

International Gold Mining, *Rondas Campesinas*, and the Transformation of Structure in Rural Cajamarca, Peru.



A campesino drives his *alpacas* along the fences of the Yanacocha gold mine in the high lands of Cajamarca.

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Summary

Since the 1970's, the social structure of rural Cajamarca is characterized by agricultural modes of production and a powerful regional social movement; the *ronda campesinas*. From the 1990s onwards, within the region of Cajamarca, huge multinational mining industries became the driving force of change and development. At a community and regional level, the implementation of the mining industry caused a flood of contradictions and transformations in the access to resources and subsequently production of livelihood. Recent regional history shows how rural communities participated in numerous acts of collective action, supported by the *ronda campesina* movement, to address experienced dispossessions, of particularly land and water. Through a conflict resolution trajectory, facilitated by the World Banks' Compliance Advisor Ombudsman, both local communities as the mining industry obtained a mutual interest in preserving 'good relations', respectively in the pursuit of compensation for the loss in access to natural capitals and to maintain a social license to operate. Thus, the current social structure is an outcome of the continuous display of agential capacities within the pre-existing and entering structure. The occupation and contamination of land and water will continue to diminish agricultural possibilities after mining companies left. Currently communities are able to petition for compensation measures but mining is clearly not a sustainable path for rural development.

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Introduction

In 1532 the Spanish conquistador Alberto Pizarro slaughtered 7000 Inca warriors at the central square of Cajamarca city. Inca Atahualpa was captured but Pizarro promised him his freedom in return for a room full of gold and two rooms of silver. After the Inca complied Pizarro betrayed and killed him, destroying a great empire. From this time on the Andean, and Cajamarca's, history became incorporated in the course of world development (Klarén 2000: 31). It was the first time that the society in Cajamarca was destroyed, in the search for gold, by a colonizing force. Since the 1990s the lands of Cajamarca have been conquered again, now by multinational extractive industries. Yanacocha, was the first project of the region and developed into the largest gold mine of Latin America. Yanacocha is owned by Newmont, a powerful United States-based multinational.

At a community and regional scale, the implementation of a mining industry causes a flood of transformations in the access to resources and subsequently in the production of livelihoods for local people in Latin America (Bebbington 2008, Bury 2005). Mining companies purchased huge amounts of the highest land, and additionally because of the formation of dust, even bigger areas become contaminated and unproductive for agricultural production. Within the process of gold extraction huge amounts of water are consumed, wells are destroyed, and water becomes contaminated due to the use of primary cyanide (Bury 2004). The dispossession of water deteriorates agricultural productivity, and alters human health, in the highest but also in the lower lands. In rural Cajamarca there is a decrease in agricultural productivity, therefore industrial employment possibilities become increasingly important for the production of rural livelihoods. To defend the access to natural resources, *campesino* communities within the region of Cajamarca, engage in collective action in which they are supported by the *ronda campesino* movement (Bebbington 2008). Through the continuous display of agency by *campesino* communities within two conflictive decades, the current structure evolved, wherein communities are able to negotiate economic incentives to compensate them for experienced dispossessions. This thesis is about the way rural households cope with the dispossession of natural resources and reconstruct their livelihoods.

I use the concept of livelihood, to indicate changes, and to visualize how people cope with the transformation of access to resources in the (re)construction of their lives. Analytically, livelihood considers how access to resources constitutes in natural, economic, human and social capitals. Accordingly, people combine and transform these capitals in order to build a livelihood (Chambers & Conway 1991, Scoones 1998, Bebbington 1999). The relation between natural and social capital has a central position throughout this thesis. I make a differentiation between horizontal and vertical social capital. Horizontal social capital analyses relations between subjects with a symmetrical power relation. Accordingly vertical social capital considers asymmetrical relations, like the relation of a rural community with an international mining company. Because of the increase in pressure on natural resources

horizontal social capital within and between communities decreased. Vertical social capital increased in the process that communities learned to negotiate with the companies for economic incentives.

Throughout Latin America Social movements play a crucial role in anti-mining, and more social responsible mining, organisation. Social movements are often seen as vehicles through which concerns of marginalized groups acquire visibility; they frame certain situations as unjust, and are nuclei through which alternative discourses, and new subject identities, are produced and brought to an audience (Baud & Rutten 2004, Sawyer 2004). In addition, counter discourses and practices of social movements destabilize and transform the dominant hegemonic discourse and exclusionist practices (Alvarez & Escobar 1998:11). Through collective action social movements influence resource transformations brought by external actors. Hereby the movements themselves produce transformations in the access to resources. Within the region of Cajamarca the *ronda campesina* movement developed as a powerful social movement that provides communities with security and administrates communal justice based on customary rights. In the context of rising social conflict about dispossessions due to the expanding mining industry the *ronda campesina* movement, and especially the regional organization FEROCAFENOP, provided a structure through which collective action could be sustained. In this sense rural territorial development is co-produced by mining companies, the state and the social movements (Sawyer 2004, Bebbington 2008).

In order to understand coping strategies of people and communities that are confronted with sudden transformations in their access to resources, I analyse choices in relation to a transforming environment wherein these choices are made. As point of departure in my analysis of the relation between agency and structure I make use of the focus Gilmore places on this foundational discussion in sociological theory. "Structures are both the residue of agency and animated by agential capacities, while the modes in which ordinary people organize to relieve the pressures that kill them and their kin are, or become, structural as well" (Gilmore 2008: 40). Within this conceptualization structure is simultaneously constraining and enabling human agency. Thus, structure and agency are not oppositional towards each other. Hereby Gilmore follows understanding as positioned by Giddens in his *Structuration Theory* (Giddens 1984). Appropriate for the changing environment of rural Cajamarca - where with the entrance of the mining industry a foreign industrial structure started to compete with the pre-existing agricultural structure for natural resources - is that Gilmore talks about, oppressive and exploitative, structures externally imported into specific localities. People use all means, or capitals, that are accessible (provided by the structures in place) in the (re)construction of their livelihood. They make choices and perform action within the structures forcefully placed upon their localities. Hereby they position themselves and create a place in the world. Within this field of tension structure constantly evolves and obtains a specific outcome (Gilmore 2008).

Research Questions and Methodology

With this research I intent to contribute to the process of rethinking courses of rural development. To understand the dynamics of change, the regional and local specificities and contradictions of development brought by the entrance of multinational extractive industries in rural Cajamarca, I start out with the central research question: *How do inhabitants of local communities of Cajamarca reconstruct their livelihoods to cope with the way social movements and mining operations are transforming access to local resources?*

Within the region of Cajamarca I conducted four months of ethnographic fieldwork between February and May 2010. Primary I have lived in two rural communities Catudén and Plan Manzanas. Catudén, located at 2200 meter, is a lowland community. Plan Manzanas, 3000 meter, is located in the middle lands. Furthermore, I spent many instructive days with the regional *ronda campesina* organization, *Federacion de Rondas Campesinas del Norte de Peru* (FEROCAFENOP) located in Cajamarca city. Trough this organization I visited the small rural towns Sorochuco (2750 meters) and Hualgayoc (3500 meters) and the rural high land community Azufre (4000 meters). As I will explain in paragraph 3.1, households' agricultural production strategies in rural Cajamarca depend on the access to a combination of vertical production zones, organized according to altitude.

In Catudén, I lived for five weeks (two times two plus one week). The small and distant community is only accessible through a four-hour walk, has no electricity, no potable water system and households depend primarily on subsistence farming and the production of the liquor *cañazo*, a fermentation of sugar cane. Because Catudén is not connected to the regional road network and there are no close by mining projects, livelihoods in Catudén are relatively untouched by the developing mining industry. Here for, life within the community enabled me to obtain an insight about practices, and meanings attached, of the endogenous social structure related to agricultural modes of livelihood production.

In Plan Manzanas I conducted four weeks of fieldwork. Here I experienced the transformative impacts of the mining industry on rural livelihoods. Plan Manzanas lies between the mining pits of Yanacocha, situated in the high lands, and Cajamarca city. Within Plan Manzanas I lived for two weeks in the household of Guilmer, the president of the local *ronda campesina* organization. The other two weeks I visited the community on a daily basis while residing in Cajamarca city. Thanks to investments, directly as compensation measure or via *el canon minero*, obtained from the mining industry Plan Manzanas has a road accessible for cars, electricity, and a potable water system In Plan Manzanas I learned about how households experience the dispossession of resources and accordingly how agricultural livelihood production strategies are hampered. To compensate the community for the experienced dispossession of natural capitals, and to obtain a social licence to operate, Yanacocha enables the community to petition for the implementation of development projects. I witnessed how half of the households obtained a cooking facility and how a day with free medical care was organized. This day the local *ronda* organization got new equipment as a gift from Yanacocha. Projects implemented within the community by the mining company

have a strong transformative impact on social relations and therefore on the social capital of households.

Through my conversations with authorities of FEROCAFENOP I obtained data about the regional history of social struggle, and how the discourse and practices of the movement changed from a conflictive stance towards a strategy of negotiations. Eventually this change of strategy led to rupture between local communities, including their local *ronda* organizations (such as the *ronda* organization of Plan Manzanas), and the regional organization. A clash in discourse and strategy developed between local communities who currently maintain their active relationship with the mining companies as atomized entities and the authorities of the regional organization who are disillusioned by the continuation, and even new forms of poverty and exploitation of rural (and in the movements discourse indigenous) communities. Through the atomization of the community-corporate set of relations the movement lost much of their influence in the last five years. Through FEROCAFENOP I was able to visit Sorochuco, Hualgayoc and Azufre (Encañada), where I experienced and conversed about local details within the regional story.

Within all localities, I collected most data through participant observation accompanied by informal conversations. By actively being in the field and participating in the daily activities of my hosts and other villagers I learned about both the explicit and tacit aspects of their lives. When residing in communities I frequently was present in community reunions. Within FEROCAFENOP there was initially less space for participation but I could observe and move around freely and I had intensive talks with multiple authorities. After some weeks, when a certain level of rapport was established, authorities encouraged me to accompany them to community reunions where dispossessions as well as strategies to negotiate towards compensations were discussed. I organized open interviews with informants after I already had an initial understanding of their story and our level of trust was adequate.

Outline of the thesis

The thesis is organised as follows. In chapter 1, I will outline my theoretical framework. Here I start with an explanation of the concept livelihood. The concept provided me with a foundation to analyse changes in rural lives and coping strategies of households. To continue with a short analysis of regional livelihood transformations and resistance as analysed by other authors. I close this chapter with an outline of the agency structure debate wherein I focus on the *structuration theory* of Anthony Giddens, how Giddens relates to other important classical theorists and eventually to the understandings of Gilmore which I take as point of departure for my analysis of coping strategies within a changing environment.

In chapter 2, I discuss the entrance of the mining industry, and the emergence and position of the *ronda campesina* movement. I describe two historical cases of resistance and how these led to the implementation of the Compliance Advisor Ombudsman (CAO). Development of the mining industry imported a powerful industrial based structure that

competed with rural households, socially organized within the pre-existing agricultural based structure, for the access to natural resources. Simultaneously the mining industry provided households with new employment possibilities within the mines and related economies. The *ronda campesina* movement has played an important role in the way it framed situations of dispossessions as unjust. This eventually led to the current outcome wherein communities maintain a 'good relation' with the mining companies to access employment possibilities and to petition for compensation projects. The continues display of agency, like participating in collective action, negotiations and later the active exhibition of a 'good relation', has led to the current structure.

In chapter 3, I discuss the dispossession of land, especially in the highest zone of agricultural production. Due to twenty years of land acquisitions - most lands are sold by *campesinos* - mining companies occupied most of the high lands traditionally used for herding within extensive areas. In an unequal way, land became increasingly a source through which a monetary capital base can quickly be obtained. Due to a dramatic rise in the price of land pressure on middle lands further increased, diminishing regional agricultural production. Hereby the need for households to obtain industrial employment further increased. Especially the younger generation desires ongoing regional development along industrial modes of production. Through the increase in diverging interests, between the younger and older generation and also between higher and lower communities, horizontal social capital is decreasing.

Chapter 4 deals with the dispossession of water. Mining projects consume large amounts of water countering agricultural production in the highest and middle lands. Through contamination agricultural productivity and human health is further decreasing. I continue the analysis about the transformation of social capital. By the informed way communities engage in relations with multinational mining companies about compensations for experienced dispossessions an increase in vertical social capital is visualised. I conclude by analysing the role of conflict, and the importance of the CAO as conflict resolution mechanism, in the constitution of the current structure.

