

## **Ecuador's mining prospects and the conflict with affected communities**

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*“...what has happened to all of the oil extracted since March 22nd, 1967? Ecuador has produced 4.035 million barrels of oil since that time which valued at nominal historic international prices represents a sum total of \$82 billion dollars. Where is this money? And I'm not speaking about riches, because the true riches are what have been destroyed, that weren't in the ground, but rather in the biodiversity, in the life and in the cultures that have been lost.”* - Ex-Minister of Energy & Mines, Alberto Acosta[1], for the 40th anniversary of oil extraction in the Ecuadorian Amazon[2]

Following attempts in recent months to obtain concrete responses from the government of President Rafael Correa with regard to its plans for large-scale mining in Ecuador, revelations resulting from the current national uprising called by the National Coordinator for the Defense of Life and Sovereignty are both surprising and worrying to those involved. Highway blockades taking place across South and Central Ecuador last week faced harsh repression from police and armed forces under direct orders from the government.[3] As well, statements by the President to the press revealed a marked change in the government's tone and position, placing it in direct conflict with those organizing together with the National Coordinator.

While 2007 marks 40 years for Ecuador as an oil producing nation,[4] it has never been a major mineral producer and current large-scale mining projects have yet to enter into production. In particular cases, this is largely a result of tenacious community resistance, such as in the case of Intag in the northern province of Imbabura where struggles have been ongoing for ten years.[5] Legal reforms by past governments favoring private investment and internationally funded studies revealing rich mineral deposits throughout the central Andes and the southern Amazonian region of Ecuador[6] are making the country's mining sector very attractive to foreign investors. A recent industry report entitled “Ecuador, Number One in Potential for Pipeline Ounces of Gold,” highlights Ecuador's appeal to Canadian corporations in particular.[7] To date the Ministry of Energy and Mines has granted licenses for over 4,000 mining concessions[8] which cover roughly 20% of the surface of Ecuador, including many ecologically and culturally diverse areas, according to Acción Ecológica.[9]

In opposition to efforts to make Ecuador a major mineral producer, the National Coordinator for the Defense of Life and Sovereignty and thousands mobilized by its call are convinced that there are better alternatives for the future of their communities and the country. In places where major mining projects are being developed local communities are already experiencing tremendous “social contamination” even before mineral extraction begins.[10] In addition, considering the health and environmental deterioration being faced in areas of large scale production in other parts of Latin America,[11] the National Coordinator wants Ecuador to cut its losses before production gets underway so that Ecuador can declare itself “a country free of large-scale mining.”

### **The National Coordinator for the Defense of Life and Sovereignty**

The National Coordinator for the Defense of Life and Sovereignty was established on January 26<sup>th</sup>, 2007, bringing communities in resistance together from more than eight provinces across Ecuador

along with numerous environmental and human rights organizations, urban associations, and student groups. Lina Solano from the National Coordinator says that the “social and environmental impacts of large-scale mining are too great to justify this as a major source of income for the country.”

From Ecuador’s experience as an oil producer she says “we already know where the profits will be spent.” She continues, “A large percentage will be used to pay off the external debt, that is to say it will also leave the country, while another large percentage will go toward the bureaucracy and the armed forces, with a minimum percentage remaining for education and healthcare, likely not even fulfilling the 30% established in our constitution.” Currently however, to achieve such gains the government will have to amend the Mining Law which requires foreign investors to pay a minimum conservation patent per hectare and 0% royalties.[12]

The current government has recently indicated that it is planning to present reforms regarding the Mining Law to Ecuador’s congress this month which would limit exploration concessions, reintroduce royalties, hold companies accountable for impacts of exploration activities and strengthen environmental regulations. The government has also signaled creation of an independent Ministry of Mines and creation of a state-owned mining company.[13]

However, the National Coordinator’s central demands are for the government to suspend current projects and place a moratorium on new concessions. Following investigations, they are ultimately demanding that current concessions be annulled. They premise these demands on Ecuador’s constitution which guarantees communities the right to fair and informed consultation with regard to state decisions that might affect the environment.[14] Both the President and the former Minister of Energy and Mines have agreed in recent months that the communities’ demands are just and that the overwhelming majority of current concessions are indeed unconstitutional for this very reason.[15]

As several major mining projects near production, the National Coordinator has been urgently seeking more concrete responses from the government. However, four months of marches, meetings and correspondence have resulted in numerous delays and little concrete action. As a result, on June 5<sup>th</sup>, the National Coordinator declared an indefinite cross-country uprising. Demonstrations taking place last week did finally receive a definitive response, but not one that they had been hoping for.

### **Brutal Police Repression**

Attention last week focused on three highway closures which began on Tuesday and which blocked major arteries around Cuenca, the third largest city in the country and capital of the Province of Azuay. Other main routes were also closed in the Southern Amazonian provinces of Morona Santiago and Zamora Chinchipe, with additional demonstrations taking place in the central province of Chimborazo around the community of Pallatanga.

