

# Opportunity in the Land of Conflict:

## Mining, Peasants, and Changing Attitudes in Northern Peru

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by Oscar Franco, MEM 2006

### Introduction: The Conflict

In the early hours of the morning on July 28, 2005, a continuous stream of trucks began to arrive in the small city of Huancabamba, carrying peasants by the dozens. Huancabamba is the capital of a province by the same name, located in the northern Peruvian Andes. By noon, when their numbers were in the hundreds, the peasants held a peaceful demonstration in the town's main public square, the Plaza de Armas, demanding that Majaz Mining Company leave the northern part of the province, where it had set up a mining exploration facility.

Over the next few days, groups of *campesinos*<sup>1</sup> from different parts of the province continued to arrive in the Andean city, but their numbers never reached the climax of that first day. As some entered the city, others left to protest at the mining company campsite. This ten-hour journey north of Huancabamba city entailed a five-hour truck ride and a five-hour walk. A few days later, three hundred policemen clashed with two to three thousand peasants at the campsite, leaving two peasants dead and at least 60 wounded.<sup>2</sup>

More than any other previous event, the July 2005 uprising brought public attention to the growing unrest in local communities across the country that had been sparked by the presence of large-scale mining companies. This protest made headlines on the front pages of the national newspapers and continued to do so

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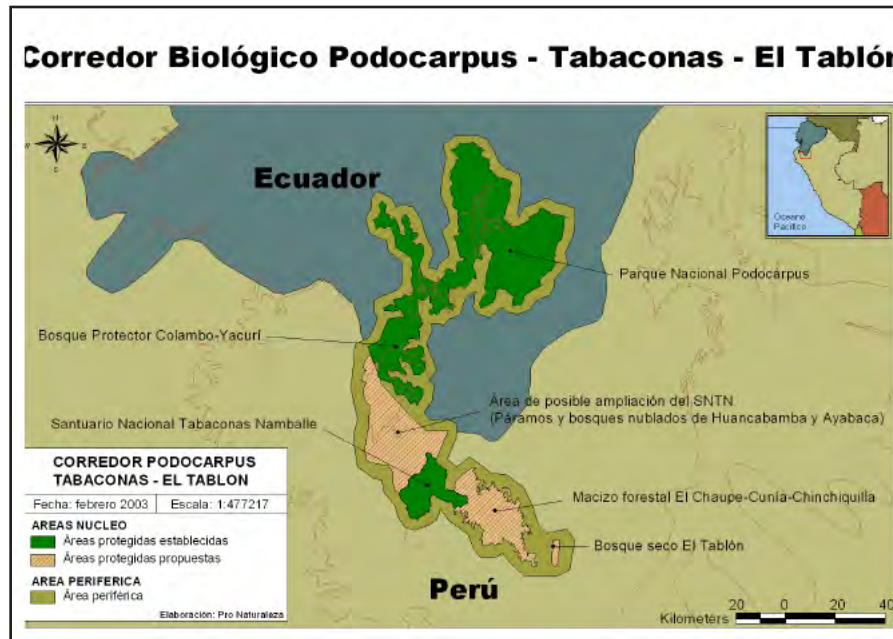
for several days—a rare achievement for a local conflict in a remote rural area. At the time this piece was written, nine months after the event, the uprising was still, and probably will continue to be, a matter of public debate.

For that very reason, the final outcome of the Huancabamba conflict has the potential to influence decisively the way in which mining companies interact with local communities across Peru. Given the strong environmental impacts that mining operations usually have, this, in turn, will have a major impact on the conservation of unprotected wildlands across the country. However, the sheer conservation value of the land that is currently at stake, a stretch of land that lies across a portion of the Huancabamba Mountain Range is, by itself, enough to call the attention of the international conservation community to the final outcome of this ongoing conflict.

### The Lands at Stake

The mining camp at the center of the peasant conflict is located in a remote section of the Huancabamba Mountain Range (HMR), or Cordillera de Huancabamba, the name local Peruvian residents near the Ecuadorian border use for the western branch of the Andes.

