Faces of Change: Women Entrepreneurs in the Creative and Cultural Industries in Mexico
SAIS Women Lead Practicum for the Inter-American Development Bank (IDB)
Amanda Sztein, Eddy Trang, Julia Atkinson, Natalia Arenas

Project Introduction

The client, the Inter-American Development Bank (IDB), retained a group of four students from the SAIS Women Lead (SWL) Practicum at the Johns Hopkins University – Paul H. Nitze School of Advanced International Studies (SAIS) to conduct research and write a report to expose the economic contribution and asymmetric access of women in the cultural and creative industries (CCI) in Mexico; to identify solutions to overcome barriers of entry; and to provide recommendations to drive personal and national economic growth in Mexico.

The SWL team that created this report would like to thank stakeholders interviewed at the IDB and in Mexico City, Mexico, notably: Instituto de Liderazgo Simone de Beauvoir and Someone Somewhere. In addition, the team would like to thank the client for its support during the completion of this draft report. Special thanks to Dr. Kent Davis-Packard, Dr. Bettina Boekle, Jonathan Goldman, Fátima Álvarez, and Rocio Cavazos.

Executive Summary

The cultural and creative industries (CCI) encompass a broad sector of the economy. According to the Inter-American Development Bank, CCI “refers to the economic activity at the crossroads of the arts, culture, business, and technology.”¹ Creativity is growing as a necessary skill, as evidenced by the World Economic Forum’s ranking of it as the 3rd most important skill in 2020, up seven spots from its 2015 ranking. Today, Latin America’s CCI is responsible for 1.9 million jobs, and generates revenues of over 124 billion USD.² Mexico, with its rich cultural history and unrealized economic potential, is a fertile ground for the development of CCI. CCI revenues worldwide exceed those of telecom services (US$1,570b globally), and surpass India’s GDP (US$1,900b).³ CCI is already a driver of economic growth in the region, and leading experts believe investment in CCI is central to development in Mexico.

³ Ibid, 8.
Despite this potential, there is a notable gap in the existing CCI research. While women play a central role in CCI in Latin America, most prominently in handicraft production, textiles, and fashion design, little research has been done to explore the impact of indigenous women’s involvement in the informal creative industries. The Multilateral Invest Funds states that women in Latin America are among the most entrepreneurial in the world, but “are still greatly underrepresented as owners of Small and Medium Enterprises.”

Tasked by the Inter-American Development Bank to explore the current barriers faced by women entrepreneurs in CCI in Mexico, this year-long research project focused on this gap in the existing research. Our research hypothesis asserts that the barriers faced by indigenous women entrepreneurs prevents them from fully realizing both their own economic potential and the full value of their economic output in the Mexican economy. In order to prove this research hypothesis, we sought to answer two main research questions: what are the contributions of women, especially those of indigenous descent to the creative and cultural industries? What are the current barriers to entry and sustained success experienced by this significant demographic?

As quantitative research in this area is nascent, to explore the current barriers to entry and sustained success faced by women entrepreneurs in CCI in Mexico and identify solutions to overcome these barriers, we adopted a case study methodology. We conducted numerous in-depth interviews with experts from the Inter-American Development Bank, Instituto de Liderazgo Simone de Beauvoir, academics from The Johns Hopkins University School of Advanced International Studies, and local leaders from businesses like Someone Somewhere over a span of nine months. This context was supplemented by a week of field research in Mexico in April of 2018, where the team interviewed indigenous women entrepreneurs, intermediaries, and distributors. This first hand experience, coupled with extensive desk research, informed the findings detailed in this report. [Please see Annex 1 for a list of our interviewees].

**CCI’s Potential in Mexico**

**Mexico**

With the 11th largest economy in the world and second largest in Latin America (measured at $2.4 trillion) Mexico is a strong, emerging market. In 2017, Mexico’s GDP growth rate was 2.1% and its GDP per capita in PPP terms was $19,500.

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Why Mexico?

Mexico is Latin America’s leader in CCI and as of 2010, ranked 18th globally. In regards to cultural infrastructure, the country features 1,209 museums, 1,782 cultural centers, over 45,000 archeological sites with legal protection, and has the greatest number of UNESCO sites in the Americas. Mexico also hosts numerous cultural festivals annually, one of which includes the Festival International Cervantino in Guanajuato, a 19 day-long event that hosts over 100 artistic groups from over 25 different countries. Additionally, the Mexican Film Entertainment market is the largest in Latin America, surpassing that of Brazil’s and Argentina’s, and the country holds roughly 10 different film festivals annually. These facts merely represent the diversity and size of CCI in Mexico that can be further promoted and expanded upon.