On Wednesday while visiting Azuay in order to survey areas affected by unusually heavy rains the week before, the President ordered the police to bring an end to the blockades[16] and stated to the press that the “elimination of mining concessions” proposed by the National Coordinator is “inconceivable” given the costs that the state would incur.[17] He refused to speak with protesters and police enforcement of his orders resulted in brutal repression against demonstrators, particularly within the vicinity of Cuenca.

Lina Solano describes how blockade by blockade hundreds of police used overwhelming amounts of tear gas and anti-riot vehicles to violently dislodge protesters from the highways which involved men

and women of all ages. Dozens of people were taken into detention and injuries were sustained by a number of demonstrators, as well as several police officers. In the area of Tarqui, southwest of Cuenca, police exhausted their supply of tear gas while taking control of the demonstration and reportedly sprayed tear gas inside of several homes, nearly asphyxiating several children.

Several journalists on site were also threatened by police including attempts to confiscate the camera of an Indymedia journalist. Additionally, late Friday night in the area of Molleturo where campesinos were maintaining the last remaining blockage of the main highway connecting Cuenca with the port city of Guayaquil, they reported the arrival of over 400 soldiers and 150 police officers following which they decided to retreat from the roadway.

### **Detentions Target Leadership of the National Coordinator**

Roughly thirty people were taken into detention between Wednesday and Thursday. Many even after road blocks had been cleared. Lina and two other organizers from the National Coordinator were amongst those held overnight on Wednesday.

Lina says that five police officers aggressively detained her and Nidia Soliz, also from the National Coordinator, late Wednesday afternoon. For roughly three hours they were held together in a locked car without windows and driven around the countryside before being taken to provincial police headquarters. Lina says the officers were driving “at top speed, braking abruptly, presumably so that we would bang ourselves against the inside walls of the car.” Earlier in the day, Fernando Mejia of the National Coordinator was also detained.

Lina believes that their leadership was clearly targeted. Other demonstrators also reported being interrogated by police about the homes and whereabouts of leaders from the National Coordinator. Early Thursday, student supporters in particular from the University of Cuenca along with many others held tenacious demonstrations in front of government and judicial offices such that the three were granted Habeas Corpus by midday. Others held in detention were also freed, although at least 11 have charges remaining against them.

“We are incredibly surprised,” says Lina Solano of the National Coordinator for the Defense of Life and Sovereignty, “because we didn’t think that a government based upon the defense of our country and our sovereignty [would allow such repression to take place.]” She quotes former Minister of Energy and Mines, Alberto Acosta as having said that “not one drop of blood will be shed, no matter how profitable a project might be.”

In addition, Lina says that “There’s an effort to minimize participation in our movement, to say that there are only a few hundred people in opposition and that in reality the rest of the population is in favor of these mining projects. However,” she says, the reality is otherwise and says that “in all this time that the Coordinator has been organizing since the 26<sup>th</sup> of January of this year, there are thousands of people mobilizing, as much women, men, elderly, children and youth - whole families in fact - that are demonstrating more than anything in defense of our water since this is the resource that is most put at risk by large scale metal extraction.”

Communities from the provinces of Imbabura, Pichincha, Bolivar, and Cotopaxi have also participated in previous demonstrations. As well, the two largest indigenous organizations in Ecuador, the CONAIE and ECUARUNARI, both released public statements last week expressing solidarity with their struggle.[18]

## **Government Priorities Conflict with Community Interests**

President Correa's statements to the press last Wednesday are also "incredibly worrying," says Lina. "To give a completely negative response and to say that the government is not going to support the communities' petitions is a marked change."

"In the beginning," she recalls, "the government maintained that communities' interests would be put first before those of private corporations and that what the communities are asking for is just and that the government would see how to deal with the issues. But now," she says, "the government seems to be planning to make mining a main source of sustenance for the country following the depletion of oil and to be arranging for the state to earn a percentage of mining profits to put toward areas such as education and health."

"This is horrible from our perspective, because it's like negotiating with our lives, and in particular with the lives of thousands of rural families who are most directly affected by these mining projects."

The Subsecretary of Mining, Jorje Jurado, also made a further announcement last week stating that a High Level Commission would be struck to produce a report within 30 days concerning Project Quimsacocho. Project Quimsacocho is a large gold mining initiative lead by Canadian company IAMGOLD in the high plateau (páramos) surrounding the communities of Tarqui and Victoria del Portete where local resistance has been vociferous.

