

Anatomies of conflict: social mobilization, extractive industry and territorial change

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Context 1

New geographies of extractive industry investment

- New government policies and institutional arrangements (North and South)
 - Important roles of Bank Group in this (IFC as investor, IBRD as reformer)
- Technological and price changes
 - Expansion of the mining frontier
 - New areas, old areas among and within countries

Context 2

New geographies of uncertainty and protest

- Produces potential conflicts
 - Over resource use and control
 - Over territorial occupation
 - Over relationships between existing livelihoods and mining investment
 - ➤ Correa: Ecuador on the brink of explosion
 - ➤ Defensoria del Pueblo, Peru: 2007 extraordinary report to Congress on El conflicts
- Differing scales of protest
 - Local, national and transnationalized actors
 - > Local, national and transnational campaigns/agendas

Context 3

Territorially based rural development as articulating concept?

- IDB rural development strategy
- WDR 2008
- A conflict blind concept?
- Postulate 1: social protest mediates and affects relationship between EI investment, RTD and livelihoods
- Postulate 2: social protest is therefore analytically important to the Bank (and not merely a problem for CAO and inspection panels)

Outline

- Framework
 - Extraction, livelihoods and protest
 - Inside (and outside) movements: strength, fragility and power
- Co-producing territorially based development through conflict
 - Extractive industries growth: macroeconomic and socio-spatial dimensions
 - Mining, protest and paths of territorial transformation
- Conclusions

Framework

1. Extraction, livelihoods and protest

- Harvey's two modes of accumulation:
 - By exploitation
 - By dispossession
- driving different types of protest?
 - Workplace based protest
 - New social movement protest (land, identity, territory, risk, rights, environment)

- Movements increasingly as responses to (actual or perceived) accumulation by dispossession
 - Of land
 - Of assets
 - Quantity
 - Quality
 - Of inherent value (and unpaid tax/royalty)
 - Of way of life
- Movements as defence of livelihood
 - Material bases of livelihood
 - Cultural significance of livelihood
- Movements as responses to "colonization of the lifeworld"

- Dissonances within movement responses
 - Shared *general* concerns
 - Different specific concerns
 - Distinct approaches to confrontation/negotiation within movements
- Differing implications for territorial change?
 - Confrontation >>> no extraction; or extraction with violence
 - Negotiation >>> extraction with redistribution; or extraction with co-optation

2.Inside movements: strength, fragility and power

- Movements as sustained processes of collective action across space and time
 - Grievances, justice and alternatives
- Distinguishing
 - Movements, networks, organizations
 - Social movement organizations (SMO)
 - Access/channel resources
 - Access spheres
 - Keep movements moving
 - "Faces" of movements
 - SMOs at different levels (DC, Lima, Cajamarca)

- Multiple groupings within movements
 - As strength
 - As weakness
 - ➤ The immense difficulty of holding movements together
- Power relationships within movements
 - Class, gender, ethnicity, place
 - Scale of SMO
 - The special problem of power within transnational advocacy/issue networks

3. Outside movements

- Difficulties external to movements
 - Counter movements (of those benefiting from extraction)
 - Counter movements supported by companies
- Relative power of actors becomes critical
 - Weight of EI sector in macroeconomy
 - Policy sources of power
 - Financial sources of power
 - Relationship sources of power
 - Positioning of the state

Co-producing territorially based development through conflict: Els and protest in Latin America

1. El Growth: macroeconomic and sociospatial dimensions

- Between 1990 y 2001 (Bridge, 2004)
 - 12 of 25 largest mining investment projects were in LAC (9 in Chile, 2 en Perú [Antamina, Yanachocha], 1 in Argentina)
 - Worldwide, of the 10 countries that saw most investment in mining, 4 are in LAC (Chile, 1; Peru, 6; Argentina, 9; Mexico 10)
- Between 1990-97
 - global investment in mining exploration increased 90%
 - in América Latina it increased 400%
 - in Perú it increased 2000 % (Banco Mundial, 2005).