Chapter 1. Livelihood, Agency and Structure

In this chapter I elaborate on the main concepts that I use in the presentation of my argument. I will start with an explanation of the concept livelihood, to continue with a discussion about transformation in the access to resources and the production of resistance, in the region of Cajamarca, as analysed by other authors. Through the concept of livelihood, by emphasising the transformation of social capital and its relation to the diminishing access to natural capitals, I analyze how the entering mining industry changes rural livelihood. I continue with an outline of the agency-structure debate to position myself. Structures simultaneously enable and impede human agency. People are able to transform oppressive structures that enter into their localities by the forces of globalization. Through the continuous display of agency by inhabitants of rural communities the regional social structure evolved into the current particular outcome.

1.1 Livelihood

I make use of the concept of livelihood, to understand changes and to make visible how rural inhabitants of Cajamarca cope with the transformation of access to resources in the (re)construction of their lives. Livelihood is a concept introduced by the World Commission on Environment and Development in 1987, and further elaborated by International Development Studies in 1991. Now the concept is frequently used in development analyses and policy making. Livelihood can be understood as a means of gaining a living (Chambers and Conway 1991: 5). Analytically, livelihood considers how access to resources constitutes in natural, economic, human and social capital. Accordingly, people combine and transform these sources of capitals in order to build a livelihood (Chambers & Conway 1991, Scoones 1998, Bebbington 1999). Livelihoods are a gathering of resources and structures, and thus a source of subsistence, income, identity, and meaning (Bebbington 2008: 2890). Livelihood is a useful concept to understand how people cope with development, because of its people-centered, holistic dynamics that are grounded in the multidimensional reality of daily life (Steel 2008: 20). Within rural Cajamarca natural capital has diverging agricultural potentials determined by altitude. Therefore, social capital between households residing at different altitudes, or 'zones of production', enables households to access a variety of agricultural production strategies. By occupying significant parts of the highest zone of production, and by simultaneously providing communities with new employment opportunities, the mining industry altered the whole set of capitals and the production of rural livelihood.

The production of livelihoods depends on access to different types of capital that people have in their possession. These capitals are built up from access to multiple resources. The sustainability of a livelihood depends on its resilience, the potential to cope with resource transformations, and the ability to recover from stress and shocks in the local environment. Sustainability also depends on the ability to maintain or enhance household

capabilities, assets and activities in the future. This includes contributions to other livelihoods, at the local to global level and on the short to long term (Chambers and Conway 1991: 6). Since the household is the principal space wherein people construct their lives, the concept is best understood at a household level. However, many authors, like Anthony Bebbington and Jeffrey Bury, do use the concept in their analyses of uneven regional developments in Cajamarca and other regions. Through extensive ethnographic fieldwork, primary in the *campesino* communities of Catudén and Plan Manzanas I looked at transformations in the production of livelihoods at a household level. By extending my fieldwork to multiple locations and within multiple households I obtained a regional understanding of transformations and development.

I will briefly discuss the five types of capital most frequently mentioned in the literature. These are; natural capital, economic capital, human capital, social capital (Scoones 1998, Bury 2005: 14) and cultural capital (Bebbington 1999, Daskon & Bins 2009). It is important to keep in mind that livelihood strategies are complex and consist of a combination of various resources (Bury 2004: 79). Fieldwork in Plan Manzanas, made clear how transformations in natural capital are strongly related to the content and transformations of social capital. *Natural capital* is conceived as 'natural resource stocks', most importantly land and water. It also includes 'environmental services' or in other words the natural dynamics that sustain the *quality* of resource stocks over time. In my research I focused primarily on the transforming access of households to land and water. *Economic capital* (also often identified as *produced capital*) is the financial capital base of households and other economic resources such as access to employment. This also includes infrastructure, production equipment, livestock and technology. *Human capital* refers to skills, knowledge, good health and physical capability. I have also included a positive and supportive attitude to education as part of human capital (Scoones 1998: 7).

Social capital is defined as networks, social relations, affiliations and communal institutions, which are essential for coordinated action (Scoones 1998: 7). Social capital is strongly related to changes in natural capital. In the literature a distinction is made between horizontal and vertical social capital. Social capital is a relational structure, both vertical and horizontal, that provides mutual trust or 'connections' between people. These connections establish a real flow of resources that facilitates people in the pursuit of solutions to problems as well as the development of economic and political activities (Bury 2004: 79). Bury, referring to Putnam (1993), makes a differentiation between horizontal and vertical social capital based on if these relations are maintained within (horizontal) or outside (vertical) the own group. Related to this understanding I define horizontal social capital, as based on symmetrical power relations, visible within families or even households, between households of a certain community, and between communities. Vertical social capital, based on asymmetrical power relations, I understand as relations of households with communal organizations and supra-communal organizations. Relations between community organizations and the mining companies are also understood as expressions of vertical social capital. In my use of the

concept, the distinction between horizontal and vertical social capital is relative. Relations of both households and community organizations with the regional *ronda campesina* organizations as well as with the mining company are both understood as vertical, however the former is far more horizontal than the latter.

Cultural capital has recently been introduced to the concept of livelihood. It is closely related to social capital and can be described as the entirety of traditional knowledge, traditional customs, practices, belief systems and social institutions, present in a community and giving support to the production of livelihoods (Daskon & Bins 2009: 6). It is important to recognize that culture matters. In the region of Cajamarca, culture is especially significant in the process of giving meaning to agricultural resources such as land and water. Due to the dramatic rise in the price of land, its related meaning undergoes significant changes. During my fieldwork I witnessed, how in the transition of an agricultural society towards an increasingly industrialized and modern society, culture, understood as a social construct, undergoes ongoing changes. Defining and demarcating culture is an open-ended discussion but in stressing its 'traditional' aspects, lies the danger of essentialism and overlooking cultural transitions. I understand culture as part of all other capitals, especially when regarding the meaning of land and water (natural capital) for agriculture, or (increasingly) industry.

Methodologically I find the concept of livelihood useful in the way it provides a grip on the holistic reality of life. A concept that breaks an intertwined reality up into four parts, or capitals, does provide some structure but since most expressions of life are related to multiple capitals a researcher should be careful about artificial isolations. In my opinion it makes little sense to analyse changes in one individual capital without considering how these changes are connected and provoke even more changes in the other capitals. The relation between natural and economic capital is visible through competing agricultural and industrial modes of production. As already mentioned social capital is strongly related to natural capital. Within the following chapters, I will analyse further relations between the four capitals.

1.2 Transforming Livelihoods and the Production of Resistance

In the context of developing mining industries in rural areas, dispossession due to privatization and contamination of natural capitals (land and water) directly affects rural livelihoods and triggers further livelihood transformations in diverse patterns (Bury 2005: 234). Analysing the linkage between corporate transnational actors and rural livelihoods in neighboring communities displays the evolving community/corporate set of relationships. Here by, expressions of resistance become visible and spatially linked to the perceived dispossessions of local resources. Transformed access to water, land, social and economic resources is recognized as a most important source of concern by rural people coping with a changing environment (Bury 2002, 2005, Bebbington 2008). Following Bebbington, I understand resistance as a defense of livelihoods. Movements defend resources by

challenging the structures, institutions and discourses that drive and permit exploitation and dispossession (Bebbington 2008: 2890).

I understand a social movement as a set of institutions, or organizations, that sustain processes of collective action across space and time to address social grievances around perceived injustice in the pursuit of alternative agendas (Bebbington 2008, Escobar & Alvarez 1992, Escobar 1992). I consider the *ronda campesina* movement, further discussed in the next chapter, as intrinsic to the endogenous agricultural structure of the region. The *ronda* movement emerged as a peasant response to a state incapable of providing services of security and justice to distant communities (Gitlitz & Rojas 1983: 184). The movement's administration of justice is based on reconciliation and has always been intertwined with communal as regional social problems (Starn 1999). I continue to consider the movement as a strong demonstration of the desire for self-determination, according to local government and regional development, intrinsic to the endogenous agricultural *campesino* structure.

The Peruvian Andean region and its *indigena/campesino* culture has a rich history of peasant protests to address perceived dispossessions (Bury 2002: 6, Larson 2004, Klarén 2000). Since the 1990s the region of Cajamarca has been characterized by protests and acts of collective action, directly related to resource transformations brought about by an ever-expanding mining industry. In the last decades, resistance to perceived dispossessions and injustice, was initially organized and expressed in acts of collective action by the regional *ronda campesina* organizations FEROCAFENOP. The *ronda* organization frequently organized protests to resist attempts to gain control of natural resources. Competition in the access to resources between the endogenous structure based on agricultural livelihood production and the externally imported industrial structure heightened the need to resist (Bebbington 2008, Muñoz 2006).

Theoretically protest can seek the total rejection of dispossessions and therefore negotiations. On the other hand protest can become a tool in negotiations to obtain greater participation in decision making processes, more equitable management of resources and economic benefits. The region of Cajamarca shows how, within the contours of an expanding mining industry, the opportunity structure creates inequality for a wide range of livelihoods, creating opportunities for some while stressing dispossessions for others. Due to these multiple and often conflicting interests, protest underwent some transformation, but in general and over time, protest was focused on obtaining a different relationship between the mine and neighboring communities - a relationship aiming at fair compensations, greater civil treatment and more local as well as regional participation in the benefits generated by the mine (Bebbington 2008: 2895). Thus, the prevailing position within the recent history of protest in Cajamarca, is ideologically as well as strategically, opposed to a stance of total rejection and getting rid of the mining project. Within the years of heightened protest the World Bank's institution Compliance Advisor Ombudsman (CAO) became important as mediator in negotiations between local communities, the regional *ronda* federation FEROCAFENOP, regional governments and the mining company. In the following chapters I will describe the

role of conflict and negotiations, led by the CAO, in the creation of what I will call the current relational structure.

1.3 Agency and Structure

The interplay between structure and agency is foundational in my analysis of coping strategies of people and communities confronted with sudden transformations in their access to resources. Theories considering the relationship between human agency and social structure, concerning the domination of one over the other or their intertwined complementarity, have a long tradition in European sociological theory (Ritzer & Goodman 2004 (1992): 69). Human behaviour and even personality depends on social structures, on models of thought and behavioural models, anchored in culture. All structures and cultural arrangements are the product of individuals who give meaning to the world around them, and have the ability to change social relationships and thus themselves (Hoof & Ruysseveldt 2008 (1996): 413). There has been a discussion between Parsons and Kluckhohn about whether social structure should be treated as part of culture or independently of culture. In my fieldwork I observed how cultural expressions change due to transformative structures. I tend to side with Kluckhohn who has a broader conception of culture and therefore understands social structures as part of culture (Kuper 2003 (1999): 55). I will shortly outline the contours of the agency structure debate by shortly introducing the theories of respectively Bourdieu and Habermas to focus at the *structuration theory* by Anthony Giddens. I conclude by aligning myself with the focus that Gilmore places on this discussion.

Pierre Bourdieu translated the relation between agency and structure into *habitus* and *field* (1977). *Habitus* (close to agency) is understood as an internalized mental, or cognitive, structure through which people deal with the social world. The *habitus* both produces and is produced by society. The *field* (related to structure) is a network of relations among objective positions. Bourdieu understands the *field* as constraining agents. However, there is a dialectical relationship between *habitus* and *field*. The *field* conditions the *habitus*, and the *habitus* constitutes the *field* (Ritzer & Goodman 2004: 70). So in other words, following Bourdieu, structures are constraining agential capacities but simultaneously are created by them. Both Bourdieu and Giddens understand the agency structure dichotomy as false. Social action and social structure presuppose and require one another (Tucker, Jr 1998: 71).

Jurgen Habermas has dealt with the relation between agency and structure as “the colonization of the life world” (1987). The *life world* is understood as a micro level world where people interact and communicate. The system has its roots in the *life world* but eventually develops its own structural characteristics. As these structures grow in power and independence they exert increasingly more control over the *life world*. In the modern world the system has increasingly come to *colonize* the *life world* (Ritzer & Goodman 2004: 70). In my understanding this view is closely related to the analysis of Bourdieu, and as explained below also agreed on by Giddens. The *life world* creates the system, like the *habitus* constitutes the

field, eventually both the *life world* and the *habitus* lose control over their creation and become controlled.