However, Lina says that this announcement is a "step backward" from what the government previously promised. "Something along these lines was offered months ago by the Ministry of Energy and Mines," she says. "When we spoke with the President on March 26<sup>th</sup> he gave the green light for then-Minister of Energy & Mines, Alberto Acosta, to initiate a series of exhaustive audits concerning current projects. However, time has passed and they had to wait for people to protest so that they can now talk about striking this high level commission. We don't know what it will mean, who will participate and if it will entail the suspension of this project." Above all, Lina is concerned that people will put their hope in this commission and that it will end up as another waste of time while advanced mining projects carry on toward production.

## **The Ongoing Struggle**

Overall, looking back over the last five months, Lina says that the National Coordinator has succeeded in generating national debate on the issues. However, looking ahead she says, "unless other organized sectors and the rest of Ecuador respond to what is happening, regrettably we will not be able to withstand this."

Considering international solidarity she notes that Ecuador is unique in Latin America for not having a large-scale mining industry and emphasizes the country's right to make sovereign decisions. "We ask everyone who understands what is taking place here to support this struggle. This is really about our national sovereignty and our right to say no, which I believe is incredibly important at the international level."

She adds, "Within the system that we are living in decisions are being made not even by a small group of countries anymore, but rather by a small group of transnational corporations. And these decisions are being imposed all around the world often by blood and fire. In this regard, all international solidarity is important to us in order to reclaim our right to self-determination."

Notes:

[1] Ex-Minister of Energy & Mines, Alberto Acosta, stepped down on June 14<sup>th</sup> in order to declare his candidacy for the National Constituent Assembly for which elections will take place on September 30<sup>th</sup>.

[2] Alberto Acosta, “Contra la paradoja de la abundancia,” La Insignia, 1-jun-07; Discurso de Alberto Acosta, economista y ministro de Energía y Minas de Ecuador, en el cuadragésimo aniversario del primer pozo petrolero ecuatoriano en la Amazonia;  
[http://www.lainsignia.org/2007/junio/econ\\_001.htm](http://www.lainsignia.org/2007/junio/econ_001.htm);

[3] El Mercurio – jueves 28 de junio de 2007

[4] Alberto Acosta, *ibid.*

[5] “Breve Historia de la Resistencia a la Minería,” Intag, Ecuador, Sept 2006;  
<http://www.decoin.org/historia.html>

[6] Acción Ecológica, “Conflictos y Resistencia Frente a la Actividad Minera,”  
<http://www.accionecologica.org/webae/images/2005/mineria/documentos/intro.pdf>

[7] James O’Rourke, “Ecuador, Number One in Potential for Pipeline Ounces of Gold,” Madison Avenue Research, 11 Apr 07; <http://madisonaverresearch.com/ecuadorgold.htm>

[8] El Comercio – martes 5 de junio de 2007

[9] Acción Ecológica, *ibid.*

[10] Eduardo Tamayo G., “Ecuador: Transnacionales mineras a la ofensiva,” ALAI, 15-dec-06;  
<http://alainet.org/active/15025&lang=es>

[11] See: Luis Vittor, “Cerro de Pasco y la expansión minera, un conflicto infinito,” ALAI, 07-jun-06;  
<http://www.alainet.org/active/17965> & Luis Vittor, “Conflictos mineros en los Andes,” ALAI, 19-apr-07; <http://www.alainet.org/active/17001%E2%8C%A9=es>

[12] Acción Ecológica, *ibid.*

[13] Alonso Soto, “Ecuador plans to send Congress broad mining reforms,” Reuters, Jun 22-07;  
<http://www.reuters.com/article/bondsNews/idUSN2245561420070622>

[14] Constitución Política de la República del Ecuador, (aprobada el 5 de junio de 1998, por la Asamblea Nacional Constituyente), “Capítulo 5: De los derechos colectivos,”  
<http://www.ecuanex.apc.org/constitucion/titulo03c.html#5>

[15] El Comercio – jueves 31 de mayo de 2007; and Alberto Acosta, *ibid.*

[16] El Mercurio – jueves 28 de junio de 2007

[17] Movimiento para la Salud de los Pueblos-Latinoamérica, Boletín de Prensa, “Paro por la Defensa de la Vida y la Soberanía: No a las Transnacionales Mineras,” 28-jun-07

[18] CONAIE (Confederación de Nacionalidades Indígenas del Ecuador), Boletín de Prensa, Quito, 29-jun-07; [http://www.conaie.org/es/ge\\_comunicados/co20072906awa.html](http://www.conaie.org/es/ge_comunicados/co20072906awa.html) & ECUARUNARI (Confederación de los Pueblos de Nacionalidad Kichua del Ecuador), “Llamamos al Gobierno de Rafael Correa a no ser cómplice de las empresas mineras,” Quito, 28-jun-07; [http://www.ecuarunari.org/es/noticias/no\\_20070628.html](http://www.ecuarunari.org/es/noticias/no_20070628.html)