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

Anthony Bebbington
Institute for Development Policy and Management
School of Environment and Development
University of Manchester
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 EI 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
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: EIs and protest in Latin America

1. EI Growth: macroeconomic and socio-spatial dimensions

- Between 1990 y 2001 (Bridge, 2004)
  - 12 of 25 largest mining investment projects were in LAC (9 in Chile, 2 in 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
• 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
– 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 EIs 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 …. 