





# Territory, Conflicts and Development in the Andes

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### **Outline**

- Background
- Conflicts over the countryside
  - The programme and early products
- Mining, conflict and paths of territorial transformation
  - Observations from Cajamarca/Piura/Cotacachi

#### 1. Background

- Social movements, environmental governance and rural territorial development (RIMISP-IDRC)
  - Mining
- Geographies of NGO intervention (B. Academy; Netherlands; ...)
  - Stagnant rural economies
- 3. Relationships between NGOs and indigenous organizations, sierra and lowlands (Hivos, Oxfam-America, Ibis, SNV)
  - Hydrocarbons

# 2. Conflicts over the countryside: civil society and the political ecology of rural development in the Andean region

- ESRC Professorial Research Fellowship 2007-10:
  - To build on and synthesize prior work
  - New complementary work
- Social mobilization and territorial change in Peru, Bolivia, Ecuador (Colombia), under three contexts
  - Territories affected by expansion of mineral extraction
  - Territories affected by expansion of hydrocarbon extraction
  - Territories characterized by less dynamic rural economies

	Peru	Bolivia	Ecuador	Colombia
Mineral expansion	Cajamarca Piura	Oruro	Cotacachi Morona Santiago	
Oil/gas expansion	Camisea	Tarija	Morona Santiago	Magdalena Medio
Stagnant rural economy	Ayacucho		Chimborazo	

- Collaborations: research/"user engagement"
  - CEPES, Peru (Researcher based in Cepes; two other researchers in programme on social movements)
  - Rimisp-Latin American Center for Rural Development ("Dinámicas territoriales rurales")
  - Prisma, El Salvador ("Dinámicas y gestión territoriales en Centro América")
  - Peru Support Group
  - Oxfam International (South America)
    - Extractive industries
    - Agriculture and sustainable livelihoods

- Input into teaching at Manchester
- Linked doctoral projects
- "a network of scholars working on the links between civil society organizations and development alternatives will have been strengthened as a result of seminar based and other activities related to the fellowship"
- > Seminar series; 2 speakers from LAC

# Early products



#### MINERÍA, MOVIMIENTOS SOCIALES Y RESPUESTAS CAMPESINAS

Una ecología política de transformaciones territoriales

Anthony Bebbington Editor

IEP Instituto de Estudios Peruanos



#### Minería y Desarrollo en el Perú con especial referencia al proyecto Río Blanco, Piura











- Launches:
  - London (3-07), Lima (4, 5, 6-07), Piura (5-07) [PSG, Oxfam]
  - Lima (8-07), Cajamarca (10-07), Quito (11-07)
- World Development, special supplement <u>Social</u> <u>movements and the dynamics of rural territorial</u> <u>development in Latin America</u>, Anthony Bebbington, Ricardo Abramovay, Manuel Chiriboga
- Debate Agrario, SER, regional/alternative press on Rio Blanco
- Press briefings (Oxfam/PSG facilitated), agency briefings (OI, Germany, WB)
- Need to do more in Ecuador and Bolivia

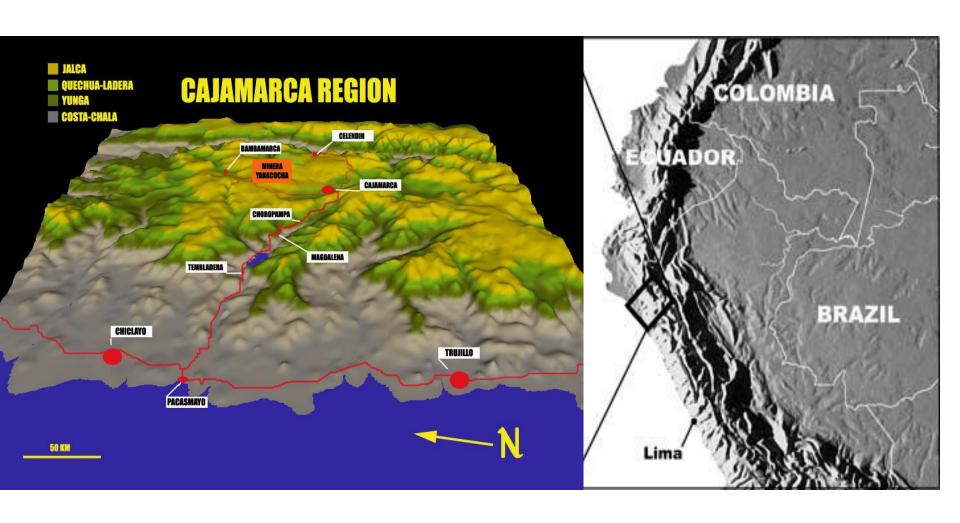
# 3. Mining, conflict and paths of territorial transformation