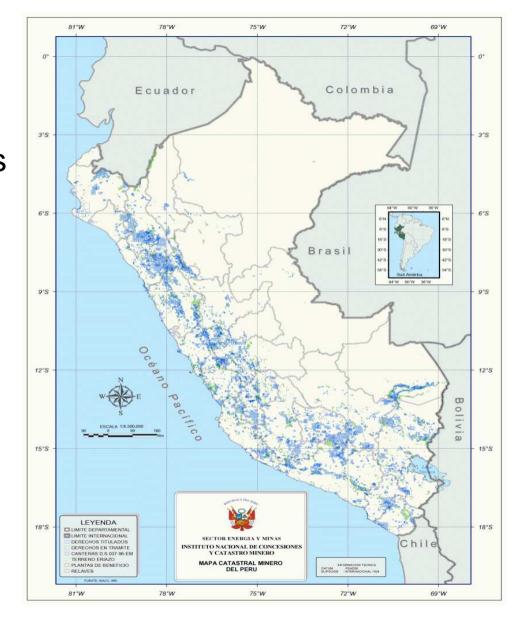
Macroeconomic implications

- Extractive industries as growth strategies
- Eg. Peru's new mining economy
 - 1990-2000, mining investment increases five-fold
 - Mining c. 6% of GDP
 - 1990-2003, mineral exports pass from US\$ 1447 million to US \$ 4554 million
 - c. 50% of foreign currency generated by exports
 - c. 15% of FDI
 - projected to increase

.... Socio-spatial implications?

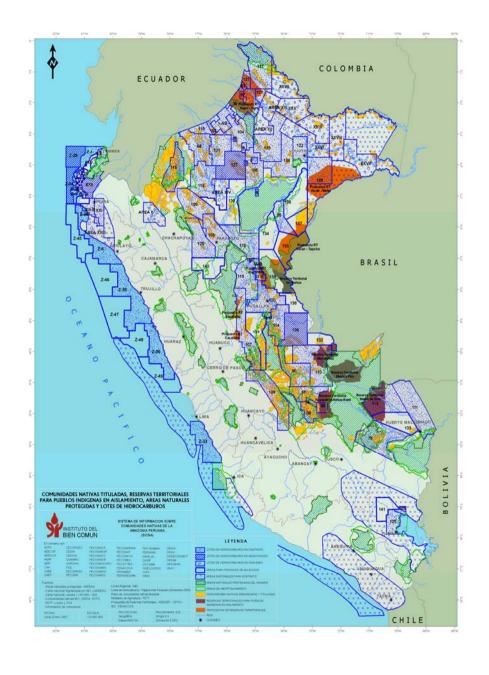
PERU

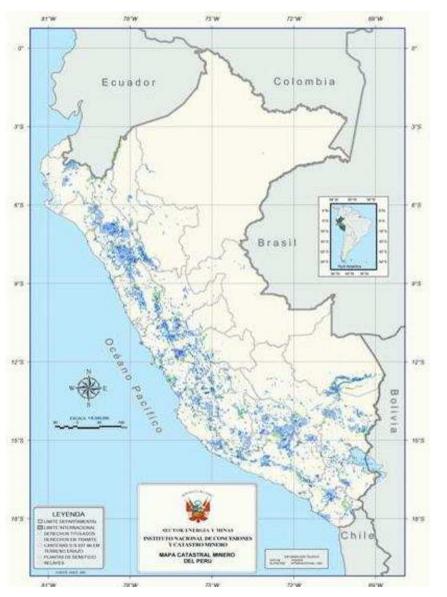
- 1990s: area affected by mining concessions increases from 4 million to 16 million hectares
- 1999, around fifty-five per cent of Peru's six thousand or so campesino (peasant) communities influenced in one way or another by mining (de Echave, 2006)