Of major importance in the debate is the *structuration theory* developed by Anthony Giddens (1984). In *The Constitution of Society* Giddens writes the following about agency and its relation to power. "To be able to 'act otherwise' means being able to intervene in the world, or to refrain from such intervention, with the effect of influencing a specific process or state of affairs" (Giddens 1984: 14). Thus action, often interchangeably used for agency, is an expression of power in the sense of transformative capacity (Giddens 1984: 15). Giddens notes that social structure is a prominent concept in functionalist theory where it is understood as "patterning social relations", and often visually imagined as the skeleton of a body or building. Giddens finds this equation naïve and misleading, since it leads to a conceived *dualism* by separating the social subject from the social object. Within this functionalist line of thought, "structure appears as external to human action, as a source of constraint on the free initiative of the independently constituted subject" (Giddens 1984: 16). In Giddens analysis structure is *not* a patterning of presences *but* an intersection of presence and absence (Giddens 1984: 16). In an analysis of Giddens work, Cohen (1989) notes that, "it is evident throughout Giddens writings that he has a deep respect for the protean capacities of social agents to reproduce and transform their own historical circumstances. Social agents produce, sustain, and alter whatever degree of 'systemness' exists in social life" (Cohen 1989: 18). Giddens himself writes, that "structure is not to be equated with constraint but always both constraining and enabling" (Giddens 1984: 25). He continues, aligning himself with Habermas and Bourdieu, by stating that the constraining as well as the enabling characteristics of structure "do(es) not prevent the structured properties of social systems from stretching away, in time and space, beyond the control of any individual actor" (Giddens 1984: 25).

In short, the *structuration theory* understands agency and structure as a *duality* that cannot be separated from each other. Hereby Giddens attempts to overcome the dichotomy of agency and structure that so often inform social theory (Tucker, Jr 1998: 1). He critiques functionalism and theorists (like Durkheim) that over-emphasize the deterministic role of social structure in influencing behavior. However, Giddens does not position individuals as free and unencumbered by social structure in their decision making (Tucker, Jr 1998: 2). In the *duality of structure* social structures are both the medium and the outcome of people's activities (Ritzer & Goodman 2004: 69).

In my analysis of transforming structures, due to the development of mining industries in the region of Cajamarca, I make use of the understandings about the agency structure relationship as positioned by Ruth Wilson Gilmore. In her chapter, entitled 'Forgotten Places', in the inspiring volume *Engaging Contradictions; Theory, Politics and Methods of Activist Scholarship*, edited by Charles R. Hale (2008), she discusses scaling up activist local reactions to the development of huge state prisons exploiting their localities. Within this chapter Gilmore situates the relationship between structure and agency as, "structures are both the residue of agency and animated by agential capacities, while the modes in which

ordinary people organize to relieve the pressures that kill them and their kin are, or become, structural as well” (Gilmore 2008: 40). Within this conceptualization structure and agency are not positioned as opposites in the struggles of people for self-determination. Through a creative process and ongoing engagement people make choices within new structures that are forcefully imposed on their localities, and eventually transform these structures (Gilmore 2008: 51). In its essence the relationship between agency and structure, as positioned by Gilmore, follows Giddens understanding of the *duality of structure*. Both understand structure as simultaneously constraining and enabling human agency.

The interesting difference, highly suitable for my analysis, is that Gilmore talks about externally imported, highly oppressive and exploitative structures, into specific localities. She analyses how through a process of ongoing engagement, often with a certain degree of conflict, these imported structures become integrated and transformed. On the other hand, the more classic theorists analyse the relation between agency and structure as both produced by, and producing, the society where they are encountered. In today’s era of globalization, people, capital, technology and imaginary (land)scapes have highly movable characteristics and flow across national, and all other kinds of, boundaries (Appadurai 1996). In the conclusion I will come back to influence of globalization in the structure agency debate. I suggest to reassess their relation to propose a partial disjunction between structure and agency. In this context, the famous words of Karl Marx are relevant yet again “Human beings make their own history, but not in circumstances of their own choosing” (Cohen 1989: 9, citing Marx 1863: 15).

Within rural Cajamarca, the production of livelihood has always depended on agricultural modes of production and the related social structure. As visible in the coming chapters, the entering structure based on extractive and industrial modes of production, competed with the more endemic agricultural structure, about the distribution of resources and the meanings people attach to them. Especially within the *jalca*, the highest zone of production, mining projects acquired huge amounts of land. Pressure on land in the highest and lower production zones increased, deteriorating overall agricultural production. Recent regional history shows how rural communities participated in numerous acts of collective action, supported by the *ronda campesina* movement. Within a locality the existing social structure determines how new structures are received, transformed, and finally obtain a certain expression. Within this field of tension, the relative power difference between the endemic and imported structure determined agential capacities and consequently the regional outcome and current modes of livelihood production. Currently *campesino* communities apply agency to negotiate compensation for experienced dispossessions of natural capitals. *Campesinos* are forced out of the decision making process about rural development to find themselves in a position of petitioners. Since mining companies will leave the region when minerals are exhausted the implementation of extractive industries in rural regions can hardly be perceived as a sustainable course of development.

Chapter 2. The Entering Mining Industry and *Ronda Campesinas* in Cajamarca

In this chapter I will first outline the introduction of the mining economy within rural Cajamarca. I argue that the region is forced into a state of transition and briefly compare this with localities relatively untouched by introduction of the mining industry and hence left behind in a state of forced isolation. Here I present the contours of my main argument; that structures continuously transform through the ongoing display of agential capacities of people influenced by the evolving structure. The current outcome is ultimately formed by agential expressions sustained out of the pre-existing agricultural based structure and also by the application of new possibilities, brought by the incoming industrial structure. However, within the current outcome people are forced out of the decision-making process on the course of regional development and pushed into a position of petitioners. I continue with a presentation of the *ronda campesina* movement. The *ronda campesinas* are an important aspect of the regional social structure since the 1970s. The movement provided a basis through which collective action, addressing the dispossession of capitals due to the entrance of the mining industry since the 1990s, could be sustained. By presenting two historical cases of resistance I demonstrate the important position of this social movement in the evolution of the two competing structures towards the current particular outcome.

2.1 A forced State of Transition; Regional Development of a Mining Industry.

From the beginning of the 1990s till now, the mining project called Yanacocha, developed into the largest open pit gold mine of Latin America. The biggest share holder of Yanacocha is Newmont Mining Corporation with 51.35%. Newmont is a North American multinational and one of the largest gold producers in the world. Buenaventura, a Peruvian corporation owns 43.65%, and 5% is owned by the World Bank's International Finance Corporation. The initial mining pits of Yanacocha are located 30km from Cajamarca city, the capital city of the department of Cajamarca. Yanacocha is the first large scale foreign investment in Peru after the 1980s 'lost decade', in which Peruvian society was suffering hyperinflation and civil war (Bebbington 2008: 2893). After the development of the Yanacocha project the region witnessed the development of many more mining projects owned by Newmont and other international companies.

For over fifteen years mining has been and still is the motor of change and development in the region of Cajamarca. Many people recall how incredibly fast Cajamarca city grew in these years. It has changed from a small village to a modern city. In the last decade the region has witnessed the rise of many companies, owned by urban inhabitants or by ex-proprietors of land sold to the mine. Sub-companies deliver a variety of services to the mining companies. Cajamarca city became a destination for national migration, driving up housing prices and increasing overall economic activity. Villages neighboring the mining projects also transformed strongly albeit unequally; some got roads, water systems,

electricity, and improved housing, while other villages totally disappeared or most of their inhabitants left. Although almost every change can be traced back and somehow connected to mining activities, it would be a gross oversimplification to view these connections as being direct.

People use all means, or capitals, that are accessible in the production of their livelihood. Hereby they position themselves and create a place for themselves and their family in the world. The multiple layers of transformation - implementation of the mining industry, transformation in the regional economy, social and cultural transformation - brought by mining developments, forced the region into a constant state of transition. This transition was forced upon the region from outside by huge and global powers. A new hegemonic structure, with a developing mining industry in its centre, was placed upon the region countering and transforming more traditional endemic structures based on agriculture. People adjust to this imposed 'field of transitions' where options disappear as quickly as they seem to arise. Within these transforming structures, by the changing array of options and obstacles, agency is positioned but not necessarily curtailed. Out of the attacked and nowadays crumbling agricultural structure people effectuate personal choices, acts of collective action and negotiations. By effectuating expressions of agency the imposed structure is transformed into something new (Gilmore 2008). What I encountered is a structure strongly based on an imposed and continuously expanding global mining industry within a constant state of negotiations with local *campesino* communities about their role and responsibility as the motor for regional development.

Due to the transformations brought by the mining industry, the social organization existing before the 90's, based on agricultural production and especially the practice of herding in the huge higher lands, could no longer be maintained by pre-existing social relations. In this sense, following Hall and Schwarz (1988: 96), one can speak of a profound crisis. A crisis which had pushed people into a state of "in betweenness". Besides to the modes of production, the social relations, meaning and culture connected to this life, is transformed. The unavoidable change that comes with the abandonment of a certain mode of production opens up possibilities for people to organize themselves in new ways (Gilmore 2008: 36) and to attach new values to these new forms of organization. Many people working in the mines, even without stable contracts and with a history of being fired and re-contracted over and over again, state that they are proud about their jobs, positions, and responsibilities. By working in the mines people obtain monetary influx for their household that is incomparable with that obtained from agriculture. New connections between remote areas, urban centers and global industries are created. Through these infrastructural connections, expressions of modernization reach distant communities. Consequently, within rural communities people develop new desires, have more access to modern consumer goods, and are able to build bigger and relatively luxurious houses. Modern consumer goods and other economic assets provide people with social status. Hence employment in the mine is a new source of status. Due to the transforming array of options and obstacles (structure), also visible through new

desires and expressions of agency strongly related to the transformation of resources, an ongoing change in 'culture' is visible. Within my fieldwork I witnessed that, especially young people nowadays identify themselves more with an image of workers than with the image of *campesino* or *indigena*. In this sense, the initially imported industrial structure is currently, by many, accepted and an integral part of their discourse about regional development.

In remote communities where mining industries do not have any substantial impact agricultural production continues to be the main economic activity. People, including young people, continue to identify themselves primarily as *campesinos*. They expect and desire a future with a continuous central place for, if possible a more modern and improved, agricultural mode of production. Agriculture provides households with very low monetary income and many households use most of their production for their own consumption. In such communities households frequently share the cost and labor of cultivating land. Family members, or others, assist each other with labor in return for some goods, or a very low monetary exchange. Thus through these horizontal social relations people are able to diversify the access to goods per household in the production of their livelihood. Most often labor is organized in a structure called *minga*. *Minga* means working without official compensation. Usually participants get a meal by the organizers of the *minga*. *Mingas* - acts of working together - are formed by communities to execute a certain communal project or by families to work on shared land or effectuate another, often bigger, project like building a house. Compensation is not direct but a sense of reciprocity does develop and somebody organizing a *minga* will participate in others to return the favor. (Figure 1, page 56, shows a *minga* in Catudén)

Comparing rural communities, like Plan Manzanas, pushed into a forced state of transition by the mining industry with localities, like Catudén, left behind in a forced state of isolation, gives a strong example of how agency and structure relate to each other. In Catudén, poverty, and the lack of compensated employment possibilities, is a structure harshly restraining agency. In Plan Manzanas, mining places a foreign structure on a region, shaping new frontiers, in which people move and effectuate agency. Mining confronts communities with an array of dispossessions but simultaneously provides them, and individual households, with an increase of access to petition for forms of compensation and to employment leading to monetary earnings. Communities that are located outside these newly imposed structures in effect stay in a position of involuntary isolation. They find themselves excluded from regional developments including basic infrastructure like, potable water systems, roads, electricity, sanitation, public health and education. This trend is strengthened due to 'el canon minero' a governmental distribution system of taxes imposed on the mining industry and mostly used for infrastructural improvements. Localities neighboring mining projects have more access to these funds compared to relatively distant localities. However, communities situated in a space transformed by powerful and externally imposed structures, lose their endemic power to determine and participate in more structural choices on development. Hereby they easily fall into the position of petitioning. In contrast, communities

situated outside these spaces of transition do not find access to extra-communal ingressions and find themselves in a position of an imposed autonomy or isolation. In effect, people in Catudén, experienced their 'isolation' (also) as obstructing local developments.

My point of departure, of how people cope with transformations brought by the transforming access to resources in the construction of their livelihoods, is the relation between agency and structure as formulated by Gilmore; "structures are both the residue of agency and animated by agential capacities, while the modes in which ordinary people organize to relieve the pressures that kill them and their kin are, or become, structural as well" (Gilmore 2008: 40). Following this statement, the situation in the region highlights how people work and think within their local and present realities and how changes forced upon communities are absorbed into the array of capital households use for their subsistence. Within these new realities people struggle for tangible improvements mostly related to natural, economic and human capital. Changes - regardless of whether these changes are imposed by an external force - become part of the new discourse about development that regards mining expansions as the most logical path towards progress. Critical stances about dispossession are incorporated in the hegemonic discourse developed by places neighboring the mining industry. However, in these communities people are forced out of the decision making processes. Alienated as they are from the real structural decisions concerning regional development, people are pressed into the position of petitioners.