As of 2014, Mexico’s CCI industry accounted for 7 percent of national GDP. Mexico is also the 18th largest exporter of creative goods and services in the world—the only Latin American country among the world’s top 20 creative goods exporters. The size of foreign trade can explained by the fact that Mexico has consciously pushed for an open economy with a strong focus on the liberalization of international trade and the attraction of investment flows. The result of this is that Mexico now has more free-trade deals than any other nation in the world (44). These agreements provide Mexico with access to over one billion customers, which represent 62.2 percent of global GDP. Mexico already ranks 5th globally out of the top 10 exporters of creative goods among developing countries, and this, combined with the conditions mentioned above, only provides greater opportunities for Mexico to continue to export its goods and services from the CCI industries to the world.

State of Indigenous Peoples in Mexico

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6 Amadeo, “Mexico’s Economy Facts, Opportunities, and Challenges.”
7 “Sector Report Creative Cultural Industries Mexico 2013,” Rijksdienst voor Ondernemend Nederland.
8 “Sector Report.”
9 “Sector Report.”
10 “Sector Report.”
11 “Sector Report.”
12 “Mexican Film: It’s all about Creativity,” ProMexico, 2014.
14 “Mexico: It’s all about Creativity.”
15 “Sector Report.”
In Mexico, self-reported indigenous population (at least 12.7 million people and 13 percent of the population) often encompass many of the most vulnerable and marginalized. In fact, the National Council for the Evaluation of Social Development Policy (CONEVAL) estimates that in Mexico, the percentage of indigenous people living under the poverty line nearly doubles that of the general population—76.8 percent compared to 43 percent, respectively. These circumstances are often explained by socio-economic disadvantages faced by indigenous populations, which include lower schooling levels, labor discrimination, and vulnerability to natural disasters. Additionally, most of Mexico’s indigenous populations live in small, isolated communities that lack basic infrastructure including roads, sewage, and electricity systems, which are barriers to accessing quality healthcare, social security services, and credit from financial institutions. These factors create a situation in which the indigenous populations lack opportunities afforded to non-indigenous groups, and thus contribute to the vulnerability and marginalization of these populations.

Members of Mexico’s indigenous populations are also overrepresented in the country’s informal economy, which employees 60% of Mexico’s workforce. In addition to farming, hunting, or fishing, the livelihoods of indigenous people, in particular, women, depend on craft production, a key sector in CCI.

**Focus States: Oaxaca, Chiapas, Puebla, Guerrero**

**Figure 1: Mexico’s Poverty Rate by State**

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16 “Mexico-Indigenous People,” *Minority Rights Group International*.  
18 Canedo, “Bridging the Indigenous Wage Gap in Mexico.”
Chiapas, Guerrero, Oaxaca, and Puebla represent the four poorest states in Mexico, as represented by poverty rate. From the table below, these states also happen to be the states with one of the highest percentages of indigenous populations. Furthermore, these states also happen to have a few of the highest crime rates in all of Mexico. The findings of this report focus not only on the size and economic growth potential of CCI in Mexico, but also examine how this growth can be inclusive of the poorest states and its often marginalized indigenous populations.

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<td>Chiapas</td>
<td>1 78.5%</td>
<td>6</td>
<td>36.5%</td>
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<tr>
<td>Guerrero</td>
<td>2 67.66%</td>
<td>8</td>
<td>33.92%</td>
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<tr>
<td>Oaxaca</td>
<td>3 67%</td>
<td>1</td>
<td>65.73%</td>
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<tr>
<td>Puebla</td>
<td>4 61.5%</td>
<td>7</td>
<td>35.28%</td>
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**Oaxaca**

Located in Southwestern Mexico, Oaxaca has a population of nearly 4 million and is one of the poorest states in Mexico. The state of Oaxaca has 3.3% of the population, but only contributes 1.5% towards the GNP. There is a lack of productive economic activity in the state and its per capita GDP ranks the second lowest of all states in Mexico. Although agriculture accounts for the largest sector of Oaxaca's economy, commerce and services employ a little over half the population.

