

1 Emergent Ethnic Landscapes

IN 1996, THE KEYNOTE SPEAKER at the Inter-American Conference of Mayors in Miami, Florida, lauded a Guatemalan indigenous organization's Maya philosophy and method as a strategy from which "everybody in the development business could learn." When Mexican president Vicente Fox visited the United States in 2006, he met not only with state officials but also with leaders of Mexican migrant associations and Mexican community business leaders in four key states. He advocated for comprehensive immigration reform in the United States—a policy on which his political legacy with constituencies on both sides of the border rested. In 2007, George Bush ended his tour of Latin America by loading crates of lettuce with members of an indigenous agricultural cooperative in Guatemala. He praised its members, who partnered with Walmart to export their products to the United States, as a model of how free trade could promote development throughout the region.

Each of these encounters draws our attention to how international organizations, nation-states, non-governmental organizations, multinational corporations, and grassroots communities all converged on a familiar but refigured actor as the key to advancing development in Latin America at the turn of the millennium. This new development agent, whom I have called the *ethnic entrepreneur*, took multiple forms—including indigenous community residents, working-class migrants to the United States, and elite Latino diasporas—all of whom were seen to embody values, relationships, and forms of knowledge deemed particularly useful for the community-based, participatory development paradigm applied throughout Latin America. In a landscape marked by state decentralization, regional free trade agreements, high levels of transnational migration,

and remittance-dependent national economies, the qualities imputed to ethnic actors took on a particularly strategic air. These actors were seen to embody unique local knowledge and morality, including enduring solidarity with kin and relations of mutual trust and reciprocity with fellow community members. Combined with their enterprising community-based self-development efforts, their growing technical and market-based expertise, and, especially in the case of migrants, their propensity for risk-taking, the actors defined as ethnic entrepreneurs promised more efficient, effective, and sustainable development possibilities for both their local communities and their countries of origin.

In order to understand the emergence and effects of the ethnic entrepreneur, this book traces the changing contours of development practice in Latin America with an eye toward how it has put ethnic cultural difference to work for development. First, it asks why and in what circumstances ethnic subjects have been identified as essential agents of economic development. In other words, why were rural indigenous communities that had historically been identified as regressive obstacles to national development now seen as important resources for it? What changes within these indigenous communities and also within the regional political economy in which they were embedded facilitated this transformation? Second, the book raises questions about how the mobilization of ethnic cultural identity and practice for development solidifies, challenges, or transforms the way that ethnic agents themselves perceive their own identity, their community, and their development goals. For example, how does an initiative promoting Latino community solidarity and collaboration across borders both produce and also problematize what it means to be Latino for different kinds of project participants? In examining these intersections between identity and development politics, the book posits knowledge as a crucial arena for the fashioning of both ethnic difference and its convergences with increasingly professionalized and even corporatized development sensibilities and practices. Therefore, it questions what kind of knowledge is associated with ethnic cultural difference and why that knowledge is seen to support global and regional market integration, even as it is articulated as a counterpoint to those same market structures.

The analysis is based on a multisited, longitudinal, ethnographic study of three development projects between 1995 and 2006. The projects include a self-declared ethnic development initiative pursued by a Maya indigenous organization in rural Guatemala, a United Nations–sponsored program aimed at recruiting diasporic Latinos to the task of development in Latin America, and

a collaborative venture between a Maya organization and Walmart to produce spa products for global sale. Collectively, these initiatives highlight dynamic configurations of *what* constitutes ethnic difference, *who* is perceived to embody it, and *why* it is valuable for development. As such, they underscore not only how ethnic difference has been put to work for development, but also how development practice has served as an important space for defining ethnic difference. Furthermore, they draw attention to the changing meanings of entrepreneurship at work in the field of development and their relationship to ethnic subjects in particular. By looking at the distinct sensibilities and practices identified as entrepreneurial—be they opening a successful “chain” of development initiatives, migrant risk-taking and investment in “home” communities through collective remittances, or the repackaging of ethnicity as a niche commodity for global consumption—we can see how individual development practitioners, indigenous communities, and Latino migrants come to represent diverse ethnic and entrepreneurial forms. Through them, I explore the implications of different actors’ efforts to mobilize ethnic difference as a tool for producing effective and moral solutions to the problem of development.