. As further explained in the next chapter, the dispossession of land, through purchases and contamination, made herding practices in the highlands practically unproductive. Through the dispossession of water, as further explained in chapter four, agricultural possibilities of the middle lands also deteriorated. Currently, within the region, dispossession of natural capitals are reclaimed in the form of compensation and local development financed by the mining industry. However, even within the current structure people understand that mining interests, although nowadays the drivers of growth, are exogenous and therefore not sustainable over generations. They understand that their land is taken, exploited and violated, and that over time it will be abandoned. What will stay behind are marginalized people, who abandoned agricultural modes of production in the pursuit of development and modernity, on exploited and contaminated lands. Currently, most companies in the region are subcontracted by mining companies and also secondary economic activities are nourished by the mining industry. When the mines leave most of these companies will lose their source of existence. A new generation of industrial workers with new consumption patterns and desires will stay behind, cast back into a situation where the options are even scarcer and less accessible than now.

2.2 The *Ronda Campesina* Movement and two Historical Cases of Resistance.

In this part I introduce the *ronda campesina* movement throughout its history the movement provided the region with a strong structure in which agency could be displayed. Initially the

movement was created by *campesinos* in distant communities as a response to cattle rustling. By developing a communal justice system, according to customary laws, and in response to local problems, people displayed a strong appeal for the recognition of their culture and self-determination in regional development. As a response to the harsh dispossessions experienced by rural communities with the entrance of the mining industry the already powerful movement adopted a reactionary stance to defend the access to natural capitals related to agricultural modes of production. Hereby the *ronda* movement provided the region with a structure with which to confront the imposed structure of a continuously expanding mining industry. Nowadays, in the process of resistance, due to the economical, social and cultural transformations brought about by the mining industry, the *ronda campesina* movement loses its power. By a conflictive process, including two decades of protest, the competing structures within this field of tension, evolved into the current outcome in which a 'good relation' between communities and the mining industry is actively sustained from both sides.

As a peasant response to cattle rustling and in the absence of a state capable of providing communities with the necessary security, the first *ronda* committee was formed in December 1976, in the community of Cuyamalca, province of Chota, Cajamarca (Gitlitz and Rojas 1983: 178). The *rondas* were not organized by outsiders but emerged spontaneously from the peasantry. They were also not formed by any political party and did not serve political ends. The *rondas* were initially supported by the local police. This constituted to their acceptance and rapid spread (Gitlitz and Rojas 1983: 184, Nuñez 1996: 113). The national constitution of 1993 recognized Peru as cultural, linguistic and legally pluralistic society. Especially due to article 149 of the national constitution, *rondas* got juridical embodiment to administrate communal justice based on customary rights. These constitutional changes created a framework in which specific demands could be placed (Yrigoyen 2002). In January 2003, rights and limits of the functioning of *rondas*, became fortified by a new law, although still in vague terms. Shortly after, *rondas* officially gained a minor function in the national system of citizen security (Sistema Nacional de Seguridad Ciudadana, 2003) (Bazán 2006).

This historically obtained legal base provides the movement, its organizations and individual leaders, with some security and recognition according to national law. In the process of vigilance and administrating justice peoples' actions are often still positioned in the hazy space between legality and unlawfulness. Many *ronda* leaders are prosecuted, and jailed, for kidnapping and mistreatment in the application of national law for actions they performed in the course of administration of communal justice according to customary laws. Due to national recognition of communal justice such injustice becomes less frequent. Additionally, by obtaining a legal status *ronda* organizations became increasingly recognized as official representatives of *campesino* communities. This recognition improved their power to negotiate with mining companies and state institutions. It also provides a legal basis, and

therefore some protection from excessive state repression, for a demonstration or other acts of collective action (Yrigoyen 2002).

The *Federacion de Rondas Campesinas Femeninas del Norte del Perú*, FEROCAFENOP, was created in 1986, in the city of Cajamarca. The regional *ronda* organization worked mostly on issues of communal vigilance and justice. By regulation of their legal power the organization started to gain force. Around the same time, in 1992, FEROCAFENOP implemented a rural credit program and established links with foreign organizations working on issues of rural development. With this augmentation in projects the organization included a discourse of development next to their core issue of communal security and justice. Between 1999 and 2004 they were one of the most influential social movement organizations creating a counter discourse and defending human rights and ecology against encroachment by Yanacocha mining. In this struggle their momentum peaked with the mobilization against the mercury accident in Choropampa of 2000 and the mobilization to defend Quilish mountain in 2004 (see below).

In the next part I will describe these two historical cases of resistance. The Choropampa case, describes the mobilization after an accident in Choropampa in which 151 Kg. of mercury were spilled in the village. The second case describes the mobilization to defend Quilish mountain from exploitation. Quilish mountain provides water to a valley with many villages and is also the main source of water for Cajamarca city. Both cases strongly contributed to the current structure in which communities actively relate with international mining companies to petition for 'development'. To resolute conflict, the World Bank's Compliance Advisor Ombudsman (CAO), 'learned' communities, *ronda* organizations, and mining companies to preserve 'good relations'. In the pursuit of a social licence to operate, the companies nowadays provide neighbouring communities with projects framed as expressions of ecological sustainability and social responsibility. Communities petition for these projects as compensation measures for experienced dispossessions. In this current structure agriculturally based opportunities are still strongly curtailed while communities and people simultaneously obtained access to new industrial employment possibilities.

2.3 Case: Choropampa

On the second of June, 2000, a truck carrying mercury from the Yanacocha mine leaked 151 Kg of this toxic chemical over a distance of 45km. Most of this glittering silver liquid fell in big drops on the road passing by the little village of Choropampa. Many people gathered this toxic material hoping that they would be able to sell it. Since mercury is a liquid not easily grabbed people used all possible means, some even took it with their mouths, to carry it home. Now, 10 years later, many community members, including the local mayor who was an active leader in the quest for attention and support, have died or suffer multiple health problems. After the accident, the village organized a committee, '*Frente de Defensa de Choropampa*', to deal with the problem and to organize medical assistance and compensation for the victims. After some harsh demonstrations, one of them in Lima, and a blockade in the

village, impeding traffic related to the mine, the incident got world wide attention¹. Eventually many villagers, with high concentrations of mercury in their body, engaged in court cases to petition for monetary compensation to cover health costs. Some villagers got compensations ranging from 5.000 to 40.00 sols (ca. 1.500-12.000 Euros).

Besides the call for compensation the '*Frente de Defensa de Choropampa*' (*Frente*) filed a complaint to the World Bank's Compliance Adviser/Ombudsman (CAO) which expressed concerns about the aftermath of the mercury spill. The complaint issued concerns about the long term impact on the environment and human health. Additionally it raised questions about compensation claims, the program of public works, and the lack of respect of the mine towards the community. Shortly after the more local complaints raised by *Frente*, FEROCAFENOP filed a complaint that Yanacocha was adversely impacting the water, air and livelihoods of communities neighboring the project. The preparation of their complaint was supported by the North American NGO *Project Underground* (CAO 2006). The local reaction of people organized through *Frente* created a podium that the regional *ronda* organization used to widen the attention towards more structural and regional problems. These complaints established a dialogue process, including the company, regional social movement organizations, NGO's, governmental bodies and even the National University of Cajamarca. The, '*Mesa de Dialogo y Consenso-CAO Cajamarca*' was established to address current community concerns as well as other issues that emerged over time. Hereby the CAO became a conflict resolution tool still effective after the big mobilizations that defended Quilish mountain from exploitation. To underpin its work the CAO sought to conduct research about impacts on water and human health. The water study was indeed conducted and published in 2003, but the health study was never conducted. Yanacocha itself made a risk assessment about the mercury spill. Their primary, but doubtful, conclusions are that there are no unacceptable risks to human health, terrestrial or aquatic ecological resources (Miller 2002).

The CAO as a conflict resolution tool is an institution providing space for Social Movement Organizations (SMO's), community organizations, other institutions and even individuals, to display agential capacities. However, the whole CAO was implemented to resolve conflict, conflict already created by agential capacities of multiple players. Over time the CAO became a very important institution in the evolution towards the current structure by leading and educating both the communities, including the regional *ronda* organization, and the mining company towards negotiations. Here the connection, and sometimes vague frontiers, between structure and agency become visible. Institutions, like the CAO, are created by and form a space for agency. Over time they can stay active and strong as a residue of past agential expressions, and are still able to provide structure for new agential capacities.

¹ A nice documentary, '*Choropampa; The price of gold*', has been made about the tragedy and supported the village in obtaining world-wide attention.

Within the abstract ballet between structure, agency and institutions access to new possibilities are the outcomes that accompany dispossessions. In Choropampa contaminated inhabitants obtained access to monetary compensations while suffering loss of human health. These outcomes can be interpreted very differently by multiple players. Guillermo, nowadays an active participant in FEROCAFENOP, told me about the mobilization they organized to raise attention for the case and for which they traveled to Lima. “*With buses and trucks we, many campesinos, went to Lima to talk with president Fujimori or another official. The demonstration was blocked by the police by firing water and gas at us*”². Guillermo accounts vividly how the *campesinos* were running like sheep in all directions, almost killing themselves in the heavy traffic of Lima. After the clash they gathered in a park and slowly everybody returned. No official, including the president, wanted to talk with them. Guillermo accounts that he finds obtained compensations low since medical costs are high. In Catudén, a poor community some hours walking from Choropampa, I witnessed that people have quite unexpected and countering views about what were the risks and benefits for local and contaminated inhabitants of Choropampa. A strong opinion shared by many was that these people were lucky. “*In Choropampa, there are poor farmers like us but with cars*”³. When I recall that some already had died, they proclaimed that, although this is true, their families would stay behind in a beneficial position⁴. Nobody can escape death and most of us do not get forty thousand sols for it. Many stories go around of people consciously contaminating themselves since the amount of monetary compensation was established according to the level of mercury found in the body. In this sense people do not only distinctly interpret possibilities but as a result act differently according to their own interpretation.

2.4 Case: Quilish Mountain

The mobilizations surrounding the defense of Quilish Mountain demonstrated the powerful structure through which the *ronda* movement mobilized thousands of local community members. The way explorations would threaten regional water production, combined urban, ecological and rural concerns (Muñoz 2006: 11). Two rivers, Grande and Porcón, come from the mountain and supply water the whole valley and to Cajamarca city. Additionally thirty canals come from Quilish and around 200 households are dependent on each canal. Besides the rural users the public university engaged in the protest. In September 2004 mobilizations were mounted. Thousands of *campesinos* went to the mountain which ended in a huge clash with the police. As a reaction *campesinos*, supported by students blocked the road leading to the mine for two weeks, and organized a relatively huge demonstration including around 10.000 participants on the central square of Cajamarca city.

In the aftermath of these mobilizations, the *rondas campesinas*, with Julio Marin as an authority, engaged in conflict resolution dialogue facilitated by the Mesa, which was organized

² Conversation with Guillermo, FEROCAFENOP, 2 March 2010.

³ Conversation with Carlos and Luis, Catudén, 20 February 2010.

⁴ The expression used by Carlos and Luis was; “*Pero sus familias quedan bien.*”

by the CAO after the Choropampa incident. After negotiations the government of Cajamarca declared Quilish mountain out of bounds and exploration there is currently suspended. Despite the success in protecting Quilish from exploitation, the regional organization FEROCAFENOP and their leaders became discredited by the local *ronda* bases and their communities. Local communities still accuse the federation, and their leaders, of corruption and accepting money without sharing it with them, the people whom they initially mobilized. This rupture widened in the last years due to a clash of discourses between the local bases and the regional federation. Most recent struggles of rural communities, including their local *ronda* organizations, condemn the dispossession of a certain capital, like water, as a leverage tool to ask for a form of compensation. Compensation is mostly found in the incentive of a public work financed by the company. It also happens that a group of users gets direct monetary compensation. However, Julio, today's president of the regional *ronda campesina* organization, rejects the local discourses that tend towards compensation. He wants to defend more ideological stances related to Indigenous rights and the 169 ILO convention. He wants to combine forces with other indigenous movements like AIDSESEP to slowly gain national political power. I will further elaborate on this clash in discourses in the chapter about water.