Oaxaca is also one of the best-known regions in Mexico for handicrafts, particularly from the Zapotec and Mixtec indigenous communities. The international reputation of Oaxacan textiles has grown alongside rising tourism. The Mexican government has invested in the Fondo Nacional de Artesania (FONART) to promote culture identity, and a network of national stores selling artesanías that offer tourists “endless opportunities to take a ‘piece of Oaxaca’ away with

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them.\textsuperscript{25} Well-known Oaxacan textile weavers have contributed samples of natural dyeing materials to the Harvard Art Museums’ Forbes Pigment Collection, and held training workshops on the “science and practice of traditional dyes.”\textsuperscript{26} Samples of Oaxacan handicrafts are often included at International Folk Festivals.\textsuperscript{27} Oaxaca has successfully connected to international markets, particularly in the United States, and popular textile tourism tours have brought economic growth to the state.

The exposure of Oaxacan textiles to international markets has increased economic output, with cities like Teotitlán del Valle attributing most of their economic growth from 1970-85 to textile profits.\textsuperscript{28} While Oaxaca is seen as a CCI success story, the tourism situation there also underscores the need for sustainable development. The high price of these labor-intensive goods, coupled with cheap local imitations and new thread for textiles coming in from China, have crippled local demand and increased reliance on foreign markets, primarily that of the United States. Although this connection to the US market has had enormous economic benefits, this dependence on a single market is problematic. When security issues arise and disrupt tourism, such as the eruption of violence surrounding the 2006 teacher strike, textile sales in Oaxaca are dramatically affected; estimates suggest the state lost 7.6 million pesos in tourism-related profits. For a more sustainable model, markets for Oaxacan textiles must be diversified. Moreover, the potential environmental impact of rising demand for handicrafts should not be ignored, as increased thread production may contribute to deforestation.

**Chiapas**

As the southernmost state in Mexico, Chiapas also ranks as the poorest. Chiapas is home to over 5 million people, which includes one of the largest indigenous populations in all of Mexico. Chiapas accounts for 1.73% of Mexico’s GDP, with agriculture being the primary contributor at 15% of the state’s GDP.\textsuperscript{29}

Though not as well-known internationally as Oaxaca’s, the textile market in Chiapas is also growing. Textile study tours take visiting tourists throughout Chiapas, starting from the large markets in the capital, San Cristobal de las Casas, to smaller towns to explore local handicraft production and folk art influenced by Mayan indigenous culture. Weavings from Chiapas have been recognized internationally and won numerous awards, and some artists have traveled to the

\textsuperscript{25} Meghan E. Edwards, “Crafting Culture: Artisan Cooperatives in Oaxaca, Mexico,” University of California, San Diego, 2009.


\textsuperscript{27} Goode, “In Mexico.”

\textsuperscript{28} Lynn, Stephen, Critique of Anthropology DOI: 10.1177/0308275X05055215 2005; 25; 253.

United States or Europe to showcase their wares. Local textile production in the state is primarily driven by indigenous women, with 80% of the work done by female artisans, and research indicates that the commercialization of textile production has improved their economic status.\textsuperscript{30} The textile market in Chiapas is intimately connected to the indigenous population, and growth of the market has profound implications for the social welfare of indigenous communities.

Moreover, experts believe that the benefits of textile tourism include social and political change for women in Chiapas. Rising tourism may have helped to ease ethnic tensions between mestizos and Mayans, as mestizos began to see the economic benefit of preserving indigenous culture.\textsuperscript{31} There are also some indications that the gender roles of women entering the tourist market have become more flexible. For example, in the case of women from the Chamula indigenous group, long one of the poorest populations in the state, tourism has allowed them to prosper due to the commercialization of handicrafts, which is entirely controlled by women.\textsuperscript{32} Researchers assert that the rising economic and social power of women stemming from tourism in Chiapas has allowed for a shift of political power from men to women, who are now often elected to important community committees.\textsuperscript{33} That said, many Mexican government initiatives like FONART, and local non-governmental organizations like The Sna’ Jolobil, the oldest artisan organization in Chiapas, which works to build the capacity of local artesanias, are often still run by men. Moreover, most indigenous artesanias do not sell their wares directly to the consumer, but utilize male middlemen in the capital, who often take a large share of the profit.