Cajamarca: Yanacocha

Piura: Tambogrande and Rio Blanco

Cotacachi

### Cajamarca: Minera Yanacocha

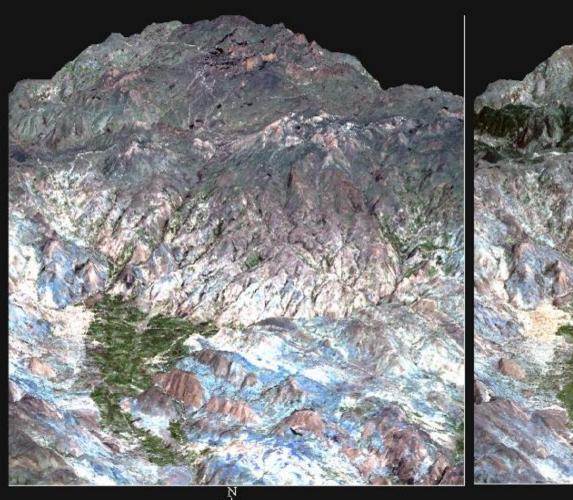


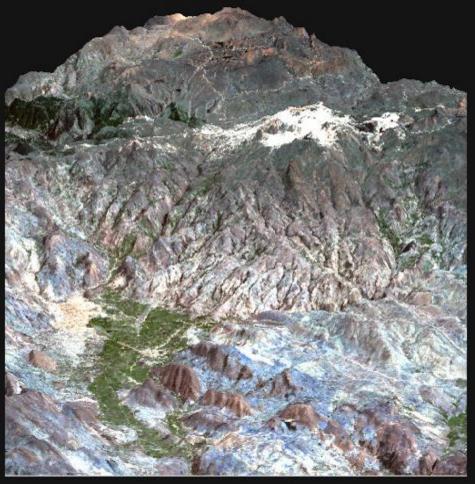
#### **Basic information**

- 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
  - Significant 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

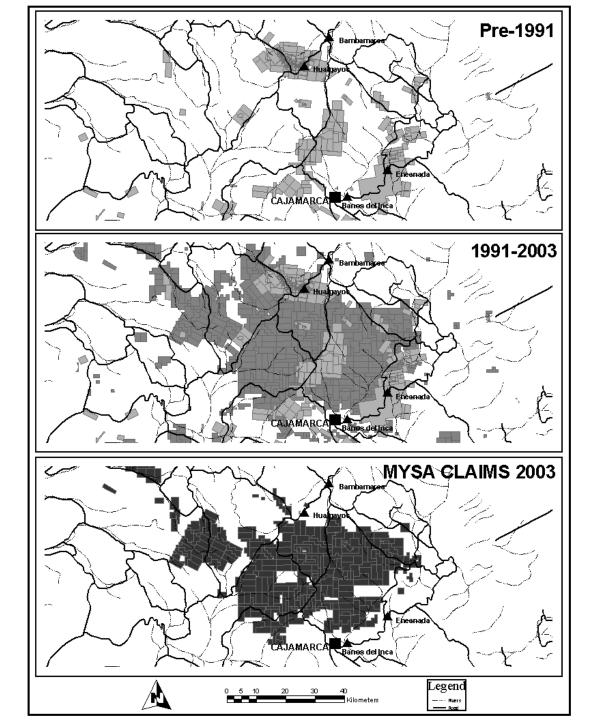
1989 2001











- 1993-1999:
  - Rural movement gains strength
  - The church, peasant organizations and international linkages
- 2000-2006:
  - (Relative) urbanization and "environmentalization" of movement
  - Water as emerging axis of conflict: Quilish
  - Social change in Cajamarca as another axis
- Movement characterized by internal differences and weaknesses
- No-single counter-proposal
- .... 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 expenditure on: 1999-2004 see increases in
  - Environmental programmes (300%)
  - Social programmes (900%)
  - Local sourcing (700%)
- Mine continues to grow
  - Social transformation deepens
  - Fiscal transfers increase
  - Implications for regional economy?

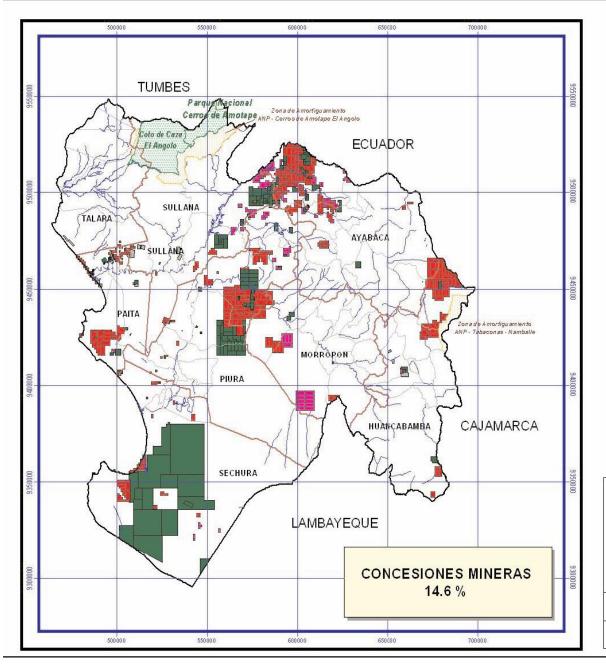
#### Catalyses new mines in surrounding area

- Some provinces now >90% under concession
- New large scale concessions (Miski Mayo [Brazilian]; Michiquillay [Anglo-American]