This clash of discourses is actually widened by the current structure in which a 'good relation' is actively sustained by the mine and local communities. The company upholds a good relationship with neighboring communities in order to enlarge the 'social license' necessary to continue exploitation. Local communities and their authorities, including local *ronda* organizations, in turn actively search economic incentives and individual community members search employment opportunities. Therefore communities have high interests in actively maintaining good relations with the company. Authorities apply for projects offered by the mining companies. The mining companies implement those being promoted as 'social programs'. The other side of this current structure, in which a good relationship is actively sustained from both sides, is that communities have to engage in activities to show their 'good relation' and acceptance of the company. On the global celebration of Earth Day 2010 a huge march was organized by Yanacocha and the city government. I witnessed how many neighboring communities marched behind the group of workers of Yanacocha. Every community held a banner, supplied by the company of course, stating "*Community Name Y Yanacocha; El campo y la minería trabajando juntos por el progreso de la Tierra*⁵." (Figure 2, page 27, shows communities marching at Yanacochas celebration of Earth Day)

Many communities now participating in Yanacocha's Earth Day participated in the huge demonstrations of 2004 and blocked the entry road to the mine for two weeks. At first glance it seems that people switched sides, but actually they did not. People, both in 2004 and in 2010, made rational decisions according to the best means accessible, or agential capacities, in the constant pursuit for the production of their livelihoods. Hereby they position

⁵ Author's translation: "Community Name and Yanacocha; The countryside and the mining industry working together for the progression of the Earth." Sie picture ...

themselves, act and hereby display agency, within local structures. In 2004 the *ronda* structure was still powerful and able to create productive conflict to defend the dispossession of capital, but in 2010 this structure weakened and replaced by a structure based on negotiation and petitioning. Consequently now a good relationship has to be actively sustained.

As we have seen in both cases, people use all means accessible to them in the production of their livelihood, and display agency within the structure of their local realities. In this sense the current structure, in which a good relation between communities and the mining industry is actively sustained from both sides, is accepted and actually formed by agential capacities and actions. The social struggles, of which Choropampa and Quilish are two examples, can be understood as tangible eruptions of a continuous more overall struggle between forces within a field of tension. This overall struggle was relatively easily decided due to the extreme disparity in power between a huge global company, backed up by hegemonic neo-liberal discourses, and a culture of *campesinos*. The loss in power of the endogenous agricultural *campesino* structure, which displayed a strong aspiration to determine its own independent development through the *ronda campesina* movement, resulted in the actual loss of power of communities to influence in structural decisions about the course of regional development. By accepting and reinforcing this new structure as the new reality communities allow the dispossession of land and water and use this loss to negotiate compensation. People acknowledge that this course of development, with mining as central activity, is not sustainable and fear the moment that the mining industry will abandon them. At that point they will stay behind as a marginalized people on marginalized lands.



Figure 2: Earth Day 2010. Rural communities participate in a demonstration organized by Yanacocha Mining at the central square of Cajamarca.

Chapter 3. The Dispossession of Land

Since the arrival of the mining companies in the 90s, and in the two following decades of continuously expanding mining industry, both land tenure and land use patterns transformed incredibly. I use the concept of livelihood to analyse the impacts of transformations forced upon the region by the developing mining industry. Within every environment households have a level of access to multiple capitals which they apply to construct their lives by obtaining a certain level of household productivity. The imposed structure of a continuous expanding extractive industry transforms the access and content of the multiple capitals in the region. Land is understood as a natural capital strongly connected to especially economic and social capitals. Due to both the extraordinary purchase of lands, and the magnitude in which mineral claims have extended, land prices rose incredibly in the last two decades. The extreme rise in prices, its economic and social consequences, underlies the new structure placed upon the region. The meaning of land has shifted from primarily a natural capital used for agricultural production towards an economic capital enabling households to abruptly obtain a monetary capital base.

This chapter will first outline the vertical distribution of land in agricultural production zones traditionally structuring household productivity and livelihoods. I will then explore the constantly expanding mining activities that cause profound transformation in the region. After analysing these transformations I will look at their impact on rural livelihoods. The new range of possibilities and constraints, related to the dramatic rise in the price of land, strongly diverted interests of users, resulting in the deterioration of horizontal social capital within families and between communities. During my fieldwork I witnessed how within a family interest about the exploitation of family land, and the related meaning of land, is increasingly diverging between the younger and older generation. The younger generation desires to sell the high lands in order to obtain a monetary capital and start a business in middle lands or even in Cajamarca city. In contrast the older generation continue to feel a strong emotional connection to the high lands. In effect, since the younger generation moved already down to middle land communities, the potentials for pastoral production strategies are not fully exploited. Neither is the land sold to invest its monetary value. At a community level, interests between high and middle land communities strongly diverge. High land communities have the possibility to sell their lands and accordingly obtain monetary capital and protected employment possibilities. Middle land communities do not have these possibilities but do suffer the negative consequences of expanding mining projects.

3.1 Shifting Land Tenure Patterns; Contamination and Transformations in the Access to Vertical Production Zones.

In the region of Cajamarca land tenure and land use is characterized by a spatial distribution in three altitude levels or vertical ecological production zones. Each altitude level has its own

climate and vegetation that determine agricultural production and other livelihood activities (Bury 2005: 233). There are clear differences between lowlands, middle lands, and highlands. Low lands (1500-2500 meters) are mainly suitable for production of sugar cane and fruit. Additionally corn, grains, potatoes and some other goods are also produced and mostly used for household consumption. At all three altitudes households produce small animals, like pigs, chicken and guinea pigs, which are held close to the houses and mainly used for their own consumption. The few households living in low and middle lands that own bigger animals use them primarily as a saving system. They are a source of security and can be sold in harsh times or to provide the necessary funds for non-daily investments like schooling. Donkeys and horses are often held for transportation of goods and are especially important, and therefore more common, in communities not connected to the regional road network. Middle lands (2500-3500 meters) are mainly used for the production of grains, corn, potatoes, *afalfa* (a kind of fodder used to feed guinea pigs) and other goods for household consumption. Cajamarca city is located in the middle lands at an altitude of around 2700 meters.

The huge and very thinly populated high lands, called *jalca*, (3500-4200 meters) are primary used for herding of sheep, cows, *alpacas* and *bicuñas*, respectively the bigger and smaller type of llama. Before the entrance of the mining industry most families consisted of various households living in different altitude zones. Through family bonds, traditionally households had access to different production zones, and therefore can engage in various production activities. Within Plan Manzanas I witnessed that most families sold high lands and now, the multiple household within the family, depend on small plots of middle land and employment in the mine. The family of Jose (see case 3.1) is an exception, even do they sold part of their high land, they still have some left. Jose the oldest man of the family lives with his wife and youngest daughter in the high *jalca*. His other children, most of them married adults with their own children, all moved down to middle land communities where they maintain their households. The livestock herded in the *jalca* by the household containing Jose, is already divided and partially owned by Jose's multiple children. Simultaneously, products produced in the middle lands are also consumed by the household of Jose. This exemplifies how, for agrarian production strategies, horizontal social capital between households in middle and high lands are important for the provision in household subsistence needs. Connections between low and middle lands also exist but are mostly focused on regional markets in Cajamarca city. In general there is little production and consumption of vegetables. Most vegetables sold on the markets are produced and imported from the coastal regions.

Regional introduction of mining activities strongly transformed access to land, particularly to the highest production zones, and therefore the possibility for households to continue their traditional vertical production strategies. Mining companies bought thousands of hectares of high land. Between 1992 and 2000 Yanacocha bought 11000 ha, consisting out of 259 purchases from 44 communities of parcels ranging from less than a hectare to more than a thousand hectares (Bury 2005: 233). In the last decade the purchasing of lands by mining companies continued at multiple locations. Due to the enormous acquisition of higher

lands, mining activities now occupy most of the *jalca* production zone, there is less space for the extensive herding activities which previously characterized this ecological zone. As a consequence households that sold their lands, or depended on sold communal lands, engage more in herding activities on middle lands and hereby compete with more traditional agricultural activities. Therefore land use intensified and land fertility is dropping in the middle lands. However, for most households it is impossible to relocate most of their herding activities to lower lands resulting in an overall decrease of regional agricultural and livestock production. Hence households become increasingly dependent on non-agricultural employment opportunities mostly found in the mining projects. Next to the direct purchase of lands there have been an enormous increase of mineral claims by private international mining companies. In 2003, Yanacocha's has secured 1386 km² of mineral rights. Throughout the region of Cajamarca mineral claims strongly intensified and nowadays account for over half of its total land surface (Figure 3, p. 56, provides a regional map that gives a time indication of expanding mining claims.) (Bury 2005: 225, Bebbington & Bury 2009: 12797).

The incredible amount of land, or mountains, purchased and brought into production by Yanacocha, has undergone extreme ecological depletion, described as apocalyptic by Julio Marin, president of the regional *ronda* movement. The extraction of gold in the region is based on a technique called cyanide heap leaching. This process has led to a dramatic shift in land cover patterns and widespread alternation of environmental processes in the region. Over the more than 10.000 hectares that encompasses the Yanacocha project, millions of tons of earth have been moved. Only in the year 2000, 130.000 tons of earth were moved (Bury 2005: 230). By changing mountains into mining pits wells are destroyed, seriously affecting the access to water for agricultural production. The process of cyanide heap leaching simultaneously consumes large amounts of water. In the process huge plastics are installed and earth, removed out of the pits, is dropped on these plastics in the form of terraces. On these terraces cyanide leach solution is injected to rinse the earth. The cyanide attracts the gold and forms a 'gold pregnant solution' which is collected in pipes and lead to ponds where it can sink and be separated. The huge amounts of chemicals used, contaminates the water and therefore alters the fertility of lands and human health of people consuming non-potable water. I will further elaborate on transformation of the access to water and its implications in the next chapter. (Figure 4, page 57, shows terraces of the Yanacocha mining project. Picture 5, page 57, Gives an impression of the size of the Yanacocha project by showing a small part of the mine.)

Additionally, land not purchased by the companies are 'taken' due to activities that cause contamination on land surrounding the actual projects. In the process of moving the earth from the pits to the terraces explosives are used to loosen the earth. A lot of dust develops in this process, which travels far in the open windy highlands. Dust covers the earth and enters the lungs of humans and animals, directly affecting human and animal health and productivity. Through dust and destroyed and contaminated water, the direct environmental impact of the mining process is harshly visible in its effect on livelihood, namely health and

production. One of my informants told me that, since his land was severely contaminated by dust and dry to the diminishing amount of water in canals passing his land, he had to herd his cows on a plot of land (owned by an other family member) further away. Here for he had to spend much time reaching his animals. He also lost some animals, probably they got stole, which he blamed to the fact that he could not maintain his animals on his own land close to his house⁶. Within a community meeting organized by the *ronda* movement in Hualgayoc, to address experienced problems to the South African mining company Gold Fields La Cima, many people addressed that the *adobe* walls of their houses (bricks are made from dried mud with grass) get cracks due to trembling in the earth from the use of heavy explosives in the mine⁷.

Even while experiencing harsh dispossessions, many inhabitants of communities neighbouring the mining projects fear the moment when projects finish, when the companies will leave, leaving them behind with still unknown long-term environmental impacts⁸. Nowadays terraces, washed with cyanide, are covered with grass by the company when the gold is extracted. However, even though it looks very 'green', people perceive it as unlikely that these violated lands will become suitable for agricultural or pastoral activities in the following decades. This raises a hard but central question on to what extent regional development triggered by extractive mining industries can be sustainable in the long run when mines become depleted and core economic activities have to shift in another direction. According to the desires expressed by my informants, it seems most fit for such regions to continue their development along an industrial mode of production since the depletion of land makes it difficult, if not impossible, to return to agricultural production. Additionally people become educated and familiar with industrial forms of employment and social organization and importantly the associated modern consumption patterns. Most and especially the younger generation would feel it as regression of their personal development to return towards an agrarian society.

3.2 The Dramatic Rise in Land Prices and the Transformed Meaning of Land.

When Yanacocha started to purchase lands, at the beginning of the 90s, they paid less than \$80 per hectare. Between 1992 and 1996 land prices for plots surrounding the mine increased by more than 600% (Bury 2005: 233). Many, mostly older informants, told me that they sold their lands for a 100 sols per hectare (around \$30) at the beginning of the 90s. Nowadays, land is sold for around 20.000 sols per hectare (around \$6000). This dramatic increase in land prices totally transformed the existing organization and meaning of land. *Jalca* was always seen as poor almost unproductive land only suitable for herding over a huge area. There was little interest within and between families to strictly organize

⁶ Conversation (informant does not want his name to be mentioned), Hualgayoc, 11 May 2010.

⁷ Community meeting, Hualgayoc, 29 April 2010.

