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## Chile: A forestry model generating poverty and extreme poverty

In Latin America, the Chilean case is presented as a successful forestry model, in spite of the fact that many Chilean organizations – in particular Mapuche indigenous organizations – have for years now been denouncing the impacts of large eucalyptus and pine plantations in southern Chile. However, this has not prevented well-paid forestry consultants from repeating the same lies and from convincing governments of other countries (Peru and Ecuador are the most recent cases), to follow the “successful” Chilean path. As part of the advertising package, the model’s promoters include its so-called capacity to generate jobs in the plantations and consequently an improvement of the inhabitants’ quality of life.

Within this context, the following excerpt from a document prepared by two professional foresters from the Universidad Austral de Chile (1), shows the falseness of such claims and illustrates, on the basis of official statistics, the dimension of the social disaster arising from this model. They state that:

“One of the greatest contradictions of the Chilean forestry sector is that while there has been a notorious growth of forestry exports based on pine and eucalyptus plantations, mainly found in the eighth and ninth Regions, the population of these Regions has not improved its quality of life. During the rapid expansion of these plantations (mainly in the seventies and eighties) problems occurred regarding migration, explosive growth of well established towns and unemployment. Presently forestry activities in Chile are located in Regions from the seventh region to the tenth and it is precisely these four Regions that have the lowest Human Development Indexes (HDI). According to Government figures, between 1990 and 1998, the eighth and ninth Regions were those having the largest number of people in poverty (an average of 40.5% in 1990 and 27.3% in 1998) and in extreme poverty (an average of 15.8% in 1990 and 8.5% in 1998). The same source states that, according to the Gini Coefficient, the relationship between poverty and income distribution is evident: in 1998 the eighth and ninth Regions showed the worst distribution of income in Chile. In specific areas, the ninth Region is that with the highest percentage of people showing poor and very poor health (41.7%) and regarding education, the seventh, tenth and eleventh Regions have the largest percentage of population between 4 and 17 years of age who do not go to school. Furthermore, the eighth Region, concentrating the greatest extensions of exotic plantations, is also the poorest and with the highest percentage of rural population in extreme poverty in the country. Following the eighth Region, the ninth is the Region with most forestry activity in Chile and has the greatest concentration of Mapuche population. The Mapuche population in this Region receive half the income and their HDI is lower in all aspects than that of non-Mapuche people. Additionally, there are presently serious conflicts between forestry or agricultural enterprises and Mapuche communities regarding land ownership claims.”

“Although it would be unfair to attribute the above-mentioned problems exclusively to the forestry sector, the data at least suggest that this sector, even in rural areas, has not contributed to improve the socio-economic situation of the inhabitants of these Regions. For example, between the years 1987 and 1996, the seventh, eighth and ninth Regions in addition to the third Region showed the worst rates in overcoming poverty, while forestry exports over the same period rose. This is

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explained, among other factors, by the workers' low salaries, precisely the factor that has helped to attract capital to the Chilean forestry sector.”

Need we say more?

(1) Donoso, Pablo & Otero, Luis (2005) – Hacia una definición de país forestal: ¿Donde se sitúa Chile? (Towards a definition of a forestry country: What is the position of Chile? Bosque (Valdivia) v.26 n.3. Valdivia, December.