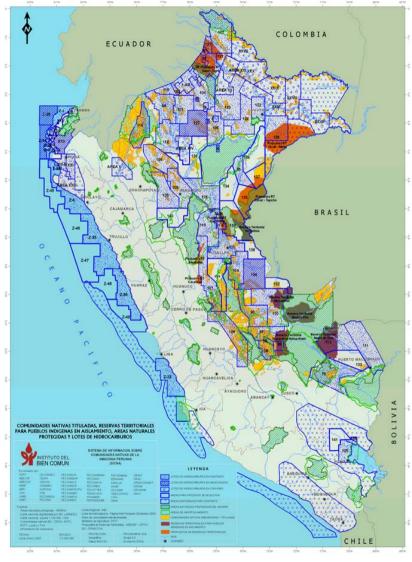


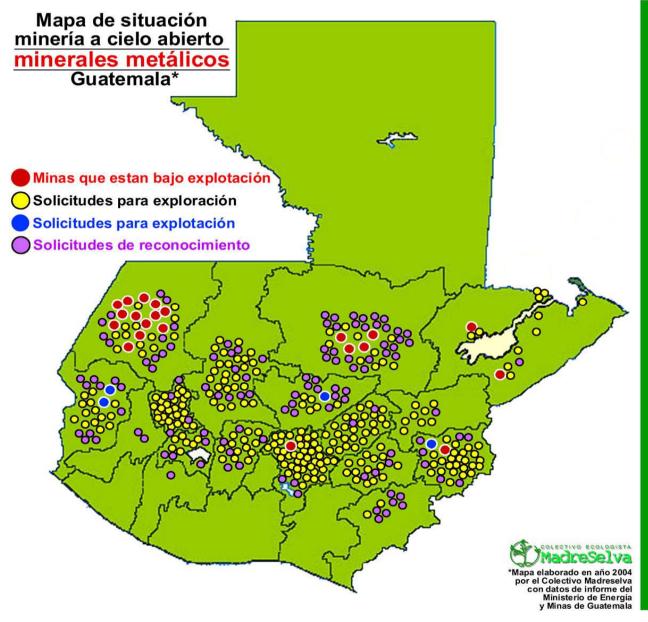
 2004 – 2007: hydrocarbon concessions have jumped from 13-14 % of territory to 70 %

- Note overlap with:
 - Protected areas
 - Indigenous communities
 - Reserved land









Por departamento

Minas que estan bajo explotación

Departamento Minas

Alta Verapaz 4 Chiquimula 1 Izabal 2 Huehuetenango 13 Guatemala 1

Solicitudes para exploración Departamento solicitudes

Quiché 27
Huehuetenango 13
El Progreso 26
Chiquimula 25
Izabal 11
Chimaltenango 13
Alta Varapaz 9
Guatemala 42
Totonicapán 28
Sololá 7
Jutiapa 2
Baja Verapaz 6
Jalapa 15
Zacapa 5
San Marcos 14

Solicitudes para explotación

Departamento solicitudes

Chiquimula 1 San Marcos 2 Baja Verapaz 1

Solicitudes de reconocimiento

Departamento solicitudes

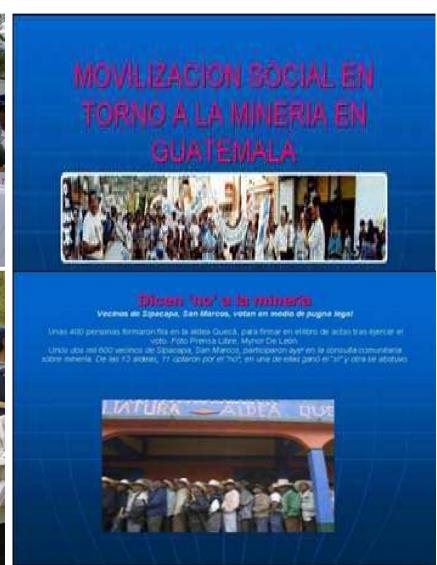
Quiché
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Guatemala
Totonicapán
Sololá
Jutiapa
Baja Verapaz
Jalapa
Zacapa
San Marcos
Quetzaltenango
Suchitepéquez
1

- 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
 - >..... No presence of state in exploration processes
 - >.... Juniors lack capacity to de-fuse conflict
 - Reworking of rural territories
 - Co-production of territory at interface of accumulation and resistance