New mining frontiers in Peru:

• Piura ------











#### 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 beginning water exploration (links to dynamics of accumulation in Yanacocha)

#### Piura 2: Rio Blanco

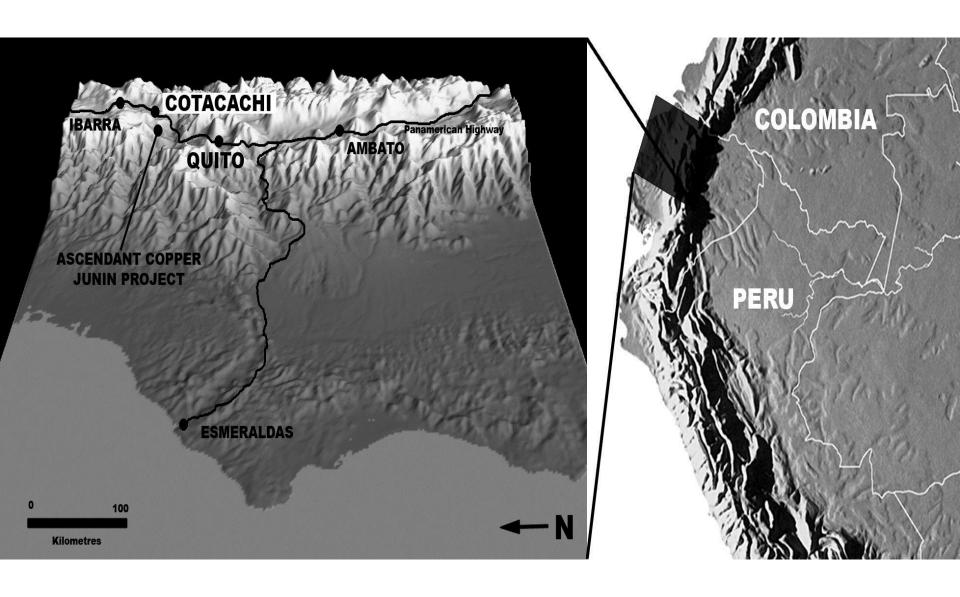
- Concessions in upper reaches of drainage basin
- Issues slightly different from Tambogrande
  - Export agriculture and water in lowlands
  - Social, demographic and economic options in highlands
  - Growth and public revenue shortfalls in region
  - Tradeoffs over time, across space and with (chronically) imperfect information
- UK junior acquires concession and gets exploration permission (2007, majority ownership by Zijin, China)
- 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 NGO support
    - Reconstitution of Tambogrande networks
  - Peasant agriculture as counterproposal; coupled with concerns about water resources
  - Movement far less consolidated, counter-proposal for rural resource use less coherent
  - International/national support again, but more cautious (defensive)
  - Referendum, September 2007
    - "No" wins
    - Referendum elicits central government response
    - National debate intensifies

#### 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

#### Cotacachi



#### Chronology

- Similar timeline to Cajamarca-Yanacocha, different territorial transformation
  - 80s: Indicative exploration (Belgian aid)
  - 90s: Begin targeted exploration (Mitsubishi/JICA)
  - 1990-96: steady articulation of a resistance movement:
    - Church
    - Ecotourist entrepreneur
    - Youth groups
    - Villages
    - National NGO/FoE affiliate
  - 96: Election of Auki Tituaña as mayor one of CONAIE-linked alternative municipalities
  - 97: Attack on camp Mitsubishi/Bishi Metals withdraws, as does JICA

#### - 1997-2003: building alternatives

- Deepen linkages between movement organizations and local government
  - Colonize parts of local government
  - Cotacachi as canton ecológico
- Environmental education
- Urban-rural linkages
- Broaden transnational linkages
- Development experiments
- Construct counter-discourse on territory and development

- 2004: New company acquires concession (Ascendant: Canada, Colorado)
- Movement response: local, national, US, and Canada
  - Eg. legal challenges to IPO of Ascendant in Toronto stock exchange (complex international linkages make this possible)
- 2005: Attack company installations again
- 2007: Correa government suspends Ascendant activities in Cotacachi (though not the concession)
- Agrarian, multi-activity rural economy persists

#### Conclusions

- Territories are produced 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
    - Orientations of local government and central state

#### Conflicts operate at multiple scales

- Relationships across scales are mobilized in localized conflicts
  - In civil society
  - Also among market and state actors
- Local conflicts reach up to other scales affecting debates on
  - Development models
    - Trade offs; fiscal arrangements; development and democracy
  - Sustainability issues
    - Importance of water in national resource management
  - National identity
    - Peru, "país minero" or "país megadiverso"
  - Regulatory institutions
    - From Cotacachi as canton ecológico to regulating Ecuador's mining conflicts (Correa, Acosta, Chiriboga)
    - Rio Blanco and Peru's independent environmental authority

#### Team

- Research team:
  - Tony Bebbington, Manchester
  - Leonith Hinojosa, Manchester
  - Mari Burneo, Cepes, Lima
- Associated PhD projects
  - Jorge Castro
  - Denise Humphreys B.
  - Ximena Waarners
- www.sed.manchester.ac.uk/research/andes