⁸ Conversations with multiple informants, most profound with Santiago local governor (*teniente*) of Plan Manzanas, 18 May 2010.

landownership. Much landownership is not even officially recognized by the Peruvian state due to the 'unfinished' agrarian reform. Multiple informants told me that they work on lands that are not officially administrated and of which they do not have official proof of ownership. However, when somebody owns and economically exploits rural lands for over five years continuously and without entering in conflicts -like court cases- this person can start a case to acquire official ownership (Decreto Legislativo N° 667, art. 22, 23). This law makes it practically impossible for the *hacendados* (the big land owners from before the land reform) to reclaim 'their' lands. However, currently ownership of the *jalca* lands obtained a huge economic significance for the person who has the legal right to sell it to the mining companies. Therefore land has become a frequent source of conflict between different family members. Currently many *campesino* families engage in internal conflicts in the process of officially registering land ownership and inheritance⁹.

The dramatic increase in land prices make it impossible for families with few landholdings to buy more land. Therefore many households become unable to sustain themselves by agriculture means and are forced to search complementary employment in Cajamarca city, mining projects, or even move towards different regions and urban centres. The negative impacts of the dramatic rise in land prices have been most severe for households that sold lands at the beginning of the nineties when prices were extremely low. Older people who find themselves in this situation, feel tricked by the companies, and in general are very critical about the multiple dispossession of capitals they suffer due to the implementation of the mining economy. Households in this situation are headed by old people who often live in situations of extreme poverty. Maria, the *presidenta* of the female local *ronda* organization of Plan Manzanas sadly accounts of her situation. Two decades ago she sold around 50 hectares of land for 100 sols per hectare. She is angry since the mine only gave work to one of her sons. She tries to convince him to buy new land but he drinks too much and spends all the money in Cajamarca city. She does not understand why her other sons do not get any employment offers. In the 90s the money was soon gone and she feels that this is very unfair since nowadays her lands would be worth around 15.000 sols per hectare. She thinks of starting a court case against the company since stories are known of people that got compensation for lands sold in the 90s. One of these people is Segunda Castrejon, presidenta of FEROCAFENOP, and a friend and distant family member of Maria. Segunda sold 200 hectares for a 100 sols. She obtained compensation and got one hectare from the company for each ten hectares sold. Segunda, who sold high lands, got middle lands back but on dry and unfertile ground. Both aged women recount that nowadays there is almost no land anymore for pastoral activity and that there are few animals in general and almost no wildlife in particular left in the *jalca*. Segunda was deeply touched and crying when she talked about the beautiful lakes of Yanacocha where she herded the sheep of her family as a child.

Mining changes the meaning of land and related modes of production. Agricultural opportunities are deteriorating while new industrial employment opportunities become

⁹ I observed multiple cases that were brought for resolution to the regional *ronda* organization FEROCAFENOP.

accessible. Additionally, monetary capital becomes more accessible for *campesino* households. Because people start to depend increasingly on industrial employment, have a bit more money to invest, and the physical infrastructure of the *jalca* improved significantly, secondary schooling seems to become increasingly valued and accessible within *campesino* households. As a consequence, the gradually more educated younger generation, increasingly desires to abandon agriculture in the pursuit of industrial employment, the related earnings and consumption patterns. Thus, the increased valuation of schooling can be understood as an effect of the transforming meaning of land and the overall transition of an agrarian society into a more modern industrial and urban society. In a social and even cultural sense the increased connection of the region has significant impacts in the minds of especially younger people. Most people imagine their future accordingly to what they know and options that they see around them. Nowadays new forms of life are imagined, options that fifteen years ago most could not even dream of, simply because they were unknown. The access to monetary earnings, by working in the mine or in Cajamarca city, in combination with the increasing amount of roads constructed in the region, integrated people into a modern world with modern desires. Infrastructural connections seem as significant as the social and emotional connections that follow them in the constitution of peoples' view of life and the world (Anderson 1983).

In agrarian society land tenure, land use, and the related meaning of land is foundational in the broader structure, positioning, and formed by, agency (Bury 2002: 12, Mattiace 2003). The mega mining projects pushed the region into a state of 'in betweenness' and it is clearly visible that the region is slowly transforming from an agrarian society to a more industrial and even urban society. It is widely acknowledged that Latin American *campesino* and *indigena* communities were never 'closed' or completely 'self-sustaining small societies' (Nash 2001: 38) and also that there are not many *campesinos* left if we define them as 'self-sufficient producers living in rural communities' (Mattiace 2003: 30). In the region of Cajamarca, and especially in communities bordering the mining projects, like my research communities Plan Manzanas, Sorochuco, Hualgayoc and Azufre connections to Cajamarca city and industrial employment opportunities are becoming increasingly important for the production of 'rural' livelihoods.

3.3 Social capital and its Relation to Land.

Social capital is strongly related to changes in natural capital. In the literature a distinction is made between horizontal and vertical social capital. Social capital is explained as a relational structure, both vertical and horizontal, that provides mutual trust or 'connections' between people. These connections establish a real flow of resources that facilitates people in the pursuit of both solutions to problems and the development of economic and political activities (Bury 2004: 79). As also demonstrated in the short discussion about *mingas* in chapter two, households rely upon access to horizontal relational networks between households to

produce their livelihoods. Relations between households residing in diverging altitude zones are especially important since production activities attached to altitude are complementary. By the decline of horizontal social capital relations deteriorate between households within a community, and between communities at diverging altitudes, resulting in a serious worsening of household production capabilities (see case 3.4). The relational structure between households community organizations, and supra-communal organizations, is asymmetrical according to power hierarchy and therefore understood as vertical social capital.

In the years that mining companies recently entered into a certain region, to implement a new project, interests between high and middle land communities became very divergent (see case 3.5). Diverging interests are based on the transforming significance of land, its dramatic increase in monetary value, and the exclusive possibility of households in high land communities to sell their land. Households in middle and low land communities do not have the opportunity to sell lands but are negatively affected by less access to water. These conflictive interests strongly influence intra-household and intra-community relations understood as horizontal social capital. Additionally, and especially in the context of the organization of protest to denounce the loss of access to multiple capitals, vertical social capital is strengthened. However, as in the case of Sorochuco (case 3.5) the conflictive interests, and the deterioration of horizontal social capital, restrain the concrete possibilities to build a broad and sustainable, community-based, front of resistance to negotiate better terms or to prevent companies from exploration.

Case 3.5 is based on the implementation of the Minas Congas project, a Newmont owned copper and gold mining project, above the community of Sorochuco, province of Celendín, Cajamarca. The case will further clarify the dynamics of how transformations in the access to natural capital are related to transformation in social capital (Bebbington et al 2008, Bury 2004). Land, a natural capital, and the basis for agricultural production is increasingly transforming into economic capital. The case of Sorochuco shows how economic factors provide the basis for increasing conflict between communities.

The findings presented above, and further clarified by the cases of Plan Manzanas and Sorochuco, are similar to conclusions made by Jeffrey Bury who did extensive research in the region. Bury notes that social programs, hiring practices, and land purchasing strategies of Yanacocha have been very unequal and without transparency. This has led to an increase in distrust, social differentiation and conflict among households. Simultaneously households strengthened their relations with community organizations and even with international social movement organizations (Bury 2004: 88).

3.4 Case: Diverging Interests within a Family and the Changing Meaning of Land.

Jose, aged 67 years, is the father of nine children. He lives with his wife up in the *jalca*, on the slopes of Quilish mountain, neighboring the core mining pits of Yanacocha. His house is a three-hours walk above the community of Plan Manzanas. Most of his seven sons live with

their families in the middle land communities, in and around Plan Manzanas. Since four years his youngest daughter, Liliana, now aged 20, moved up to help and take care of her parents.

Jose, still owns 64 hectares of land on the slopes of Quilish. The household herds around 50 sheep, 15 cows and four horses. A couple of years ago they owned much more, 130 hectares and around 250 sheep. Jose sold this part of his land to the mine. In this time they also had some *alpaca* and more horses. He and his wife grew older and it became too much for them to herd this large number of sheep. Jose had little help from his sons who had moved down to live in the 'connected' middle lands. His children, like many others, do not want to live up in the *jalca* anymore where life is much harder. It can become very cold at 4000 meters. Also there is no transportation, no electricity, and no water supply. The primary school closed since most younger families moved down and there is no employment other than agriculture. Most people left because Yanacocha bought their lands and sent them away. Jose: *'It is very sad and sometimes we have to cry. I and my wife are old and our health is weakening. There are almost no neighbors anymore to help us.'* When they get sick it is difficult and they have to wait till one of their sons comes up to bring them medicine.

But Jose does not want to leave. This is his grandparents land. He states not longer to be able to accustom somewhere else and will stay here till he dies. Yanacocha wants to buy his land and offers him 20.000 sols per hectare. Even though he can earn over a million sol, he does not find it a lot since he will not be able to buy a significant amount of land back. Also he states that he really does not like Yanacocha. They betrayed him. They bought his land but did not give his children work, he still has no electricity and no water supply. Yanacocha contaminate his land and water; severely affecting agricultural productivity. Dust covers the land in the dry months and the explosives sound like thunder. Since there is less water he is involved in a legal conflict with the lower villagers. Sometimes they even do not have clean water to drink. Many animals died in the last years and the cows give less milk¹⁰.

The rise of conflictive interests within the family of Jose, understood as a decrease in their horizontal social capital, lessens their ability to effectively establish a significant flow of resources between the multiple households of the family. The high land is not sold by Jose, and therefore its monetary value is not exploited. Since the young men of the family all moved down to middle land villages the agricultural possibilities attached to the high land are also not exploited as much as possible. Jose is the only one in the family who does not want to sell the remaining land and leave the *jalca*. His wife wants to live in Plan Manzanas to be closer to her children. His children want to sell the land to obtain monetary capital to be able to start some business in Cajamarca. Richard, his youngest son, is studying to become a mechanic of heavy machinery in order to be able to search for employment by the mine. For Liliana it is very difficult to live in the *jalca*. She misses Plan Manzanas, and feels alone up there, with nobody around her except her parents. She is now 20 years old, an age at which most girls find their husband and start to get children. However, the authority of Jose is unchallengeable

¹⁰ In the next chapter I will return to this case and further explore the dispossession of water and its negative impact on horizontal social relations of high and middle land communities.

for his wife and children and the land will probably not be sold before his death. (Figure 6, page 37, shows Richard, Jose and Liliana in front of Jose's house in the *jalca*.)

3.5 Case: Diverging Interests Between Communities of Sorochuco.

Households living in high communities, where the Minas Congas project is developing and buying land, have traditionally less access to economic resources than households living in the middle lands of Sorochuco (2650m) and even at lower communities in the same valley. Life up at 4000 meters is hard and there is almost no infrastructure like, roads, potable water, electricity, schooling and health facilities. Compared to the high lands, middle and lower lands have a more diverse and established agricultural economy and people already enjoy most of these basic facilities. Traditionally high land had little value and the region is very thinly populated. Therefore most households own more than one to around fifty hectares. When miners enter these areas and offer people relatively huge amounts of money for their land many see a chance to break out of the harsh reality of absolute poverty. Isabella, a young woman actively working in Sorochuco community groups that try to prevent the development of the Minas Congas project, tells; *“people living in the jalca have the idea that they can make a profit along the development of the mining project”*¹¹. People who sell land to mining companies, and lived in the close vicinity of locations where mining projects develop, enjoy a preference to be employed that is protected by law. In reality many, and especially people above their thirties, will never find stable sources of employment in the projects. In middle and low land communities, people like Isabella (justly) perceive development of the mining project as a threat to their already relatively well-established economy. In middle land communities people cannot sell their land and do not enjoy the legally protected rights to obtain employment in the mine. However, due to primarily the quantitative loss and contamination of water their agricultural economy will be severely affected.

Households have strong social and economic relations that are important for their household productivity because of the vertical agricultural production strategies between diverging altitude zones. Within the valley of Sorochuco, households living in higher communities have strong connections through family bonds with households of middle and lower communities. Due to the arrival of miners, and especially within the context of the organization of protest in mostly middle and lower communities, social and economic relations within families and between communities deteriorate. Isabella: *“We have conflicts within our family. Above (in the jalca) I have uncles and cousins living. Some have already sold their land. They do not want to align with our struggle, the defence of nature and water. They do not want to defend the rights of living for all. Only when their money runs out they will come back and reunite with us”*¹². The loss of intra-family and intra-communal relations can be understood as a loss of horizontal social capital. In practice, households or parts of families

¹¹ Conversation with Isabella, Sorochuco, 8 May 2010.

¹² Conversation with Isabella, Sorochuco, 8 May 2010.

that suddenly find themselves in wealthy positions often lose the bond with the households that stay behind in their former position of poverty. This happens in an economic and social sense but also geographically since people that have sold their land often move to the city or to other regions.

