opportunities for economic participation. From self-help groups to domestic workers' cooperatives, organizing collectively has helped indigenous women strengthen their voices and bargaining power. Indigenous women's weaving cooperatives in Oaxaca, Mexico are a case in point. These cooperatives do not only foster economic empowerment but also assist indigenous women gain political and cultural rights in their communities. In addition, cooperatives help in establishing them as independent artisans in global markets.²²

Similarly, in Morocco, local women have organized into small cooperatives to produce argan oil in the Souss-Massa-Draâ region.²³ They produce and market the oil by a mix of traditional and modern methods, while simultaneously learning to read, write and manage a business.²⁴ Through the cooperative model they are now involved in large-scale production, are part of an international market, and by earning a better living, are greatly empowered. By 2013, cooperative members were earning more than ten times their 1997 wages when the projects started.²⁵ An additional benefit came with the success of the cooperatives: new attention was given to preserving argan trees through the replanting of new trees and greater protection of forests previously at risk.

CHALLENGES TO THE COOPERATIVE MODEL

The cooperative model has a strong potential to secure and protect the rights of indigenous peoples and spur social, political and economic empowerment. However, it also has its limitations and challenges.

Indigenous peoples often lack adequate knowledge about entrepreneurship in general and the cooperative model in particular, and thus raising awareness among communities and relevant stakeholders is a vital first step. Furthermore, the need for start-up capital or funding as well as access to specific skills, expertise and knowledge, bring about additional challenges. Similarly, indigenous peoples often lack access to State services and market opportunities, which can potentially undermine collective efforts and introduce financial, legal and administrative difficulties for sustaining a cooperative. It is therefore important to acknowledge and address such challenges through appropriate capacity building measures, funding mechanisms and other relevant means.

22 L. Stephen: "Women's Weaving Cooperatives in Oaxaca: An Indigenous Response to Neoliberalism", in *Critique of Anthropology* (2005, Vol. 25, No. 3), pp. 253–278.

23 *Protecting Society and the Environment with a Geographical Indication*, WIPO, n.d., <http://www.wipo.int/ipadvantage/en/details.jsp?id=2656> [accessed 12 October 2015].

24 *Cooperatives Boost Opportunities for Moroccan Women*, Research - Asia Research News, 2010, http://www.researchsea.com/html/article.php/aid/5050/cid/4/research/cooperatives_boost_opportunities_for_moroccan_women_.html?PHPSESSID=s20ipmhpi59ejdus3a927ramr2 [accessed 12 October 2015].

25 *Argan Oil & the Moroccan Berber Women's Cooperatives*, Argan Oil Direct, 2012, <http://arganoil-direct.com/argan-oil-production-and-women-co-operatives> [accessed 12 October 2015].

Since every location, group and situation is different, it is important to move forward on a case-by-case basis. Similarly, it is also important to respect indigenous peoples' traditional institutions and governance systems, which are particularly significant in the context of cooperatives among indigenous communities.

Another key area of focus is ensuring that the cooperative model meets the needs of indigenous peoples for meaningful social, economic or political transformation.²⁶ A poorly organized cooperative is not only susceptible to inefficiency and financial challenges, but also to undemocratic practices. The proper understanding and implementation of the cooperative model as defined within its guiding principles is important for avoiding such pitfalls.

It is also essential to learn from experiences, identify good practices and examine multiple cooperative models to ensure that indigenous communities flourish.

CONCLUSION

The cooperative model can considerably enhance the lives and livelihoods of indigenous peoples, assist in securing their rights and give them a greater opportunity to be part of the formal labour market and economy at large.

The cooperative model offers a wealth of possibilities to address the issues faced by indigenous peoples in the world of work. It can play an important role in securing livelihoods, creating jobs, enhancing protection and ensuring sustainability through a framework that is participatory and empowering. The close alignment between the guiding principles of cooperatives and the spirit underlying the rights of indigenous peoples further builds a case for indigenous cooperatives as a tool for combating poverty and exclusion. Cooperatives can be instrumental for the realization of the aspirations of indigenous peoples to exercise control over their own institutions, ways of life, and economic development, as stated in the preamble of the Convention No. 169. The stories of indigenous women and men choosing the cooperative model, cutting across different regions, cultures and sectors, underscore how valuable the model can be.

As the international community works towards achieving the Sustainable Development Goals, exploring the full potential of the cooperative model gains further importance and urgency. For indigenous peoples, cooperatives do not only offer access to decent work opportunities, but also provide a platform for indigenous women and men to be included in and gain from economic development, and contribute towards environmental protection.

26 See B. Burke: "Cooperatives for 'Fair Globalization'? Indigenous People, Cooperatives, and Corporate Social Responsibility in the Brazilian Amazon", in *Latin American Perspectives* (2010, Vol. 37, No. 6), pp. 30–52.

Contact information

Cooperatives Unit
Enterprises Department
International Labour Office (ILO)
4, route des Morillons
1211 Geneva 22, Switzerland
tel : +41 22 799 7095
coop@ilo.org

Gender, Equality and Diversity Branch (GED)
Conditions of Work and Equality Department
International Labour Office (ILO)
4, route des Morillons
1211 Geneva 22, Switzerland
tel : +41 22 799 6730
ged@ilo.org
www.ilo.org/ged