**Puebla**

Located in East-Central Mexico, the state of Puebla has a population of over 6 million people and contributes roughly 3.4% of Mexico’s national GDP.\textsuperscript{34} Manufacturing industries contribute the largest proportion to the state’s GDP at 25.1%, but since most of these industries are concentrated in Puebla and other main cities, the state itself suffers from high levels of inequality. Puebla was historically an Indian pottery-making center, and detailed tile work is common today. However, compared to Oaxaca and Chiapas, and despite the presence of textile work in communities like Naupan, Puebla has garnered little international attention or access to outside markets. Due to Puebla’s proximity to Mexico City, most weekend tourists to Puebla City are Mexican, and outside tourist interest in the state is relatively low.\textsuperscript{35}

\textsuperscript{30}Arcelia Lortia (January 26, 2006). "Chiapas a través de sus artesanías". El Economista. Mexico City.
\textsuperscript{31}Collazo, Jose Luis, Jr. California State University, Dominguez Hills, ProQuest Dissertations Publishing, 2011. 1499369.
\textsuperscript{33}Collazo, Jose Luis, Jr. California State University, Dominguez Hills, ProQuest Dissertations Publishing, 2011. 1499369.
\textsuperscript{34}“ProMexico: Puebla, Trade and Investment,” 2016.
\textsuperscript{35}Christine Delsole, “7 reasons to visit Puebla right now,” SFGate, April 24, 2012.
Guerrero

Located in Southwestern Mexico, Guerrero has a population of roughly 3.5 million people, 2.9% of Mexico’s population, and contributes 1.5% to Mexico’s GDP. Tourism is the biggest sector of the state’s economy, however, due to the lack of education and employment in general, the state represents the highest number of migrants that move to the United States for work.

Guerrero is well-known for handcraft production, including textiles. The Mixtec and Amuzgo traditions are particularly strong. The Amuzgo people of the town of Xochistlahuaca, Guerrero, or “People of the Loom,” are known for producing some of the “finest backstrap-loom-woven brocade textiles produced in Mexico.” The town has an active weaving cooperative, La Flor de Xochistlahuaca, which focuses on the production of the traditional huipil blouse, but also produces new products like bags, pillows, and other housewares. Many of these traditional goods are sold in large tourist destinations, including Acapulco. However, serious security concerns are limiting tourism to the state, and therefore, the exposure of local handcrafts to international markets. Guerrero is one of the most violent states in Mexico, and Acapulco, once a resort destination and a huge market for locally-made goods, had the highest homicide rate of any city in the country as of 2017. Until the security situation changes, cartel fighting over key drug transit routes will likely continue to limit tourism and the access of artisans to broader markets.

Barriers to Entry & to Scale

Before uncovering the potential avenues to promote a more inclusive economy in Mexico, it is important to understand the barriers indigenous women in these industries face. Social and political factors are the greatest drivers in stifling entry to the market; however, they also hinder increasing the scale of these businesses. Economic barriers are most visible in preventing indigenous women from selling their products to the greater Mexican population. While barriers to entry continue to challenge indigenous women to become entrepreneurs in what they view as

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39 ibid.
part of their daily lives and routines, barriers to scale inhibit the potential of increasing Mexico’s economic growth from CCI.

**Social and Political Barriers**

*Education.* Education is the cornerstone through which women learn societal norms, develop personality, and gain the tools to become entrepreneurs. It presents the biggest barrier for women to realize the opportunity of transforming their textile work into a self-sustaining business, but for those that do overcome the barriers to entry, limited education stifles the innovation necessary to scale their business.

The education for indigenous women in remote villages is limited, if available at all. The rates of out-of-school students for indigenous people in Mexico are 16.3%, compared to non-indigenous populations at 6%.⁴¹ Research shows that indigenous women are even more vulnerable because of unequal treatment with regard to access to education within the family and their communities⁴² In addition, girls who receive support from their families to attend school are still expected to help their mothers with household chores, often diminishing their educational performance.⁴³ Anecdotal data suggests that in most indigenous villages teachers come from within the local communities and curriculum reflects traditional values, which often discourages women from participation. This continual cycle of male superiority in the household and classroom stifles mental and societal progress to match that of the rest of the country. Education plays the biggest barrier to entry in the market because it leads to women’s dependence on men to move their businesses forward while they remain low on the production chain. Currently there is no national system that requires a certain number of years in school, so girls often drop out to help with household responsibilities.