Traditionally, the low-lying and drier parts of the HMR have sustained large peasant populations. Within this landscape lies the city of Huancabamba, one of the earliest cities founded during the Spanish conquest. For centuries it has been a major commercial hub connecting the inner jungles on the east to the coastal plains on the west. In contrast, the much more humid higher regions of the mountain range, especially the northern part of the range, have

**Figure 1.** The Huancabamba region in the context of the natural protected areas

The Huancabamba region lies in the middle of a string of protected areas at both sides of the Peruvian-Ecuadorian border. The map illustrates a proposed binational biological corridor. This corridor, in which Huancabamba Mountain Range plays a key role, was first proposed as part of the work I did in Fundación Pro Naturaleza. In green, the established protected areas; in orange, the areas recommended for “protected area” designation; in brown, the buffer zone. *Source: Fundación Pro Naturaleza*

been relatively free of human presence until recently. Despite the encroachment by peasants in search of lands for pasture and crops, about 20,000 to 30,000 hectares of unfragmented montane forest and ungrazed alpine shrubby grasslands still remain, though the peasants hold the rights to this land. It is in the heart of these remaining natural ecosystems that the mining campsite is located.

But the real significance of this land from a conservation point of view goes well beyond the fact of it being the last wild space in the HMR. These forests and grasslands are located within two ecoregions—Cordillera Central Paramo and Cordillera Oriental Montane Forests, both of which are of top conservation priority in Latin America (Dinerstein et al. 1995). The HMR *paramos*<sup>3</sup> are among the least grazed and least altered by human presence across their entire range, from Venezuela to

northern Peru. The quality of these forests is evidenced by the fact that Cerro Chinguela, a mountain relatively close to Huancabamba city, has been identified by Birdlife International as the second most important “key area” for endangered endemic birds in Peru (Wege and Long 1995).

The HMR also holds a viable population of one of the most endangered South American mammals, the Andean tapir (*Tapirus pinchaque*) (Downer 1997). Moreover, it serves as a vital natural corridor for this and other wide-ranging species, such as the spectacled bear (*Tremarctos ornatus*), which lives within a string of protected areas on both sides of the border—Tabaconas Namballe National Sanctuary in Peru and Colombo Yacurí Protective Forest and Podocarpus National Park in Ecuador. None of these areas are large enough by themselves to support viable populations of this

species. The preservation of the HMR corridor is thus crucial to its survival (Fundación Pro Naturaleza 2004).

### The Legal Process: A Formula for Conflict

According to Peruvian law, the ground beneath the earth's surface is public property.<sup>4</sup> On behalf of the nation, the government can legally sell the exploitation rights of whatever resources are below the surface of the earth, regardless of what the owner of the land wants.<sup>5</sup> The only exceptions are urban spaces.

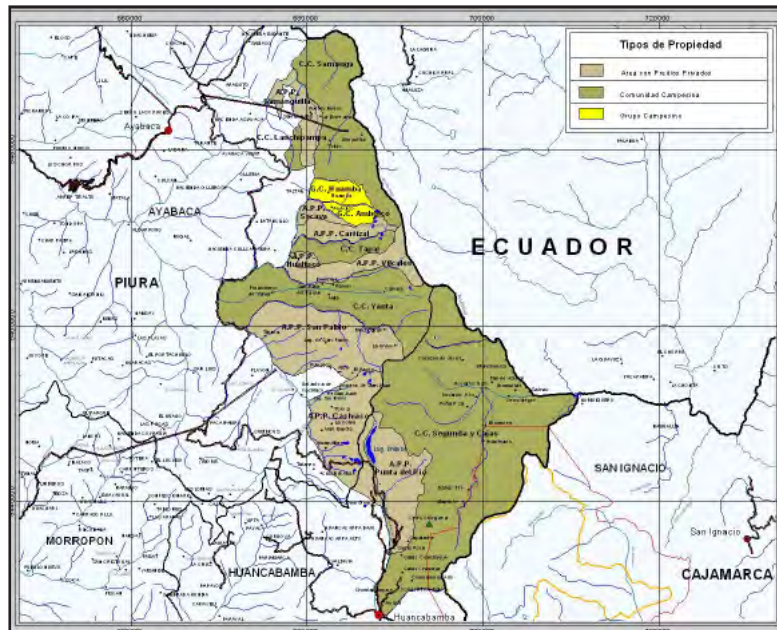
The Peruvian legal framework dictates that every mining company operating in the country has to attempt to reach an agreement with the landowner.<sup>6</sup> However, in case an agreement is not reached, the mining company can get an easement directly from the national government, specifically, the Ministry of Energy and Mining, or MEM, to access the underground resources. An environmental

impact assessment (EIA) is also mandatory by law, but companies are required to present it only after completing the exploration phase. Thus, the official process to obtain a mining concession in Peru is essentially a transaction between the MEM and the mining companies. No other groups or individuals are invited to take part in the decision-making process. In other words, consultation with the actual owners of the land is not required.