This study analyzes how these seemingly disparate actors all became visible within the space of development as a new type of subject, rather than analyzing indigenous actors and Latino migrants in terms of their relationship to specific community or state politics in Guatemala or the United States, respectively. I argue that this new subject reflected the reconceptualization of ethnic cultural difference as a productive development resource relative to neoliberal development norms such as decentralization, privatization, and self-enterprise. I focus special attention on the role that class and gender inequalities have played in shaping different actors’ ability to represent the genuine forms of cultural difference assumed to constitute the ethnic entrepreneur. I argue that these forms of inequality become especially salient in light of the increased material and political stakes for asserting authentic ethnic difference within neoliberal development practices.

Indigenous community development activists that I worked with in Totonicapán, Guatemala, embodied the ethnic entrepreneur in their efforts to preserve indigenous, rural community lifestyles through a pragmatic and selective retrofitting of Maya ethnic and market-oriented development practices. They had founded the organization CDRO (Cooperation for Rural Development of the West) in 1984 with the goal of promoting local self-development through the

operationalization of Maya cultural principles and practices. By the late mid-1990s, CDRO figured prominently in the Guatemalan development landscape for this innovative ethnic methodology, which included a successful microcredit network, a natural medicine production plant, and a community institution-building program. These successful ventures had positioned CDRO's indigenous leaders both as important interlocutors in state development policy and as savvy administrators of CDRO's million-dollar institutional budget.

Not limited to indigenous actors *in* Latin America, the ethnic entrepreneur could similarly be said to define both working class and professional actors associated with emigration *from* Latin America, despite their quite distinct geographic and class locations in the United States. For instance, George González, a second-generation Mexican-American technology market analyst from the western United States, was just one of the many ethnic entrepreneurs that filled the halls of the United Nations headquarters in New York during the inauguration of a Digital Diaspora for Latin America project in 2003. He and the other Latino professionals recruited to this project were presumed to embody both the market acumen and a moral obligation to "brothers and sisters" in Latin America that could be put to work for development in the region. These assumptions ostensibly linked González and the Colombian-born lawyer also seated at his table as fellow Latinos. Despite the stark contrast in the class, ethnic, and geographic positioning of González and his professional counterpart relative to their rural, indigenous Guatemalan peers, a primary assumption behind the Digital Diaspora project was that professional Latinos would have an affinity with and link up to grassroots initiatives like CDRO as part of a broader Latin American ethnic community. These assumptions raised the question of how and why ethnic difference was being put to work for development as well as how the new forms of mobilized ethnic identity resonated with different actors' definitions of identity and community.

CDRO's project provides one strategic lens through which to examine these questions because it highlights convergences between the rise of indigenous social movements in Latin America during the 1990s, concurrent processes of political and economic transformation of Latin American states, and global efforts to protect and foster indigenous rights. CDRO's efforts to mobilize an explicitly Maya K'iche' ethnic identity¹ as the foundation for development emerged in the context of a broader Maya revitalization movement in Guatemala that gained international attention with Rigoberta Menchú's 1992 reception of the Nobel Peace Prize. The Guatemalan state was in the process of signing a historic peace

accord, bringing an end to thirty-six years of armed conflict. And following in the footsteps of many other Latin American countries during the 1980s, Guatemala was embarking on a process of democratization, state decentralization, and intensified trade-based development. In this context, CDRO sought not only to provide a culture-based development strategy in its affiliated K'iche' communities, but also to potentially replace the Guatemalan state as the local provider of healthcare, education, and other development services. The organization pursued this mission by pairing traditional cultural concepts such as the *pop* (woven mat)—which emphasized collectivity, reciprocity, and universality—with ambitious economic enterprises such as a regional microcredit initiative.

By 2006, however, CDRO had abandoned some of these previous, explicitly ethnic projects in order to produce a line of spa cosmetic products that it marketed globally via Walmart. This new initiative was remarkable in that the spa products bore no signs of their indigenous origins, but rather sought to accrue value within a global niche market as universal, cosmopolitan products. Through this elision, CDRO's ultimate purpose was to finance the reproduction of the rural ethnic community in the new regional free trade economy. What are we to make of this bold new venture in terms of what it says about the relationship between ethnic difference and development practice? Does the switch from more traditional ethnic products to seemingly universal ones mark a radical shift in ethnic development strategy and/or in the identity of its practitioners? Or does it simply reflect the natural evolution and culmination of CDRO's basic philosophy? In the chapters that follow, I examine CDRO's innovative ethnic methodology, its programmatic success in the rural communities, and its subsequent popularity with both the Guatemalan state and international donors in order to answer these questions and to illustrate the dynamic relationship between indigenous identity and development politics at work there.