For those women who overcome this barrier and enter the market, their education appears to subdue their potential to increase the scale of their business. These women were able to lead in selling their product within their own villages, but limited and repetitive education at times diminished innovation, particularly in marketing and skills training, which are essential for business expansion. For instance, Elizabeth, a young women from Puebla studying in Mexico City, told us that through education outside of her community she learned how to operate machines, photoshop, and Facebook to help increase the size of her business. She mentioned that Instagram was growing in Mexico, and although she was unfamiliar with how to use the online photo sharing platform, she was learning this at school. She intended to show others in her

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community how to market their products online as well as train them on how to use machines for increase production capacity. Elizabeth’s example demonstrates the time constraints, demand-driven production, and lack of skills training that can limit innovation in product type, design, material, and technique, limiting the economic potential of indigenous artisan communities. Part of this is connected to a lack of technology, which could be leveraged to finish each piece faster, allowing for innovation of technique and increased time for added production or new creations.

In addition to innovative marketing ability and skills training, limited education failed to equip women with the reading and language skills needed to expand their business outside of their village. While literacy rates have exponentially progressed over time, 16% of people who identify as indigenous do not speak Spanish, the national language of Mexico. The language and reading barrier makes it difficult for indigenous women to market, conduct business transactions, and negotiate in the rest of Spanish-speaking Mexico.

*Lack of mobility.* The location of indigenous communities in Mexico is often remote and lacks access to public transportation and roads. This lack of transportation and limited mobility presents the greatest barrier to scale, as women are inherently limited to sell within their own community. Those communities with more direct access to paved roads are also susceptible to frequent tourism, which increases the inequality of market access amongst indigenous villages.

When a car is available to leave the community, men primarily drive the cars to commute to work outside of their community. Without the support of a vehicle to travel, women often find themselves limited to working from home. Those women located in more tourist areas, such as Puebla and Oaxaca, are at a greater advantage, as they are able to sell from home to a different market; however, there are a number of untapped indigenous communities, such as Naupan, that rarely receive any visitors and cannot travel to outside markets.

In addition to access to mobility, these indigenous communities are often in some of the highest crime areas in Mexico. This insecurity stifles the growth of a business because women find themselves resorting to traditional methods of selling their goods in order to avoid putting their lives at risk. According to the 2016 Country Report on the Situation of Human Rights in Mexico, the Inter-American Commission on Human Rights found that for the 2011-2015 period, the forced disappearances of women numbered 333 in Puebla, 154 in Guerrero, 100 in Oaxaca, and 19 in Chiapas. The disproportionate level of violence targeted at women, particularly indigenous women, has a freezing effect on mobility and market access.

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Discrimination. Women in Mexico represent half of the population nationwide, but fall behind when it comes to having a seat at the table.\textsuperscript{45} Only in 15\% of the industries in Mexico are there women in leadership positions.\textsuperscript{46} Indigenous women are even less represented as they are faced with the dual barrier of being women and indigenous. While gender, language, shade of skin tone, lack of income, and education contribute to their ability to become entrepreneurs, they also present an issue when trying to scale outside of their local market. Indigenous women are often faced with unequal treatment, and viewed as “Marias,” or poor helpless women, in negotiations with businesses or consumers to sell their products. To remedy this situation, many indigenous women turn to intermediaries as an avenue to sell and market their products.

Absence of entrepreneurial role models. This structural barrier reduces the entrepreneurial spirit in indigenous women and presents a barrier to entry and to scale. While some communities, such as the one our team visited in Naupan, have a female leader who empowers other women, there are still many who lack a strong female role model. This absence of a role model continues a cultural cycle of women challenged to see beyond their household tasks like childcare and chores. It also has external effects; women in these communities are often overlooked as significant contributors to household income. Without strong role models with an entrepreneurial spirit, indigenous women cannot see beyond their daily lives and realize the economic impact these textiles could have on their families and communities. Speaking with some leaders who sought to form cooperatives, they mentioned that one of their biggest challenges was the formation of the cooperative itself.\textsuperscript{47} They told us that women in their community did not feel motivated to enter cooperatives and begin a “business” with other women in their community because the barriers and costs were seen as higher than the prospects.