### The Owners of the Ground and the "Underground"

The mining company in the Huancabamba case is Majaz Mining Company, owned by Monterrico Metals, a small British company that operates only in Peru. In June 2003, Majaz obtained from the Peruvian government a mining concession for over 6,473 hectares on the northern end of the HMR. The mining project, called "Rio

Figure 2. Land ownership in the Huancabamba Mountain Range



Shades of green are forests; shades of yellow are natural grasslands; and shades of pink are humanized areas. Concessions are the small square-shaped figures. Tabaconas National Sanctuary boundary is a yellow line, while its buffer zone is a red line. Source: Fundación Pro Naturaleza

Blanco”, is currently in its exploratory phase and, according to the company’s website, aims to exploit about 200 million tons of copper ore through three open pit mines.

Eighty percent of this concession land falls within the boundaries of the Segunda y Cajas peasant community, which spans 50,000 hectares, while 20% falls within the boundaries of the Yanta peasant community. In Peru, peasant communities are legally recognized social institutions, governed by legally established rules of collective and individual access to land.<sup>7</sup> Because of the collective nature of ownership, they are differentiated from other forms of private property. As most of the communities in the region, Yanta and Segunda y Cajas were born out of the Agrarian Reform process 30 years ago. This law divided and distributed land previously owned by *hacendados*, or private plantation owners, among peasants who worked on the plantation.

### The Permit Process, That is the Conflict

After obtaining the concession, Majaz gained permission from the Segunda y Cajas authorities to explore their land for minerals with little trouble. Although some *comuneros*<sup>8</sup> make their living from mining in small operations along rivers, there is no large-scale mining tradition in the region. People have vague ideas about the potential harmful environmental consequences of mining, but they also know that a mine’s presence brings money and jobs to the region. Community authorities acknowledge they signed permission forms allowing mining exploration; however, they contend that they did not know the extent and details of the project because of their inability to understand the forms and the project, implying that the mining company had taken advantage of them. However, it is likely that they did, in fact, know what they were doing, and signed the forms because they had expectations of the positive outcomes of the mining company’s presence. It

is also likely that the remote location of the mining camp, and the absence of agricultural lands there, helped to appease the community authorities.

The July 2005 conflict, in actuality, started somewhere else. Near the end of 2003, city dwellers from Huancabamba discovered that another concession of about the same size had been given in the region, but this time it was not within remote forests, but encompassing agricultural lands very close to the city. This resulted in a strong reaction from both peasants and local urbanites, who went on to protest at massive gatherings and demand that mining explorations be stopped. The company, Newmont Mining Corporation, decided not to oppose the people’s will and left quickly.

This incident had apparently helped change the perception that the *comuneros* from Segunda y Cajas had towards Majaz. The *comuneros* were inspired by its outcome; as owners of the land, they had participated in the demonstration against Newmont. The community’s authorities’ official version of the origin of the conflict, as explained to me by the vice-president of the community, was that the problem with Majaz began when the *comuneros* working for Majaz in the exploration complained about mistreatment. Whatever the reason, the fact is that the following year, in May 2004, a group of two to three hundred peasants from the community attacked the campsite of the company.

From that point on, the peasant-mining conflict began receiving attention at the regional scale.<sup>9</sup> Newspapers in Piura, the region’s capital, some two or three hundred kilometers to the west in the coastal plains, began writing about it. In previous years, a dramatic confrontation between another mining company and commercial farmers took place in one of the coastal plain towns, Tambogrande. This conflict was a victory for the farmers and resounded tremendously at the national level. These same farmers joined to protest the mining operations in the HMR, arguing that it would affect them

directly by contaminating the waters upon which they depend to grow their prized vegetables for exportation. The upstream poor peasants thus gained their first influential allies. The Catholic Church, represented by its regional authority, Monseñor Daniel Turley, also gave public support to the communities.

