Mining and social movements: struggles over livelihood and rural territorial development in the Andes

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The question

• In a context of increasing commoditisation of the sub-soil, under what conditions are civil society actors able to change:

  – The terms of national and local debate on the types of rural economy that ought be promoted?

  – The forms of (mineral) investment characterizing this most recent round of capitalist transformation of the Andes
The paper and the panel

• … explore processes of commoditisation of Nature ….
  – As they pertain to the mining sector

• …. their social consequences in terms of (in)equality of access to natural resources …
  – As they pertain to the effects of expansion in the mining economy on resource access and control

• …. and the ways such processes are resisted or supported by political/institutional agendas
  – As reflected in distinct processes of social mobilization and state response to mineral development
The basic argument

• Mineral expansion elicits new forms of commoditisation of nature *in particular places* ....

• ....inducing forms of protest against the effects of this expansion on access to and control of resources ....

• .... forms, structures and coherence of protest vary across space with important consequences for ....

• .... geographies of territorial transformation, which vary as a result of the combined effects of capitalist expansion and social protest ....

- social movements rework place based forms and effects of capitalist expansion

- the internal characteristics of these social movements and the state influence the nature of this reworking
Outline

• **Commodification:**
  – Geographies of expansion in extractive industry investment in Latin America

• **The politics and institutionalisation of capitalism:**
  – Mining, protest and the state: 3 paths of territorial transformation

• **Forms of investment that accompany development processes within capitalism:**
  – Conclusions: co-producing territorially based development through conflict
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Commodification:
Geographies of expansion in extractive industry investment in Latin America

New geographies of EI investment in Latin America:

– New government policies and institutional arrangements

– Technological and price changes
• Between 1990-97
  – global investment in mining *exploration* increased 90%
  – in América Latina it increased 400%
  – in Perú it increased 2000 % (Banco Mundial, 2005).

• 1990 – 2001
  – of the 10 countries that saw most investment in mining, 4 are in LAC: Chile, 1; Peru, 6; Argentina, 9; Mexico 10 (Bridge, 2004)

• Peru:
  – 1990-2000, mining investment increases five-fold
  – Mining – c. 6% of GDP
  – c. 50% of foreign currency generated by mineral exports
  – c. 15% of FDI
  – projected to increase

.... Socio-spatial implications?
  – Old cores
  – New frontiers
• 1990s: area affected by mining concessions increases from 4 million to 16 million hectares

• 1999, around fifty-five per cent of Peru's six thousand or so campesino (peasant) communities influenced in one way or another by mining (de Echave, 2006)
• What is the significance of this?

• Concessions ≠ mines/wells
• Concessions do mean uncertainty for residents/local authorities
• New geographies of risk/uncertainty .... and of conflict
  • Over resource use and control
  • Over territorial occupation
  • Over relationships between existing livelihoods and mining investment
The politics and institutionalisation of capitalism
Mining, protest and the state: 3 paths of territorial transformation
Cajamarca: Minera Yanacocha
Basic information

• Newmont 51.35%; Buenaventura 43.65%; IFC 5%

• Mine begins in 1992

• First significant FDI since armed conflict

• Latin America’s largest gold mine, world’s second largest

• Cyanide heap leach
• **1993-1999:**
  - Rural movement gains strength, protesting mine expansion, land purchases and mine behavior
  - The church, peasant organizations and international linkages

• **2000-2005:**
  - Environmental effects urbanize
  - Movement urbanizes, internal tensions
    - Leadership, ethnicity, class
    - Political party affiliations
  - External pressures and attacks on movement

• Movement characterized by internal differences and weaknesses
• No-single counter-proposal
• No clear articulation of forces or ideas
• Effects on patterns of mineral led capitalist transformation?
  
  – Localized influences on geography of mine expansion
  
  – Conflict associated with increased mine investment in: 1999-2004 see increases in mine’s
    
    • Environmental programmes (300%)
    • Social programmes (900%)
    • Local sourcing (700%)
  
  – Mine continues to grow
    
    • Social transformation deepens
    • Fiscal transfers increase
    • Catalyses new mines in surrounding area
    • Some provinces now >90% under concession
Cajamarca and Minera Yanacocha

1989

2001
Piura: Tambogrande and Rio Blanco
• Piura: new frontiers in new geographies of mining

• Tambogrande: deposit beneath town, in an irrigated valley dedicated to agricultural exports

• Canadian junior Manhattan acquires concession

• Social mobilization: 1999-
  – Defence fronts formed linking various actors
  – Agro-exports as counter-proposal
  – Violence
  – 2002, referendum,
    • organized by local government
    • support from international networks
  ➢ 93.85% against mining
– Not legally binding but company leaves

– Rural resource use continues as before:
  • Internal market agriculture
  • Agro-exports

– But:
  • MEM still wants mining expansion in Piura
  • Buenaventura (Yanacocha) buys concessions from Manhattan

– Rio Blanco, the next battle in the same war
  • UK junior acquires concession and gets exploration permission
  • Concession deemed by all to be the means of opening Piura to mining
• Social mobilization: 2003-
  – Tambogrande and Yanacocha as a points of reference
  – Social organizations and local authorities take lead
    • Reconstruction of Tambogrande networks
    • Idea of referendum
  – Mass protest and violence
  – Peasant agriculture as counterproposal; coupled with concerns about water resources downstream
  – … but movement far less consolidated, counter-proposal for rural resource use less coherent
  – International support again, but more cautious (defensive)
• Territorial transformation at a crossroads

• Option 1: mineral Piura
  – Increased canon/municipal income
  – Social change
  – Environmental risk
  – Within region redistribution issues

• Option 2: agrarian Piura
  – Slow agrarian growth
  – Creeping agricultural frontier
  – Limited changes in risk (real, perceived)
  – Incremental socio-cultural change
... and the state and mineral led capitalist transformation?

- Ministry of Energy and Mines and the Presidency
- Ombudsman’s office and human rights: pressure on MEM and Congress
- Local state – highly varied positions depending on balance of power (and local power relations and political networks)
- No single story on the state – different parts of state seek different forms of capitalist transformation
Development processes within capitalism: Conclusions

- Territories are transformed at intersection of capital investment and protest

- Final outcomes depend on:
  - Relationships of power among (and within) state, market and societal actors interested in these resources
  - Relative power of actors depends much on internal coherence of actors and their proposals
  - Conflicts also affect public debates on sustainability options
These conflicts are domains in which:

– Meanings that define resource use and definitions of what should be commodified are contested

– The very meanings of “development” are argued over - land as:
  • Mineral source, water source, identity source, territory…..
  • Land as private, communal, regional, national ….  

– “Poverty” fashions capital, even as capital fashions poverty