Economic and Business Barriers

Figure 2

\textsuperscript{45} Instituto de Liderazgo Simone de Beauvoir, “Participación Política”, \url{http://ilsb.org.mx/participacion-politica/}.
\textsuperscript{46} Ibid.
\textsuperscript{47} Diana Vitte, April 12, 2018, Interview in Mexico City.
Raising Capital. One in three women in Mexico don’t have an individual income, whereas one in ten men face the same issue.\textsuperscript{48} While there is no official data, it is highly likely that an even higher percentage of indigenous women in Mexico do not have a personal income. It is also extremely difficult for indigenous women to raise the necessary capital to start or scale a business, as issues of discrimination and sexism hamper the loan application process through banks. Furthermore, there are not always the resources - language skills, business jargon, accounting knowledge - for aspiring entrepreneurs to successfully apply for loans, government programs, or international funds.

Production. For many artisan communities, their major constraints are time and materials. This does not allow cooperatives or individual artists to create a large stockpile of merchandise that can then be sold as demand rises and falls. Instead, many create custom pieces for specific customers or contracts. Without the ability to create additional pieces not intended for any single customer, it limits the possible amount of innovation and evolution of design and technique. This in turn drives up prices for these goods, pricing additional consumers out of the market.

To scale up these CCI businesses in the formal economy, it would be necessary for artisans to utilize technology for invoicing, accounting, and maintenance of Mexico’s rigorous taxation system. The large size of the informal economy in Mexico is in part due to the harsh demands imposed by the taxation and legal requirements of formality. As artisans do not have significant access to funds, they are largely unable to outsource these crucial activities that require this specific technical expertise.

Pricing the Product. It has proved difficult for many intermediaries working in this space to empower fully independent companies managed by indigenous women. This is a result of both economic and social barriers. One of the main challenges is convincing indigenous women to take over all aspects of the business, especially price-setting and auto-valuation of the goods produced. Part of the problem is the lack of data in this sector, making market analytics and consumer research complex and far more qualitative than quantitative. Another element is the consistently low self-valuation of each artisan’s time, efforts, and talents in the pricing of goods.

\textbf{Figure 3: Mexico’s Homicide Rate by State}

\textsuperscript{48} Instituto de Liderazgo Simone de Beauvoir, April 12, 2018, Interview in Mexico City.
Transporting the Product. It is difficult for many artisans to physically move their product from their communities to city centers. Some perceive the capital city as too violent or dangerous, while others face logistical barriers such as moving bulky items by unpaved roads and unreliable buses. This affects not only the sale of goods but also their production, as materials can be hard to obtain - especially technology such as sewing machines and adornments. The lack of critical infrastructure also plays a role in keeping the poorer regions poor, while the wealthier regions with better transport are better suited to meet the demand sparked by global trends.

Figure 4: Mexico’s Broadband Internet Access by State
Marketing and Selling the Product. Given that there is a fairly small market for very expensive, high quality traditional products, it is critical that marketing opportunities are leveraged. There is not only a lack of access to computers and smartphones, but where access does exist, the internet connection is often weak and unreliable. This is especially problematic for those wishing to use Instagram to market products, which uses substantial amounts of data. There are few opportunities for training and exposure to these tools, and even fewer to learn effective ways to leverage them for increased sales. Facebook is used by some cooperatives to increase visibility of their goods, but there could be more done to foster digital sales.

Many artisans are stuck at the beginning of the value chain, where they create the very first inputs and do not enjoy any of the benefits or added revenues available in the later stages of design, marketing, and direct-to-consumer sales in international markets. Artisans often create the textile, which is then sold to the designers who create a good, and then it is sent to an intermediary who facilitates the sale. This decreases the bargaining power afforded to artisan cooperatives, as they are upstream and distant from the final point of sale and the ultimate product price. Further, the artisans’ names are seldom attached to the final product; designers’ names and brands are boosted by the final sale, increasing the recognizability and ultimately the product price of their future goods.
## Recommendations

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<th>Recommendations</th>
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| Education        | ● Government  
                   ● Inter-American Development Bank (IDB)  | **Diversify background of teachers in indigenous communities:** Promoting educational exchanges or recruiting teachers from developed areas in Mexico (i.e. outside of the indigenous communities) would promote innovation and challenge societal norms.  