Images of uncertainty and conflict: Peru, Guatemala







2. Mining, protest and paths of territorial transformation

Three territories, three conflict dynamics, three transformations

Cajamarca: Yanacocha

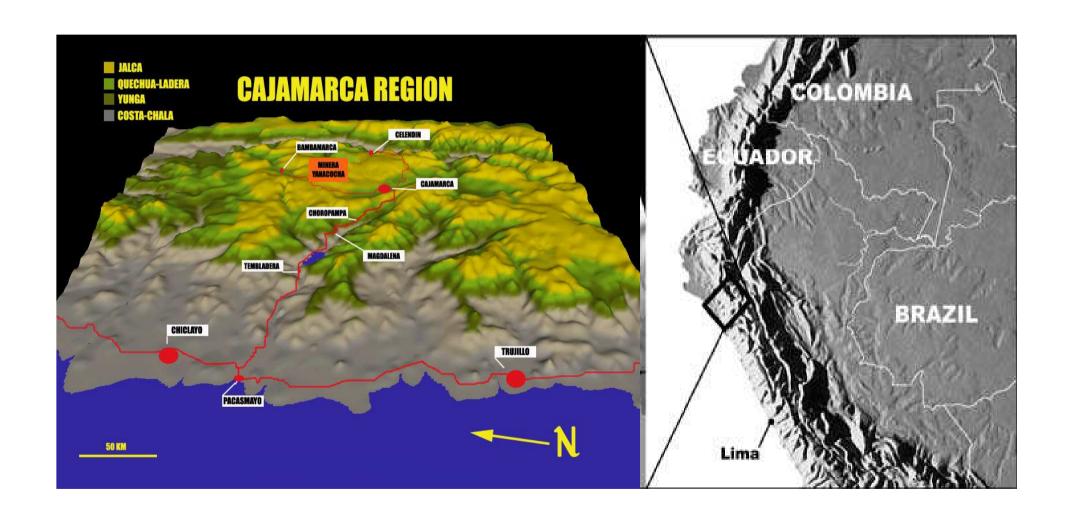
Piura 1: Tambogrande

- Piura 2: Rio Blanco

Conflicts over the countryside: civil society and the political economy of rural development in the Andes

- ESRC supported program analyzing these conflicts and their implications for territorial change
 - Territories affected by mineral expansion
 - Territories affected by hydrocarbon expansion
 - Territories of stagnant rural economies
 - Peru, Bolivia, Ecuador
- Qn: What forms does social mobilization take and how does it affect territorial dynamics under such political economic conditions?

Cajamarca: Minera Yanacocha



Basic information

- Latin America's largest gold mine, world's second largest
- Cyanide heap leach
- Newmont 51.35%; Buenaventura 43.65%; IFC 5%
 - Newmont-world's largest gold mining company
 - Buenaventura Peru's largest mining company
 - Apparently important income stream for IFC too
- ➤ For each owner, Yanacocha's profits allow them to make investments they otherwise would not have made

Cajamarca and Minera Yanacocha

1989 2001



- Kilometers

- 1992: begins activity

- 1993-1999:

- Rural movement gains strength, protesting mine expansion, land purchases and mine behavior
- The church and peasant organizations
- International linkages: protests in Denver, DC, and Peru
- International linkages and the decision against direct action

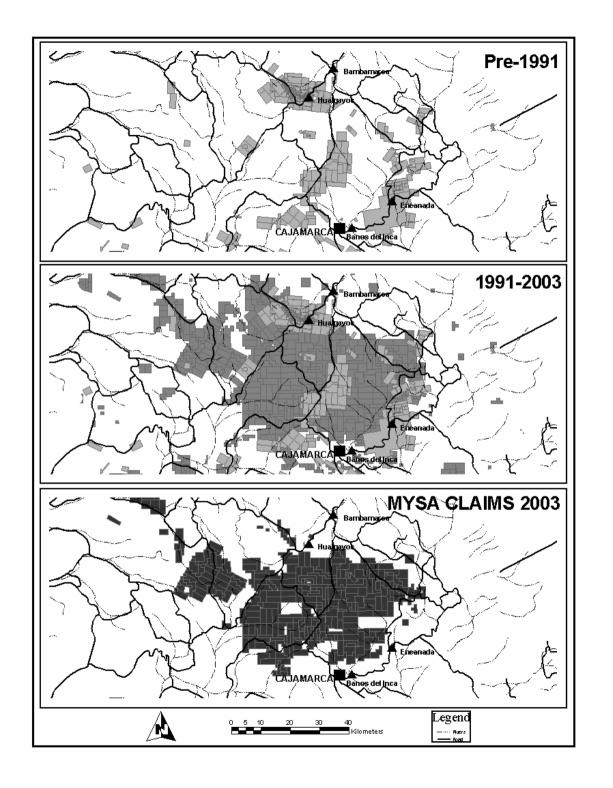
– 2000-2005:

- Internal tensions in movement
 - Leadership
 - Ethnicity, class
 - Political party affiliations
- External pressures on movement
 - Rural movement weakened by mine, and state
 - Pro-mine forces mobilized by Yanacocha, Chamber of Commerce

- Spike in urban concerns about water, health and society
 - Accidents
 - Water as the axis of conflict
 - The Quilish struggle
 - Social change in Cajamarca as another axis
- Movement characterized by internal differences and weaknesses
- No-single counter-proposal
- No clear articulation
- and sustained legal, media, church authority and criminal attacks on the organization with potential to articulate

Territorial implications?

