In the name of the environment: The political economy of socio-environmental conflicts in Altiplano mining areas of Bolivia

Leonith Hinojosa

University of Manchester
leonith.hinojosa@manchester.ac.uk

Quezon City, 25th Nov 2007
The new mining \textit{boom} in a neoliberal context

\textit{Neoliberal policies and mining as a financial national strategy}

• Peru, Ecuador y Bolivia grew consistently at high average rates (4.66 \%, 4.16 \% and 3.11 \%)
• poverty – rural poverty – no significant improvement

• Much of growth has been based on the extraction and export of minerals and hydrocarbons
## FDI in Peru, Ecuador and Bolivia, 1989-1999 (%)

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Average FDI/GDP</th>
<th>FDI Average annual growth rate</th>
<th>FDI in Primary Sectors (percentage of GDP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bolivia</td>
<td>1.01</td>
<td>6.70</td>
<td>124.22</td>
</tr>
<tr>
<td>Ecuador</td>
<td>1.61</td>
<td>3.28</td>
<td>55.60</td>
</tr>
<tr>
<td>Peru</td>
<td>0.46</td>
<td>4.17</td>
<td>84.73</td>
</tr>
<tr>
<td>Andean countries</td>
<td>1.12</td>
<td>3.38</td>
<td>30.38</td>
</tr>
<tr>
<td>LAC</td>
<td>0.95</td>
<td>2.42</td>
<td>18.11</td>
</tr>
</tbody>
</table>
Policies for attracting and facilitating entry of TNCs

- equal treatment as national investors
- no barriers to profits repatriation
- no or very low fiscal obligations (other than canon)
- long-term fiscal stability
- facilities for inputs and technology imports
- ratification of international agreements on private investments
Mining in Bolivia

• Bolivia ‘a mining country’
• After the collapse in 1985, since the 1990s revival and expansion
• A neoliberal policy framework favourable to private investments, but limited increase
• Mining effective increase only when international prices rose
• Establishment of big companies in rural areas are followed by ‘environmental’ and ‘socio-environmental’ conflicts
Macroeconomic importance

% of GDP 1990
- Agriculture, 15%
- Hydrocarbons, 4%
- Mining, 6%
- Other sectors, 75%

% of GDP 2005
- Agriculture, 12.2%
- Hydrocarbons, 6.3%
- Mining, 3.5%
- Other sectors, 78%

% of Exports 1990
- Agriculture, 13.2%
- Hydrocarbons, 23.7%
- Other sectors, 20.4%
- Mining, 47.3%

% of Exports 2005
- Agriculture, 6.1%
- Hydrocarbons, 47.7%
- Other sectors, 26.8%
Mineral and hydrocarbons concessions in Bolivia, 2001
What changed with neoliberal policies

• Not many changes in mining areas (extension, minerals)
• But changes in ownership:
  - Big private transnational companies & ‘big’ national miners
  - State (Comibol)
  - Mining ‘cooperatives’
  - Workers
• Changes in mines ownership imply:
  - changing power relationships
  - difficulties to identify the polluters
  - conflicts of interest
  - new actors: i) rural (non-miners) population
    ii) NGOs
Conflicts in mining areas

• Labor conflicts
• Environmental conflicts
  - competition for access to natural resources
  - pollution and contamination – threats to livelihoods
• Political conflicts
  - competitive uses of the rural territory
  - access and control of the resources generated by extractive industries
Environmental conflicts

• Quite recent
• International concern for the environment and environmental problems (Summits, institutions, resources …)
• New agenda for governments, international cooperation, NGOs
• Referents (e.g. the oil spill in Oruro)
• The environment as an instrument to claim for economic and social rights
Factors of conflict

- The dynamics of neoliberalism have threatened the viability of much small and medium farm agriculture.
- Social conflicts increasingly polarized, recurrent and violent because of social discontent.
- Challenge the capability of rural people to control patterns of change in their lived environments.
- Involvement of civil soc. and TNN.
Structural factors

1. Scarcity and poverty of non-mining resources in rural areas
2. Economic priorities in people’s livelihoods
3. Institutional land issues
4. Territorial aspects
5. Asymmetrical relationships between and inside civil society organisations
6. Knowledge gaps
Current use of soils
(extensive livestock and high-altitude agriculture)

Population density and urban centers

Migration

Poverty

Concluding remarks

• Environmental conflicts are fairly recent
• Factors: Neoliberal dynamics, Actors, Structures
• International concern for the environment (Summits, institutions, financial resources)
• New agenda for governments, international cooperation, NGOs
• Referents for acting through networks (division of labor/tasks)
• The environment as an instrument to claim for economic and social rights
Thank you

www.manchester.ac.uk/sed/research/andes

Leonith.hinojosa@manchester.ac.uk