**Enforce compulsory education for all youth:** The national government of Mexico should create requirements for all youth to attend school beginning in first grade, when children are typically six years of age. Enforcing equity in education will allow girls and women to develop as part of society, as well as gain business acumen and innovation through education.  

**Higher educational exchange for textile programs:** Educational exchanges would spur innovation and encourage promote the “coolness of the project”. In addition, indigenous women would gain new ideas and practices for marketing and production. |
| Discrimination   | ● Implementers  
                   ○ Mexican government | **Engage in awareness campaigns** to emphasize the importance of diversity and |


| **Absence of Entrepreneur Role Models** | **Potential mentors** | **Create Women Empowerment Workshops:** The women in these communities would benefit from attending workshops to build capacity, leadership skills, and to learn about various ways to achieve their goals. This in turn would give some women the opportunity to rise to become role models for others.

The organizations that run the workshop can identify leaders from the sessions and do more intensive work with them or to be a co-facilitator. |
<p>| <strong>Mentees</strong> | <strong>Entrepreneurs</strong> | |
| | | <strong>Raising Capital</strong> |
| <strong>Inter-American Development Bank (IDB)</strong> | <strong>Financial Literacy Training for Indigenous Women</strong> | The government can work with the IDB to educate... |</p>
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<th>Issue Area</th>
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<tr>
<td>Financial literacy and accounting skills</td>
<td>Cooperatives Government</td>
<td>Women on the loan application process and find ways to demystify business jargon. Such programs could provide ongoing training on financial literacy and accounting skills.</td>
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<td>Microloans</td>
<td>Government</td>
<td>Government or the IDB could provide seed funds for indigenous women to start businesses and monitor the use of the funding.</td>
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<td>Impact investing from private sector partners</td>
<td>Government</td>
<td>Impact investing from private sector partners Government should promote partnerships with private sector actors looking for social impact investing.</td>
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<tr>
<td>Scaling up Production</td>
<td>Government</td>
<td>Training Programs for Sewing Skills: Government, the IDB, or local universities could enable the more efficient production of goods by offering training programs on sewing skills, pattern making and technology-based techniques.</td>
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<td>Inter-American Development Bank/Government</td>
<td>Microloans for Sewing Machines: Government or the IDB could allow groups of artisans to apply for a microloan for sewing machines that could be rapidly repaid after the technology allows for faster production.</td>
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<td>Cooperatives</td>
<td>Forums for Sharing Techniques &amp; Designs: The IDB or local cooperatives</td>
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could facilitate innovation and development by organizing forums in which individual artisans and cooperatives can freely exchange ideas, techniques, and experiences in textile design and production.

| Pricing the Product from the location on the Value Chain * (dependence on intermediaries) | Cooperatives  
Intermediaries  
Regional Government | **Sharing Market Research:** Cooperatives, intermediaries, and regional government could allow for better pricing strategies by developing and sharing market research data on the trends and demand for textile production.  
**Database of Prices:** Cooperatives, regional governments, and potentially the Ministry of Commerce could aid artisans in one of the most challenging aspects of textile business by developing and allowing artisan access to a database of prices that includes past prices paid for hourly wages and handmade products.  
**Transporting the Product (safety, infrastructure, time responsibilities)** | • Entrepreneurs  
• Larger Community  
• Regional and National Government | **Improved Quality of Roads:** Making these communities more accessible will encourage tourism inflows.  
**Increase security for women:** Increasing the level of security for transportation between communities and to/from cities will help encourage female entrepreneurs to share their products to other parts of Mexico and the world. |
**Arranged Transport for Trunk Shows in Mexico City, other Large Cities for Women:**
Subsidized transportation for trunk shows would allow women to market their products to the greater Mexican population as well as giving them the opportunity to get outside of their communities.

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<th>Selling &amp; Marketing the Product</th>
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<tr>
<td><em>Intellectual Property Issues</em></td>
<td>Government-led workshops for women entrepreneurs to understand intellectual property, copyright and design protection options. Women who successfully complete a workshop could receive a free legal consultation, or funds toward a patent (trademarks often cost upwards of $200).</td>
</tr>
</tbody>
</table>
| - No law to protect traditional knowledge  
- Prohibitive cost of and complicated legal mechanism to obtain a copyright, trademark, or design patent | |
| *Marketing Issues*  | Promote Marketing Training Workshops |
| - Lack of access to online marketplaces  
- Lack of knowledge of marketing methods and digital platforms | In partnership with innovation incubators at nearby schools, or local government, women entrepreneurs could receive marketing skills adapted to their level of access to technology. Women could learn how to start Facebook pages, market goods on Instagram via cell phones, or start their own blogs, websites |
or connect with online artist communities if computer access is a possibility. Programs could target marketing-minded members of existing cooperatives.