- Effects on mine
 - Localized influences on geography of mine expansion
 - Conflict associated with increased mine investment in: 1999-2004 see increases in
 - Environmental programmes (300%)
 - Social programmes (900%)
 - Local sourcing (700%)
 - Mine continues to grow
 - Social transformation deepens
 - Canon minero expands
- Catalyses new mines in surrounding area
- Some provinces now >90% under concession

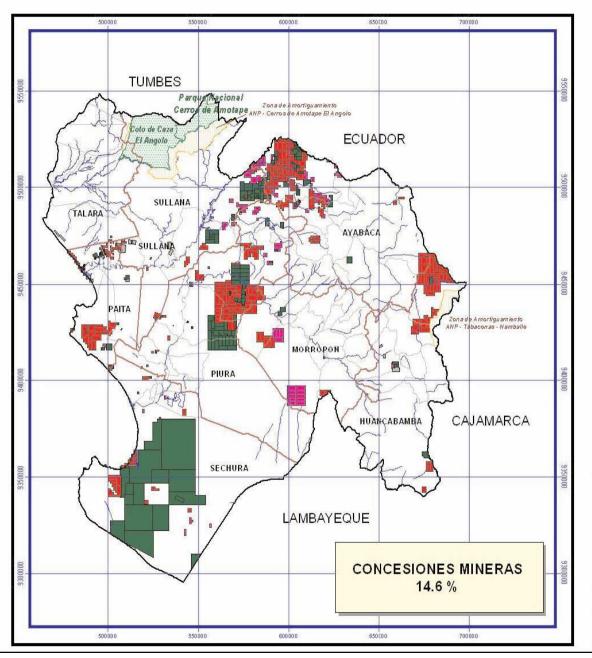


New mining frontiers in Peru:

• Piura ------

• Apurimac -----











Piura 1: 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:
 - Agro-exports

- But:

- Congress and MEM still want mining expansion in Piura
- Criticisms of international actors who supported consulta
- Buenaventura (Yanacocha) buys concessions from Manhattan
- Water exploration beginning

Piura 2: Rio Blanco

- Concessions in upper reaches of drainage basin
- Issues:
 - Export agriculture and water in lowlands
 - Social, demographic and economic options in highlands
 - Growth and public revenue shortfalls in region
 - Tradeoffs over time, across space and with (chronically) imperfect information
- 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
 - National SMOs support
 - Reconstruction of Tambogrande networks
 - Peasant agriculture as counterproposal; coupled with concerns about water resources downstream
 - Violence
 - Movement far less consolidated, counter-proposal for rural resource use less coherent
 - International support again, but more cautious (defensive)
 - Idea of referendum But who should participate

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

Cajamarca:

 Territorial development with weak sustainability, preference of mine and central state

Tambogrande:

 Territorial development with strong sustainability, preference of regional movement

Rio Blanco:

- Pattern of territorial development will be determined by outcome of conflict
- Decision will be made politically rather than technocratically or through independent courts

Conclusions

- Territories are transformed at intersection of 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 on:
 - Actor's relative internal cohesion
 - Relative policy/political coherence of its proposals for rural resource use
 - Assets they can mobilize (financial, human, social ...)
 - Ability to build and sustain networks at different scales
 - Local government

- Conflicts also affect public debates on sustainability options:
 - Peru, "pais minero" or "pais megadiverso" (mining country, or country of mega-diversity)
 - Agriculture and/or mining as
 - Vehicles of poverty reduction
 - Sources of resource degradation
 - Conceptions of acceptable risk in development
 - Importance of water in national resource management
 - And thus, in effect, debates on:
 - The role of Els in society
 - Who should determine that role
 - State/market/society
 - Scale at which role should be determined
 - Central/regional/local

These conflicts are domains in which:

- Meanings that define resource use are defined
- Ideas are struggled over (and some become common sense – "hegemonic")
- The very meanings of "development" are argued over - land as:
 - Mineral source, water source, identity source, territory.....
 - Land as private, communal, regional, national