The Digital Diaspora project provides another angle from which to discern the different forms attributed to the ethnic entrepreneur, highlighting the role that international organizations, states, and corporations played in equating transnational migrants with certain entrepreneurial qualities and capacities. The definition of ethnic difference that emerged from this initiative shaped the project's proposed division of development labor across diverse communities in the region. Organized by Seattle-based nonprofit Digital Partners and sponsored by the United Nations Information and Communication Technologies (UNICT) Task Force, the Digital Diaspora for Latin America project sought to mobilize U.S.-based Latino professionals in the communications and technology industry

and connect them with technology-based, grassroots development initiatives in Latin America. Modeled after an earlier initiative that paired Indian expatriates in Silicon Valley with development projects in India, this new Digital Diaspora effort hoped to bridge a pan-Latino community in the United States to promote development in what was perceived by organizers to be that community's homeland. Its inaugural event was attended by a wide variety of actors, including Latin American engineers or lawyers newly emigrated to the United States, second- or third-generation U.S.-born Latino professionals like George Gonzalez, non-Latino industry representatives from firms like Microsoft and Verizon, and Latin American-based bureaucrats. All participants thus belonged to multiple professional and ethnic communities within the United States, as well as exhibited varying degrees of connection to Latin America. This demographic diversity was an important reflection of the initiative's basic, and ultimately erroneous, assumptions about *who* counted as Latino and *what* their relationship to Latin America was.

Taken together, the initiatives undertaken by CDRO and the Digital Diaspora provide compelling illustrations of the emergence and often contradictory effects of ethnic entrepreneurs within translocal development practices. They illuminate how diverse actors in multiple locations and with distinct relationships to Latin America were similarly reimagined as valuable development subjects vis-à-vis their ethnic difference. After all, during the 1990s neoliberal economic and political reforms held sway across Latin America, characterized by efforts to decentralize and privatize Latin American state functions in order to promote efficient and transparent market-based development. In the process, both states and international organizations moved away from developmentalist, welfare-oriented strategies that targeted ethnic actors as *objects* of aid, toward strategies that recruited diverse kinds of ethnic actors as potent *subjects* of social and economic change. Indigenous community members in Guatemala, as well as migrants and Latino professionals in the United States became visible as legitimate development agents in this context because they were seen to essentially embody the localized, participatory, and enterprising cultural forms that global development norms sought to build on and reproduce. Consequently, CDRO and the Digital Diaspora's strategic redefinition and mobilization of ethnic difference were validated by the international development industry as exemplary forms of development methodology.²

While I am positing the ethnic entrepreneur here as a new kind of development subject, the concept of the ethnic entrepreneur is not a new one. Indeed,

a long trajectory of sociological research on immigrant communities in the United States has invoked this term to speak to the particular way that ethnic groups have organized economic relations, negotiated integration, and pursued upward mobility.³ In summarizing this genealogy, Min Zhou (2004:1041–42) describes two dominant analytical approaches to the ethnic entrepreneur: one that focuses on “middleman minorities who trade in between a society’s elite and the masses” and another that highlights the coethnic entrepreneurial activity located in immigrant neighborhood or enclaves. These approaches thus take ethnic identity as a point of departure and theorize how that ethnicity shapes the type and degree of entrepreneurship that a group exhibits. Research on Native American communities in the United States has similarly highlighted a long tradition of entrepreneurial activity oriented toward the reproduction of corporate identity groups, especially in terms of more recent successes in the gambling industry; however, these studies have often problematized the notion of ethnic identity as an appropriate frame for understanding native cultural formations (see, for example, Cattlelino 2004; Comaroff and Comaroff 2009; Perry 2006).