In both cases we have seen how the continuous demand of mining companies on natural capital, and especially of high land, deteriorates horizontal social capital. Horizontal social capital can be both understood as intra-familial relations and relations between communities or households within a certain community. The extreme demands on the traditionally almost worthless highlands has created opportunities for some, especially for the younger generation who are willing to abandon their culture of *campesinos* in the pursuit of modernity. The way mining projects take and violate the land attacks existing agricultural livelihood strategies for households of both high and middle lands. However, high land residents are able to access monetary capital and have some protected employment possibilities. Since middle land residents do not enjoy these 'advantages' but do suffer the negative consequences of contamination and the reduced access to water, the transforming relation between people and land is very uneven.



Figure 6: Richard, Jose and Liliana in front of Jose's house in the *jalca*. The younger and older generation of the family.

Chapter 4. The Dispossession of Water

Communities in the middle lands depend on most of their water from higher wells. Most of these wells are located in the *jalca* where mining industries are expanding their activity. Water is transported by canals and natural flow. Mining activities deteriorate the access to water in two ways, resulting in both deterioration of the fertility of land for agricultural production and by impairing human water consumption and therefore human health. The decreasing access to water complicates agricultural paths of development and hereby further emphasizes transformation towards industrial modes of production. First, the quantity, or absolute amount of water available for agriculture is severely restricted by the mining industry. The Yanacocha project, and mining industries in general, use a lot of water in the process of extracting minerals. Besides their use of the water, the mine destroys wells by changing mountains into mining pits. Therefore there is less water in the canals and streams flowing towards the middle but still high lands. Secondly, the quality of water is dropping due to contamination and the increase in sediments. Contaminated water alters the fertility of lands for agricultural production, animal health and productivity and human health of people consuming non-potable water.

I will introduce this chapter with two short cases to demonstrate how a decrease in the accessibility of water affects agricultural productivity and thereby heightens social conflicts between and within communities. Hereby I further elaborate on the relation between natural and social capital, already introduced in chapter three. Case 4.1 continues the story of Jose, initiated in case 3.4, here it shows how mining activities reduce the quantity of water, decreasing the productivity of land and generating social conflict between higher and lower users. Disputes over water, between higher and lower users, become visible through legal affairs and can even evolve into physical confrontation. Thus the dispossession of water heightens tensions between users and hereby decreases horizontal social capital. Case 4.2, and the following discussion will show how the dispossession of water increases vertical social capital, in the process of creating conflict followed by conflict-management, and eventually by creating substance for local communities to negotiate compensations in the form of economic incentives. The case shows the pragmatic stance villagers take in negotiations with mining companies. Since companies enrich themselves on our land, by taking our water, curtailing our human rights and economic possibilities, they have to compensate us by developing our community. Thus, in the current structure the dispossession of water is positioned as a tool in negotiations to attract economic incentives and social programs. Within communities suffering the constant dispossession of natural capitals a discourse prevails that petitions development as a form of compensation.

Case 4.1 Inhabitants of Upper and Lower Villages Denying Each Other Access to Water.

It is March, and we are in the rainy season. Jose is the owner of 64 hectares of *jalca*. He is one of the few people still living on Quilish mountain, directly neighboring the open pits of Yanacocha. He shows me a small dam and recalls that some years ago there was a lot of water. Nowadays, because of the mining activities, the little lake created by the dam is empty. Seven different canals cross his land, going to lower but still high villages where they are used for irrigation. For many years he had access to four hours of water a week in canal Salvador Corremayo, one of the seven canals. The problem is that officially he is registered as an inhabitant of Plan Manzanas, and not of the high lands where he has lived and herded his animals all his life. Nowadays there is less water to divide due to the activities of Yanacocha. Water rights are administered by SEDACAJ, a government institution, and only accessible to official users of a certain area. The official inhabitants, and users, of the lower villages where the canal goes claim their rights and deny him his four hours of access. Jose needs this four hours to irrigate his land in the dry months. He embarked in a legal process, spending 4 to 5 thousand sol (around 1250 Euro) on a lawyer, to reclaim these four hours of access. Once a year the lower inhabitants claim access to his land to effectuate the yearly communal activity of cleaning and maintaining the canal. At this moment the conflict can turn into physical confrontation. To strengthen his argument Jose and his sons forcefully deny lower users the access to their land and thereby prevent them from cleaning the canal. The last year police had to intervene before cleaning activities could start. Richard, the youngest son of Jose, accounts that before the conflict started he and his brothers always participated in the activity of cleaning the canal. He does not understand why the lower users make this problem. When the four hours are divided between all lower users each of them only loses a couple of minutes. Thus, because of the decreasing amount of water running through the canals, measured in the amount of liters that pass per minute, neighbouring communities intensify competition over natural resources and hereby disturb their relation. This I understand as a loss of horizontal social capital.

A second problem is the contamination of water. The river and the canals passing his land sometimes turn red, yellow or white. Jose accounts how his animals became skinny in the last years. They produce less milk and sometimes even die. Since his house does not have running water they drink out of a small stream coming from a local well. In the rainy season the bigger flows and canals used for irrigation spill their water in the more local flow forcing him and his family to consume contaminated water on a daily basis. Hereby the dispossession of water negatively affects human health and animal productivity, respectively recognized as human and economic capital.

Case 4.2 Negotiating Water for Economic Incentives.

Canal Cierro Negro la Ramada goes to three villages, La Ramada, Manzanas Alto and Plan Manzanas. In 2004, after Yanacocha bought the mountain Cierro Negro, they closed the canal using all of the water for their expanding mining activities in Cierro Negro. Yanacocha claimed that by buying the land they bought the rights over the water. Hereby, they deprived 240 households of water, curtailing agricultural possibilities and human health. Along the La Ramada canal, and especially in the higher parts, people depend on the water for human consumption. Even when communities have access to potable water services people often depend on canals and natural streams when they are working on the fields at significant distances from their houses.

In 2004, after negotiations between the community and the company, 113 older users and authorities of La Ramada, Manzanas Alto and Plan Manzanas got 7.000 sol per person in recognition for work spent constructing the canal. By accepting this money their voice to reclaim the canal was cancelled. Through a river and other canals Plan Manzanas continues to receive water. However, 200 younger users, official inhabitants of the affected villages, reclaim their rights to the water and reopened the case. A year ago a local court decided that Yanacocha had to reopen the canal. The company went to a judge in another district to continue the legal fight, which lasted more than six years. The case is still not resolved and is now being dealt with by the Autoridad de Agua del Jequetepeque. Currently there is water coming to the villages through the canal but it is less since Yanacocha uses some of its wells. For the diminishing amount of water, the villagers negotiate compensations in the form of the effectuation of economic and social incentives. In the following discussion I will elaborate on how community members start negotiations with the powerful mining companies and hereby strengthen vertical social capital.

In conjunction with the local display of agency leading to a call for compensation, the La Ramada case became an crude example of dispossessions and of how international mining interests curtail human and democratic rights. Within this discourse the case became a tool in the defense of Quilish mountain. In 2006 the case was included in a more general complaint presented to the Latin America Water Tribunal about the strong environmental and sanitary problems mining activities cause. This complaint was made by the local government of Huambocancha baja, the local *ronda* organization of Yanacanchilla alta, and the directive junta of the canal La Ramada (Tribunal Latinoamericano del Agua 2006). Within the national constitution (art. 66) and the national Water Laws (art. 1) water is defined as property of the state. The Water Law additionally states that in the distribution of water human consumption has the highest priority. However, within the reign of high economic interests, the Water Law has proven to be a dead document (Tribunal Latinoamericano del Agua 2006, Arana 2004: 9)

4.3 Negotiating Natural Resources for Economic Incentives.

Inhabitants of communities neighboring the Yanacocha project constantly experience dispossession of primary natural resources. Simultaneously they experience the access to new possibilities, like employment, brought by the mine. However, community members experienced the possibilities as scarce and unequally divided. Distribution in the access to employment possibilities or community incentives is absolutely not transparent. Within the current relational structure between communities and the mine there is a constant search for ways to attract more economic incentives or other forms of mitigation and compensation for experienced loss. In many cases communities never got the amount of depraved water back. In general agricultural possibilities are curtailed - especially in the dry months - stressing the need to find employment in the mine. Most communities obtain water from several sources and here fore are able to continue agricultural production on a smaller scale. Sometimes mitigation measures include that the company pumps used water into the canals. When communities lose all of their water, people obtain an amount of money as compensation, and consequently are forced to leave the community and move to Cajamarca city. This happened to many communities, like in the case of Jose (case 3.4 and 4.1).

Within the region people understand that some for them unknown people -executives of the mining projects- are enriching themselves incredibly with a resource originally found on their land and by using their water. *Campesinos* of rural communities feel that they have the right to participate and obtain their share of the profits and do not understand why they still have to suffer extreme, and even new forms, of poverty. In the current structure the companies present themselves as sensible to this argument and willing to develop neighboring communities. However, the corporate discourse proclaims - and is hereby supported by the hegemonic Peruvian discourse, and governmental policies, that encourage extractive industries as development - that regional and local development can only continue when mining projects are able to expand their activities and access to natural resources. In this highly unequal relationship, between relative powerful companies and powerless *campesinos*, actually every impact or dispossession experienced by neighboring communities can be bought off by the companies and in this manner gets a price. A price that includes the contamination or direct loss of water.

A publication by GRUFIDES, a local NGO situated in Cajamarca city and fostering sustainable development, reports that in 2004 users of the Tual irrigation canal signed an agreement after two years of protest. In exchange for giving up their rights they accepted four thousand U.S. dollars and a cow. Complaints continued, the company was forced to accept its responsibility, and now pumps used and treated water into this canal. In 2002 Yanacocha recognizes that contamination affected users of the Canal San Martín Túpac Amaru Río Colorado. In a settlement to keep the issue out of court Yanacocha agreed to provide each user with 40 sacks of fertilizer (Arana 2004: 9).

I observed how official inhabitants of three *jalca* communities above Plan Manzanas petitioned for demand one million sols (circa 270.000 euro) per community in the form of projects to compensate them for the contamination of lands by dust and the diminishing amount of water reaching their communities. To initiate the process of petitioning for these already long-term dispossessions the villagers framed their complaint in relation with the recent closure of a historical road. The blockade of the road actually was not disrupting their lives much. The pile of sand blocking the road was partly opened and people and animals were able to pass. Additionally, by far the most of the united villagers, including the local authorities, already moved to middle land villages and did not live in the *jalca* anymore. However, the blockade was interpreted as an insult towards them and here for used to address more profound forms of dispossession and to open up negotiations. The villagers wrote, with the assistance of a lawyer who was attracted by the communities and assisted them in the whole process, a letter to the company addressing the multiple forms of dispossessions and to propose ideas for compensation projects. Proposed ideas for projects ranged from electricity and potable water infrastructure to a school with computers and a factory to produce milk products. At the moment that people had to pool some money to cover expenditures it was seen as an investment with a certain amount of risk. *“If we win we will get our money back many times, if we loose, we loose our money and the time spent.”*¹³ (Figure 7, page 47, shows the reunion of the three *Jalca* communities)

The posture villagers take in such negotiations exemplifies the way dispossessions obtain a price in negotiations for economic incentives. It also demonstrates the eagerness of villagers to engage in negotiations with the companies. An eagerness that is understandable within the current structure. Because of the depletion of natural capitals, new options have to be exploited, considering that regional development through agriculture is increasingly impeded. Also at a household level, to increase the access to resources, these resources should progressively be obtained through other than agricultural modes of production. The closure of the road was not that much of a disruption of villagers' daily lives as initially stated. But the incident was enthusiastically embraced to open more profound negotiations. The current structure provides the possibility to cope with experienced dispossessions by negotiating for compensation, which I accordingly recognize as a strong display of agency. The informed and pragmatic manner upon which villagers embarked in this process demonstrates the increased level of vertical social capital. In the region of Cajamarca it is imbedded in the daily reality of local *campesino* communities to open up and maintain relations and negotiations with powerful multinational companies.

Analysing the dispossession of water through the concept of livelihood makes the intertwined relation of the capitals clearly visible. The dispossession of water, a natural capital severely and negatively affects agricultural production, which is recognized as economic capital. Human health is recognized as human capital and relations between users are recognized as (horizontal) social capital. When users start to challenge their experienced

¹³ Community reunion, *jalca* above Plan Manzanas, 26 March 2010.

dispossession they establish relations with relatively powerful institutions outside their communities, recognized as vertical social capital.

