Chapter 13

Sustainability and Entrepreneurship:
Fostering Indigenous Entrepreneurship in the Brazilian Amazon Region

Raul Gouvea
The University of New Mexico, USA

ABSTRACT

This article elaborates on the diverse entrepreneurial activities of indigenous communities in the Brazilian Amazon region. This article argues that further sustainability of the Brazilian Amazonian region is intrinsically linked to the entrepreneurial activities by indigenous communities in the Amazon region. Amazonian indigenous communities are under increasing economic and social pressure. Fostering sustainable indigenous entrepreneurship in these disadvantaged indigenous communities has the potential to improve indigenous communities, economic and social welfare, preserve their culture, customs, and traditional knowledge, in addition to the rebuilding of these communities. Thus, engagement of indigenous communities in sustainable activities further protects the local natural capital. The article also proposes the creation of a center for indigenous entrepreneurship in the Amazon region aiming at supporting and fostering indigenous entrepreneurship.

1. INTRODUCTION

The Brazilian Amazon region is one the world’s largest reservoir of biomaterials, which holds close to 30% of the world’s tropical forest. It is also the world’s largest reservoir of fresh water. In addition, the region also shows a rich indigenous social and cultural diversity. Environmental concerns have been at the forefront of any discussion related to entrepreneurial activities in the Amazon region (Acselrad, 1991; Dantas, 2008; Almeida and Campari, 2005; Vergolino, Gomes, and Monteiro Neto, 1999; Villas Boas, 2011a,b).

The Amazon region is one of Brazil’s most vibrant economic region, far from being an empty space, offering a number of business opportunities that is slowly unfolding to economic agents that make the effort to design business strategies and environmental strategies, innovations, and technologies in order to preserve Brazil’s unique
ecosystem. Today, one of the most pressing issues in the Brazilian Amazon region is how to address poverty, while at the same time promoting economic development and growth and preserving this fragile ecosystem and protecting local populations. The region has seen over the past few centuries several cycles of economic development that have brought income into the region but also had dramatic impacts on the local environment and local populations (Dias, Zacca and Nogueira, 1998; Golding, Smith, and Mahar, 1996; Gouvea, 1998, Gouvea, 2000).

Currently, the region is undergoing a third cycle of economic development, one that demands a “green” inclusive approach to economic development and one that takes into account the indigenous communities of welfare, traditional knowledge and protection of their culture. It is clear that no plans for the future economic development of the Brazilian Amazon region can take place if the local indigenous populations are not consulted and involved in the design of these economic and social regional plans (Almeida, 1992; Almeida and Campari, 1995; Benchimol, 1992; Guimaraes, 2010).

Accounting for 60% of Brazil’s landmass, the Amazon region is Brazil’s newest economic frontier, holding the promise for further economic growth and development of the Brazilian economy and society. This economic development and growth, has however, to take into account the native communities that reside in the Amazon region (Almeida and Campari, 1995; Allegretti, 1992, Terena, 2008; Terena, 2010).

In the past few decades, the Brazilian indigenous population has significantly increased numbering today between 600,000 to 734,000 people, depending on the source. These indigenous communities account for close to 0.4% of Brazil’s total population. Brazilian indigenous communities’ claims for reservation land have resulted in the Brazilian government allocating close to 1 million square kilometers for their reservations, or 13% of Brazil’s territory. Brazil’s policy towards indigenous communities, have however, lacked the emphasis on economic self-sufficiency. In addition, Brazil’s policies towards indigenous communities have not fulfilled their expectations in the areas of health care and education (Villas Boas, 2010).

The study of indigenous entrepreneurship on a global scale is still quite recent (Dana and Anderson, 2007; International Barents Secretariat, 2010). One can define it as being an activity that involves the creation, management and design of new ventures by native people with a clear intent to benefit indigenous communities or individuals. These indigenous ventures may also provide gains for non-indigenous partners and investors as these communities develop strategic partnerships with non-indigenous partners (Hindle and Lansdowne, 2005). Indigenous entrepreneurs face a challenge to balance traditional values and contemporary business values in order to create successful ventures (Peredo, Anderson, Galbraith, and Dana, 2004; Kayseas and Hindle, 2010). In addition, indigenous governance issues, such as self-government and intellectual property rights, also tend to permeate indigenous entrepreneurship venture initiatives. Indigenous communities also show a strong attachment to their lands and natural resources found in these ancestors lands (Berkes and Adhikari, 2005; Souza, 2008). This special relationship to the environment and attachment to land and natural resources found in their land also tend to distinguish indigenous entrepreneurs.

This paper will elaborate on the diverse entrepreneurial activities of indigenous communities in the Brazilian Amazon region. In addition, the paper will also propose the creation of a center for indigenous entrepreneurship in the city of Manaus that will act as a catalyst for the further promotion of sustainable entrepreneurial activities by these indigenous communities. This paper argues that further sustainability of the Amazonian region is intrinsically linked to entrepreneurial activities by indigenous communities in the Brazilian Amazonian region.