This study extends and complicates these other theories of entrepreneurialism among culture groups by focusing specifically on the domain of regional development practice. My analysis assumes that development policies and practices constitute important processes of identity formation and political struggle. It draws from the work of critical development theorists who have asked how development reflects a cultural formation in its own right (Escobar 1995; Ferguson 1990; Rahnema and Bawtree 1997; Sachs 1992;)⁴ and who have examined how diverse actors consume, experience, appropriate, and even subvert development discourse (Bornstein 2005; Elyachar 2005b; Gupta 1998; Pigg 1997; Sharma 2008; Walley 2004). Therefore, the ethnographic analysis that follows pays special attention to the production of ethnic identity and community by diverse agents, each of which seek to appropriate the economic value that has accrued to ethnic difference for diverse corporate, national, or regional development projects. It examines the specifically translocal nature of that production process given the increasingly central role that migration has played within both community and global development strategies. Finally, it questions the multiple, contradictory ways that class and gender are invoked to explain and incite different understandings of community and who holds agency within it. This critical ethnographic approach is especially useful for understanding the nature and stakes of development policies that privileged

decentralized, localized, bottom-up initiatives. From this angle, we can ascertain both how the forms of knowledge and authority that have previously been marginalized have suddenly come to the fore as valuable tools for inciting self-enterprising, self-sustaining development processes (see also Elyachar 2005a, 2005b) as well as what that new visibility means for differently situated ethnic subjects.

Decentralization and the Micropolitics of Ethnic Development

Over the last two decades, development strategies in Latin America have been defined by multilateral efforts to promote neoliberal economic reform and global market integration. Following economic shocks of the early 1980s, the economic austerity measures imposed on many Latin American states by global financial institutions like the International Monetary Fund (IMF)—policies known as structural adjustment—required major economic and political reforms, to include lowering trade barriers, promoting export-led production and foreign direct investment, reducing bureaucracy and social programs, and privatizing national industry, among other things. These economic transformations were designed to restore financial solvency, promote economic efficiency and growth, and facilitate competitive integration into the global marketplace. In many cases, their implementation was orchestrated and overseen by U.S.-educated technocrats working within the government.⁵ Regional and hemispheric free trade agreements—such as the North American Free Trade Agreement (NAFTA), Central American Free Trade Agreement (CAFTA), and Common Market of the South (Mercado Comun del Sur, or MERCOSUR)⁶—were employed by Latin American states to serve as both the means and the end of regional development, such that more trade would foster greater development, and more development would be evidenced by greater trade. Indeed, both Vicente Fox's 2006 visit to the United States and President Bush's 2007 tour of Latin America sought to highlight the positive outcomes this market-oriented development strategy could offer: Fox's by accentuating the economic significance of migrant remittances and enterprise for Mexico's national development, and Bush's by showing the power of export agriculture to provide cheap food for U.S. consumers while also alleviating poverty in Latin America.

Despite their overtly economic aims, these reforms also had important political dimensions. Within individual national contexts, they prompted state divestment from the top-down developmentalist policies that had dominated

the previous decades, making room for laissez-faire relationships between non-governmental organizations, grassroots groups, and international donors. Development tasks that were previously central to establishing state authority were increasingly decentralized and privatized in order to transform what were seen to be bloated, corrupt, inefficient states into more effective, manageable instruments of governance. One by one, communication industries, banking systems, public utilities, and other industries were auctioned off to foreign firms in order to promote competition and efficiency. Similarly, development project money now flowed not “down” from the state, but directly from private and multilateral funding agencies to specific local constituencies, repositioning beneficiaries as development agents and stakeholders (entities with an explicit interest in or connection to the outcome of a project). The Digital Diaspora for Latin America project I describe here—organized by nonprofit organizations, multilateral institutions, states, corporations, and individual citizens—represents an example of the increasingly decentralized, transnational, and privatized nature of development practice.

Many Latin American states touted decentralization as synonymous with a democratizing impulse that sought to strengthen civil society, cultivate transparency, and improve legitimacy at home and abroad through an emphasis on human and civil rights (see Van Cott 2000; Yashar 2004). Often, these political discourses conflated the economic accountability mandated by structural adjustment with political accountability (see, for example, “*Decentralization*” 1997). The shift toward bottom-up, community development was, therefore, explained not simply as a way of making development more efficient, but also as a process of strengthening and empowering civil society. In this way, neoliberal shifts in development repositioned the local community as a privileged site of agency, where new political and economic rationalities coalesced to produce new subjects and forms of governance.⁷