**Institutionalize Roles for Indigenous Women at FONART**
The government, through FONART, should commit to the inclusion of indigenous women in their initiatives. In states like these four, with large indigenous communities of artisans, FONART stores should include dedicated outreach. Preferably, FONART stores in such areas would have dedicated positions for indigenous women familiar with the challenges faced by their communities, who could provide technical assistance and marketing expertise to motivated women entrepreneurs.

**Next Steps**

This report details the existing barriers of entry for indigenous women entrepreneurs in Mexico’s poorest states, and provides comprehensive recommendations for NGOs, state and national government, and the IDB to empower these women to realize their economic promise. Investment in micro loans, empowerment of female role models, and traveling trunk shows, which would offset dangers to physical security, are the keys to a more inclusive CCI economy. While further research is needed to fully explore the contributions of indigenous women in CCI in Mexico, this qualitative report highlights the untapped economic potential of these women.
entrepreneurs to Mexico’s overall economic growth and social progress. If appropriate steps are taken by the IDB, in tandem with efforts by the Mexican government and non-governmental organizations, to help women overcome the barriers of entry into these CCI markets, it will translate into significant economic growth for some of the country’s poorest states. Moreover, lessons and best practices from the textile industry can be expanded to other CCI industries, not only in Mexico, but in the wider Latin American region. By applying the lessons in this report, the IDB and partnering organizations can lead the way in promoting the economic impact of indigenous women entrepreneurs in CCI. These findings could be further strengthened by additional research into new technologies and benchmark data from other countries outside the Latin American region.
## Annex 1: List of Interviewees

<table>
<thead>
<tr>
<th>Person</th>
<th>Organization</th>
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</thead>
<tbody>
<tr>
<td>Esteban Santamaria</td>
<td>IDB</td>
</tr>
<tr>
<td>Intellectual Property Specialist</td>
<td>CSO</td>
</tr>
<tr>
<td></td>
<td>Creative Industries</td>
</tr>
<tr>
<td>Alejandra Luzardo</td>
<td>IDB</td>
</tr>
<tr>
<td>Team Leader – Creative Industries</td>
<td>CSO</td>
</tr>
<tr>
<td>Dr. Jacqueline Mazza</td>
<td></td>
</tr>
<tr>
<td>Professor, Latin American Studies Program</td>
<td>Johns Hopkins University SAIS</td>
</tr>
<tr>
<td>Dr. Bettina Boekele</td>
<td></td>
</tr>
<tr>
<td>Adjunct Professor, Latin American Studies Program</td>
<td>Johns Hopkins University SAIS</td>
</tr>
<tr>
<td>Helga Flores</td>
<td>IDB</td>
</tr>
<tr>
<td>Team Leader</td>
<td>CSO</td>
</tr>
<tr>
<td></td>
<td>Creative Industries Operations</td>
</tr>
<tr>
<td>Claudia Muños</td>
<td>Chamuchic</td>
</tr>
<tr>
<td>Valentina Zendejas Moheno</td>
<td>Instituto de Liderazgo Simone de Beauvoir</td>
</tr>
<tr>
<td>Stephanie Oueda Cruz</td>
<td>IDB</td>
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<tr>
<td></td>
<td>IDB Invest</td>
</tr>
<tr>
<td>Diana Vitte</td>
<td>Saber para la Vida</td>
</tr>
<tr>
<td>Fatima Alvarez</td>
<td>Someone Somewhere</td>
</tr>
<tr>
<td>Elvia Catalan</td>
<td>Entrepreneur</td>
</tr>
<tr>
<td>Andrea Ruy</td>
<td>IDB</td>
</tr>
<tr>
<td>Elizabeth Perez</td>
<td>Independent Artisan</td>
</tr>
<tr>
<td>Dr. Laura Calderón de la Barca</td>
<td>Terapia para Mexico</td>
</tr>
<tr>
<td><strong>Trip to Puebla with Someone Somewhere</strong></td>
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</tbody>
</table>
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