Despite these efforts, the company continued its operations and tensions mounted. Leaders from Tambogrande began having frequent contact with the leaders of Segunda y Cajas, Yanta, and other surrounding communities. This was very much facilitated by the fact that *rondas* are well-established across the region. *Rondas* are armies of vigilant peasants that communities create to defend themselves from threats such as cattle thieves. One of the legacies of the *rondas* system is the vast social and political network that unifies communities throughout the region (Diez 1998). The coordination among communities is a fundamental principle: to stop the theft of cattle in the community, control over the territory of neighboring communities must be secured.

This regional network was clearly working last July when 2,000 to 3,000 peasants from places as far as 100 km away made their way to the mining exploration campsite and attacked it. What was not so clear were their motivations. The discourse that the *ronderos'* leaders gave in the Plaza de Armas de Huancabamba were filled

with arguments related to the conservation of their forests and rivers. The phrase "sustainable development" was mentioned several times.

But the mining company immediately used the media to accuse protesters of being manipulated by the illegal narcotics trafficking network. Although this may seem like a hollow argument from the miners to belittle the peasants, the fact remains that the HMR is a little known, but very central, route through which opium latex travels from adjacent southern regions to Ecuador. According to the viewpoint projected by the mining company, peasants would be interested in ending mining development as a way to defend a livelihood that depends to a certain degree on selling the latex from poppy plants to traffickers.

The public, which paid much attention to the conflict, has generally supported the peasants' "conservationist" reasons, as shown by a survey conducted by the Universidad de Lima in August. This was facilitated by the public perception that mining harms the environment. In addition, the fact that the Catholic Church became an ally of the peasants ultimately played in favor of the latter, making their position more credible in the eyes of urbanites.

## Conclusions

The mining-peasant conflict in the Huancabamba Mountain Range is far from over, but its impact is already enormous. News of the conflict has reached the front pages of national newspapers and put the relationship between mining, the environment, and local communities on Peru's national agenda. The mining sector in Peru perceived this conflict as a decisive one. They defended Majaz's position and are now trying to show that they have changed, claiming that they are environmentally responsible.

The fate of these lands is very uncertain. On the one hand, the Peruvian mining sector

The Huancabamba Mountain Range *Photograph by O. Franco*



perceives there is much at stake and, given their considerable economic and political power, the probability that a mining operation will finally develop in the HMR is high. On the other hand, peasant communities also have a strong position, backed by the sympathy of public opinion and the support of the Catholic Church and, perhaps in the future, of conservationist groups.

Whatever the final outcome of this dramatic process, the winner of this political war will have to show that he cares about the forests and *paramos* of the HMR. To a certain degree, he will be obliged to conserve as much as possible, because the eyes of national public opinion are now focused on this place. In fact, both sides have begun saying, in private and publicly, that they will take concrete measures to conserve the ecosystem of the mountain region, by establishing private reserves.

Beyond this, the most precious legacy of this conflict is the opportunity that has been opened for reframing the legal process for obtaining mining concessions in Peru. This is a unique moment for conservationists to take advantage of and try to affect change that will have a long-lasting impact on the environment of Peru, a country where living and mineral treasures go hand in hand.

## ENDNOTES

- 1 *Campesinos* – Spanish word for ‘peasants’.
- 2 As part of my summer research trip I personally witnessed the scenes in Huancabamba described here. Having been given a tip from a *campesino* leader, I watched on the sidelines as the events in Huancabamba unfolded before me.
- 3 *Paramos* – the Spanish word for alpine shrubby grasslands that grow in the high altitude regions of the Andes mountains, from northern Peru to Venezuela.
- 4 Peruvian Constitution, article 66; Peruvian Civil Code, article 954.
- 5 General Mining Law, article 2.
- 6 Law of Lands and Peasant Communities, article 7.

7 Peruvian Constitution, article 89.

8 *Comunero* – Spanish word for a member of a peasant or indigenous community.

9 A *region* is the political unit equivalent to a state in the U.S. It is divided into provinces. There are 7 provinces in the Piura region.

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