State decentralization processes in Guatemala are illustrative of the way that these economic and political reforms were intertwined.⁸ Between 1996 and 2002, Guatemalan state and municipal government officials, along with civic groups, popular media, and individual communities, engaged in an ongoing debate about the terms of the state’s proposed Law of Decentralization. This proposal outlined strategies for the devolution of budgetary resources and decision-making authority to the local level. The proposed shift was described in government documents as a process of increasing *poder local* (local power) denoting a transformation in not just the location, but also the nature and

political effects of governance (DeHart 2003; Gálvez Borrell 1998; MacLeod 1997). One of the hot topics of debate, however, was which local institution was the most legitimate and effective agent for governance. After all, a broad constellation of departmental, municipal, and grassroots groups invoked the local community as their constituency. Therefore, organizations like CDRO competed with municipal corporations to win precious authority and resources from both the Guatemalan state and the increasing array of international sources that were to fund local development.

The privileging of the local in national development politics pivoted not just on assumptions about scale and efficiency, but also on assumptions about the nature of the community as a particular kind of political, economic, and social organization. In many ways, it conflated the concepts of local, community, and ethnic, bundling these concepts as a coherent counterpoint to Western modernity (see Gupta 1998). For example, the Inter-American Foundation—a development institution with influence throughout Latin America—saw the local community as a location set apart from the corrupting influence of the bloated state bureaucracy. As such, the community embodied innovative, unconventional orientations that derived from the distinct cultural orientations of its marginalized residents (Kleymeyer 1994:5; World Bank 1996). Given the development industry's search for more holistic, empowering, and sustainable development strategies, the local community thus represented an exciting point of departure for locating new practices rooted in cultural difference. Development projects were increasingly designed with culture in mind, seeking to mobilize local culture as an important source of "social capital" (Laurie, Andolina, and Radcliffe 2005:476; see also Elyachar 2005a).⁹ Because of the way local and community were conflated with ethnic cultural difference in particular in Latin America, indigenous communities were often marked as the quintessential site of these authentic communitarian values and knowledge.¹⁰ Accordingly, by the late 1990s, both the World Bank and other major development institutions had increasingly prioritized projects proposed by indigenous groups (Partridge and Uquillas 1996). In this way, indigenous communities emerged as ethnic entrepreneurs whose local identity, collective development strategies, and alternative cultural practices could underwrite regional development.

Many of these same assumptions about the nature and power of local communities informed the emergence of transnational migrants from Latin America as previously undervalued but now increasingly coveted development

actors. By 2005, transnational migrants from Latin America not only constituted a sizeable population within the United States, but in several cases their remittances to communities in Latin America were substantial enough to rival or surpass other forms of foreign aid and foreign investment (López-Córdova and Olmedo 2005; IADB 2003 and 2008). They thus increasingly came to be appreciated by fellow community members, states, international organizations, and corporations as agents of lucrative, translocal social and financial networks with the potential to finance sustainable regional development. As such, migrants illustrate yet another site in which we can see the transfer of previously state-led, top-down, national development efforts into more diffuse, decentralized, localized, and private initiatives. Here, however, we see this process of decentralization not in terms of the delegation of development responsibility to community-based initiatives located *within* the boundaries of national territory, but rather as part of an effort to shift that responsibility to diverse communities spread across a transnational landscape. Migrants' capacity to occupy and link multiple social fields was a crucial trait for development initiatives that sought to leverage the benefits of increasing human, commodity, and capital flows between the United States and Latin America during the late 1990s and early 2000s.

Transnational migrants from Latin America can be seen as another formulation of the ethnic entrepreneur because of the way that the economic value they produced in the United States was perceived to be directly linked to particular cultural qualities, values, and practices that were rooted in communities back in Latin America. In their burgeoning studies of migrant practices and economic potential, international organizations like the United Nations and the World Bank represented migrants as embedded in close-knit communities and large families, and defined by "hard work, courage, and a willingness to take risks" (Zlotnik 2006b:2; Burns and Mohapatra 2008). These representations naturalized migrants' entrepreneurial behavior and positioned it as a function of their presumed ethnic difference. Recognition of these qualities by development experts indicated a shift away from seeing migrants as remitting *individuals* to their construction as calculative risk-takers and savvy entrepreneurial agents with the power to construct *collective* social change. These policy reformulations thus reframed the nature and significance of migrant economic practices and social relations; what once was potentially illicit (undocumented migration), informal (individual remittances), and regressive (failing to assimilate) now became seen as positive foundations for development.¹¹ Consequently,