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## What Works

### **Equal Partners: How an ecotourism company and a native community share power in Peru**

By Erin Palm

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## Equal Partners

How an ecotourism company and a native community share power in Peru *by Erin Palm*

AT DAWN, A HANDFUL OF TOURISTS sit in watchful silence on a floating platform, hoping to spot one of the giant river otters that live in this Amazonian oxbow lake. Their Peruvian guide peers through her binoculars. She directs their gaze to a macaw whose call descends from the rain forest canopy. Back at the lodge, the tourists relax in thatched-roof open-air buildings constructed from sustainable forest materials. At dinner, they enjoy a buffet of traditional Peruvian foods, some grown by local farmers. All of the kitchen and cleaning staff, the drivers, and many of the multilingual guides come from the local community.

The tourists are guests at Posada Amazonas, an ecologically friendly lodge in south-eastern Peru that operates as a partnership between the Lima-based for-profit company Rainforest Expeditions and the community of Infierno, which includes the native Ese'ija people and more recent settlers. "Tourism operators often strive for buy-in from the local community, but Posada Amazonas goes further," says Amanda Stronza, an assistant professor of anthropology at Texas A&M University. The partnership engages the local people as owners and decision makers, she says. As a result, the business gains valuable local knowledge and labor and the locals gain valuable profits.

One of 74 lodges in the Madre de Dios region, Posada Amazonas, with 7,000 visits annually, attracts 20 percent of the tourists. In 2005, each of the 154 households in Infierno received \$600 as their share of lodge profits – a 25 percent increase in the average family income. Tourism money also allowed the community to build a secondary school.

### Joining Camps

Infierno is a community of 650 people in Peru's Madre de Dios region, which is home to three national parks, pristine

rain forests, and diverse species. The community's residents are spread out over 10,000 hectares that the government set aside for indigenous people. This is the ancestral land of the Ese'ija people, but Infierno also includes mestizo families descended from settlers.

Several hours up the Tambopata River from Infierno, Rainforest Expeditions opened an eco-lodge called the Tambopata Research Center (TRC) in 1992. Eduardo Nycander, co-founder of Rainforest Expeditions, strived to make the TRC a socially responsible tourism business. "We had hired local people whenever possible," he remembers.

Nycander was surprised, then, to receive a letter in 1995

from the president of Infierno. "They were concerned about how we were working with the native community," he says. When he went to visit, he learned that some community members resented people working for Rainforest Expeditions. Because the workers had to leave for months at a time, they were unable to fulfill their duties in the community. Moreover, "we were giving opportunities to some, but not to all," says Nycander, "and this was causing a social problem."

At the same time, Rainforest Expeditions was grappling

with another challenge. Reaching the TRC required more than six hours of travel by bus and canoe from the nearest airport. Rainforest Expeditions hoped to build a lodge closer to the river port so that guests could rest before going to the TRC. The new lodge could also serve as a final destination for tourists who sought a shorter trip.

In Nycander's mind, there were two options: "We could collaborate and create a joint venture with the community, or we could not collaborate and perhaps build a lodge on private land." With collaboration would come two benefits, says Stronza, who did her doctoral research as an ethnographer in Infierno. Tourists often express an interest in the



**A medicine man in the Madre de Dios region of Peru describes rain forest plants to guests of Posada Amazonas, a lodge that partners with the local community to promote sustainable tourism.**



Amazon's indigenous peoples, and a partnership with the native community of Infierno would allow tourists to meet locals. Also, community members possess intimate knowledge of the local species, and so a partnership could give tourists unparalleled wildlife viewing opportunities.

But not everyone agreed that partnering with a private company would be in the community's best interests. Wary that a private company might take advantage of the local people, one nongovernmental organization (NGO) argued that the community should limit the contract to five years, instead of the 20-year agreement that Rainforest Expeditions sought. Yet the company insisted on a longer, exclusive contract. "We knew that the best part of the business would come at the end," says Nycander. And unlike the NGO, he thought that having a for-profit partner would be in the community's best interest. "If we don't succeed, we don't get paid," he points out.

Rainforest Expeditions began negotiations with the Infierno community, and in 1996 signed a contract that created the Ke'eway Association in Participation. The partners agreed to share decision-making power evenly, and to divide profits 60-40 in the community's favor. They also agreed to a 20-year contract, after which the community can choose either to renew the contract, to find a new partner, or to operate the lodge on their own. By 1998, the first guests arrived at the new lodge, which its owners named Posada Amazonas.

## Social Issues

The partners quickly realized that an unanticipated social issue would occupy much of their attention. Many mestizos viewed the Ese'eja culture as more primitive than theirs, and so treated the Ese'eja people as a lower-class group. Because the new lodge brought the Ese'eja and mestizo factions into closer contact, tensions between them flared. At one point, the groups talked about splitting into two communities.

But with time, this talk has subsided. Nycander believes that community members, "thinking more like businesspeople, have realized that splitting would not be good for the

project or the community." Stronza agrees that although the lodge brought racial tensions to the forefront, it also gave both sides the opportunity to address their long-standing rifts. By collaborating over lodge affairs, the community "improved at managing differences," she says.

Still, Nycander wishes that Rainforest Expeditions had brought in a third partner early on to manage the social conflicts. The lodge eventually hired two community members as "communicators." They go house to house, talking with people about the lodge and tourism, gauging their feelings, and gathering community news. "This is a gossipy community," Stronza explains, and tension often arises through rumors as well as disagreements over lodge affairs.

Focusing on the lodge had another downside: "The community felt they were becoming a business," says Stronza. Infierno has regular meetings to address community issues, but "when the lodge was built, 90 percent of issues in community meetings related to the lodge," she notes. They solved this problem by separating community and tourism leadership. The original contract established a board of 10 elected members to represent community interests in the partnership. After 10 years of experience operating the lodge, the committee now acts like a board of directors, handling human resources and new investments. This makes sense because "they know their community members better," says Nycander.

An empowered community sometimes makes decisions that conservationists such as Nycander dislike. Recently, community members began discussing whether to allow limited logging on part of their land not affected by the contract with Rainforest Expeditions. Of course, says Nycander, "the community has the right to make this decision. I just hope they manage it well."

In 2017, the native community's contract with Rainforest Expeditions will expire. Stronza believes that the community will likely renew the contract with Rainforest Expeditions or a similar tour operator. "They have come to recognize the value of a strategic alliance," she says. "The community doesn't feel the need to take on tasks that Rainforest Expeditions does more effectively."

"Many people believe that success would mean that the community decides to run the lodge on its own," says Nycander, whose company now operates four lodges throughout Peru. "But our goal is to teach them the meaning of a partnership, and how good it can be for business." And so when the contract expires, he would like to see the community decide on another partnership – even if it's with "a partner better than us." □

## PARTNERING WITH THE PEOPLE

- Fairly balance the interests of all parties
- Cultivate open communication within the community
- Focus on shared goals to dissipate tensions
- Trust the judgment of community members