

Abstract: The Government of Panama created a semi-autonomous indigenous area in 1997. The establishment of this region institutionalizes indigenous authorities and prohibits land privatization. This study investigates the effect of the recognition of common property land to indigenous groups on economic performance. By using difference-in-differences approach at household-level data, I find that non-migrant indigenous households living in the semi-autonomous territory declined their consumption relative to their counterparts living outside. Further, indigenous households inside the treatment area have lower access to public goods and are less likely to participate in agricultural market activities.