It is interesting to further elaborate on transformed content of social capital in this analysis. In case 4.1 we have seen how the horizontal relations within families, communities, and between communities are deteriorating due to the increase in pressure on the access to natural resources. The decrease in horizontal social capital, especially between communities at diverging altitude levels, results in a serious worsening of household production since it curtails access of middle land communities to the *jalca* zone of production and visa versa. In case 4.2 we have seen how vertical relations between households and community organizations, and supra-communal organizations, are increasing; especially within the contours of conflict. Currently communities construct relationships with a wide array of institutions, including governmental institutions and the mining company. A general trend of atomization is visible. Communities search for relations with supra-communal institutions but do this individually to attend the problems of dispossession in their localities. In this atomized sphere of conflict and conflict resolution, relational structures leading towards local 'solutions' of mitigation and compensation are easier to construct. However, they draw attention away from the more regional and foundational problems. This diverse from the situation as before 2004, when the regional *ronda* organization FEROCAFENOP was still strong, and most negotiations between communities and the mine were expressed by the *ronda* movement and eventually facilitated by the CAO. Here the continuity between horizontal and vertical social capital becomes visible. Relations between communities and the regional *ronda* organizations should be understood as an expression of vertical social capital but of a different, relatively more horizontal nature, than the relation of communities with the mining companies.

4.4 Addressing the Dispossession of Water through the CAO.

The CAO, introduced through the Choropampa incident and the defense of Quilish mountain, case 2.3 and 2.4, played an important role to officially determine the dispossession of water and to diminish conflict by facilitating dialogue between communities and Yanacocha. Acts of collective action, demonstrated rural as well as urban concerns, and eventually led to the initiation of the CAO led conflict resolution trajectory. Managing the local population through addressing their concerns and initiating projects, to obtain a social licence to operate, is currently integrated in the policy of Yanacocha. The company needs the 'social license' of communities to continue and expand their activities. Without this social license continuation of explorations would become impossible or more repressive and ultimately more expensive. This relation between communities and the company developed over time and through experiences facilitated by the CAO. This includes the way communities currently negotiate for compensations as explained in case 4.2.

Multiple communities, canal users and *ronda* organizations expressed their concerns about the dispossession of water by filing complaints towards the CAO about the quantity and

quality of water returned by the mine. Between 2004 and 2005 the CAO performed a water study to analyse the *quality* of water in canals and natural streams. The study was part of a conflict resolution trajectory and along this line a method was developed called 'participatory monitoring'. Participatory monitoring initiates a process of data collection that enhances the credibility of results for all parties. Hereby it can become an important instrument in the generation of trust and reduction of conflict. Out of 50 institutions a technical team was created to effectuate the data collection and its analysis. The CAO, through a roundtable called *mesa de diálogo*, organized workshops to define community objectives, to encourage participation and to generate confidence in results. Community members participated as witnesses when field activities, such as the collection of water samples, were performed. Later the *mesa* communicated results to urban and rural people and encouraged institutions to take responsibilities. In general the results presented by the study evaluated the water quality in line with international standards for human consumption and agricultural use (CAO February 2006, CAO June 2008).

In February 2006, the CAO received a petition of eleven organized groups of communities; users of multiple canals in different valleys, all affected by the Yanacocha project. The petition called for an independent study on the degree of impacts on the *quantity* of water in canals and natural streams. The CAO animated the parties to work together in an open dialogue. This dialogue was created to answer questions, and to analyse what additional studies were needed, or if existing studies were sufficient to adequately answer questions raised by the canal users (CAO September 2006: 1). Within this dialogue Yanacocha told community representatives that the mine *uses* 200 litre per second in the process of extracting the gold. This process, as explained in chapter three, involves the extensive use of chemicals. After being used this water is treated and returned to natural streams and to canals¹⁴. The actual *consumed* amount through evaporation is 52 litre per second (CAO September 2006: 6). Furthermore, questions raised the following four type of issues. First, the change of water courses and hereby the absolute and relative quantities of water reaching different communities. Second, the planned extent and substance of mitigation and compensational measures, including additional concerns about measurements for the dry season. Third, the unequal handling of the company related to different canals and communities. Why are some canals incorporated in the EIA studies and others not? Why does Yanacocha compensate some users of canals and others not? Fourth, the current impact on natural wells and what will happen after Yanacocha leaves. The latter includes concerns about the continuity of mitigation facilities, like pumped water, after the mine leaves

¹⁴ "Yanacocha operates five Excess Water Treatment Plants (EWTPs) to destroy cyanide and remove metals. The plants are located at Yanacocha Norte (three) and Pampa Larga (two). The treated water is conveyed to the Buffer Pond located at Pampa Larga for monitoring prior to discharge to the Quebrada Honda, Quebrada Ocucomachay or San Jose Reservoir. The EWTPs use a multiple step treatment system including alkaline chlorination for cyanide destruction, hydrogen sulfide for precipitation of metals, and addition of ferric chloride for polishing. Reverse osmosis works as an independent system from the EWTPs, where only additional chlorination is needed to neutralize cyanide. Yanacocha Norte also has an acid water treatment plant to manage acidic drainage from mine water facilities." Out of; Golder Associates 2008, *International Cyanide Management Code Gold Mining Operation Verification Audit Yanacocha Mine, Peru. Summary Report*. (Page 3) I recommend this report for more technical information about the project, water management, the use of chemicals, environmental and safety measures.

(CAO September 2006: 14). In general answers provided by Yanacocha in these dialogues were quite poor. An independent or participatory study on the quantity of water was never conducted.

4.5 The place of Conflict.

The structure, through which dispossessions can become tools in negotiations to access compensation and mitigation measures, is based on an actively sustained relationship by both Yanacocha as well as the local communities. To start the following analyses, of how the regional structure of Cajamarca developed over the last two decades, it is useful to repeat the central understanding of the relation between agency and structure. Structure and agency are not positioned as opposites in the struggles of people for self-determination. Through a creative process and ongoing engagement people make choices within new structures that are forcefully put upon their localities (Gilmore 2008: 51).

In Cajamarca, the entrance of mining industries in the nineties created a powerful structure that competed with the receiving agricultural structure for the access to resources. Through a continuous display of agential capacities within this field of tension, containing the existing agricultural *ronda* structure and the imported structure brought by the mining industry, the competing structures evolved into the current outcome wherein through the maintenance of 'good relations' compensation can be sought by rural communities for experienced dispossessions. Thus what we now see is the outcome of a sustained process of making choices, within a transforming reality, that was imposed on the region by external forces. The ongoing engagement of agents within this field of tension, necessary to transform the imported and oppressive structure, could only be sustained out of the endogenous *ronda* basis, which, since the seventies, was an important ordering institution. The great importance of the institutional context and nature of doing politics at the regional (meso) level is displayed. For successful meso-level collective action there must be actors with whom to interact (Muñoz 2006: 3).

Through this we can understand the importance of the role played by the CAO. They were the meso-level institution, facilitating interaction through their conflict resolution trajectory, between the *ronda* movement and the invading mining industry. Next to the role of the CAO the importance and place of conflict and collective action has to be acknowledged. Through ongoing engagement in the struggle to defend the access to resources, including strategies of collective action, conflict has been created. The outcome of this conflict is productive since it constructs new power relations. Conflict has always been, and still is, the foundation for negotiations that now provides communities with the possibility to access mitigation or compensation projects. Multinational mining companies are not philanthropic and only engage in negotiations and social programs to maintain the social license necessary to continue their activities. Within the regional field of tension conflict was initially the dominant form of relation between *campesino* communities and the expanding mining industry. Within

this field of tension the CAO was created as an institution to manage conflict and actually to facilitate the evolution of the current structure out of two competing ones. This process is explained in case 2.3 and 2.4 about respectively the struggles of Choropampa and Quilish mountain and the previous paragraph (4.4) about the way the CAO addressed the dispossession of water.

The macabre part of the story is that the current outcome is still highly exploitive and destructive. The outcome is this meagre for local communities due to the extreme inequality in power between the multinational gold industry, backed up by a global hegemonic discourse of development based on neo-liberal capitalism, and a society of *campesinos*. It is exploitive in the way it takes, violates and will abandon natural and human resources. It is destructive in the way it challenges agricultural modes of production and culture. And importantly, it is destroying the regional *ronda* movement. Because of the meagre outcome of a decade of social struggle, the continuing and new forms of poverty that communities are confronted with, the regional *ronda* structure is, and its leaders are, discredited. They mobilized the communities into expressions of collective action, interacted with the CAO and are now held partly responsible for the current result. People feel abandoned by regional *ronda* organizations which in turn feel disillusioned by the current stance of communities. A clash in discourse developed (introduced in case 2.4 about Quilish mountain) between the regional *ronda* movement and their local bases. The communities currently open up and maintain an active relationship directly with the companies and enter into negotiation leading towards direct compensation, while the leaders of the regional *ronda* organizations desire to defend more ideological stances related to environmental and indigenous rights. This clash that could be understood as incoherent, but rather as disillusion, since it was the regional *ronda* movement that led communities towards a position of negotiations and therefore petitioning. Authorities of *campesino* communities, represented and supported by the *ronda* movement, learned through their interaction with the CAO how to relate with the mining companies.

Additionally, the current reality is really sensitive to corruption of local and regional leaders and cooptation of leaders by the companies. Activist like regional *ronda* authorities, who campaign and hereby create conflict, often are offered good employment possibilities or other personal benefits by the company in exchange for loyalty. Sometimes offers are accepted or authorities are suspected by communities of accepting them, both of which result in the demonizing of leaders and in a further weakening of the regional *ronda* movement. This policy of 'divide and rule' is consciously played by the mining industry to weaken coordinated regional protest. An example of this policy of 'divide and rule' at a community level, to drive the local *ronda* bases and their regional organization apart, is the way Yanacocha provided the local *ronda* base of Plan Manzanas with some equipment. Shoes, flashlights and ponchos were given and additionally more products were promised on the condition that the local *ronda* base of Plan Manzanas would not participate in the yearly manifestation of the movement in Cajamarca city. The regional organization, FEROCAFENOP, organizes this yearly demonstration to celebrate, and to visualize their power and existence, at the central

square of Cajamarca city. Traditionally, on this day, the regional organization provides its local bases with some gifts.

The current structure, wherein communities increasingly organize protest as atomized entities to negotiate natural resources for economic incentives (see case 4.3 and paragraph 4.4), is much less threatening to the companies social license than the regional protests of the past, for example the defense of Quilish, that were organized by the regional *ronda* movement. The unanswered question is, how dangerous is the weakened position of the *ronda* movement for the continuity of the, so imperfect but important structure, through which communities are able to access resources through mitigation and compensation projects? Within the region mining companies need their 'social license' to continue and to expand activities. The importance of this social license relates to the potential social threat or conflict. Social programs exist to create and sustain this social license and to provide communities with an option to negotiate as an alternative to the creation of conflict. However, from the other side, sustainability and social responsibility became important within the global hegemonic discourse of development and in influencing industries, at least to a certain degree. Newmont is a company interested in displaying their green façade at an international level. Also, the current structure is real. The increase of vertical social capital of communities created new foundations through which ongoing engagement and the creative display of agential capacities can be sustained in an increasingly atomized setting.



Figure 7: Three *jalca* communities organize a reunion to discuss strategies to negotiate compensation for the experienced dispossession of natural capitals. The pile of sand blocks the historical road between these communities.

Conclusion

In the 1980s Peru went through a harsh decade characterized by hampered social and economic development due to hyperinflation and civil war. In line with global neoliberal discourses of development Peru opened up their economy for foreign investments. From the 1990s onwards, within the region of Cajamarca, huge multinational mining industries became the driving force of change and development. At a household, community and even regional level, the implementation of the mining industry competed for the access to resources with agricultural modes of production and development. Ethnographic research on the regional and local specificities and contradictions of neoliberal practices can help to avoid a false sense of homogeneity and illuminates how realities are currently constructed within an interactive process between pre-existing regional social structures and entering powers (Wilson 2008: 139). With this research I have searched to contribute to the process of rethinking the course of development of Cajamarca's Andean *campesino* society, confronted with the entrance of multinational extractive industries. As central research question, within this thesis, I analysed how inhabitants of local communities of Cajamarca (re)construct their livelihoods to cope with how social movements and mining operations transform access to local resources.

Due to the dispossession of most importantly land and water agricultural production deteriorated over the past decades. Consequently rural livelihoods increasingly depend on access to industrial employment possibilities. Additionally, rural communities got experienced in maintaining relations and to negotiating with mining companies to compensate them for experienced dispossessions. Communities petition for economic incentives which are implemented by the mining industry to uphold their social license to operate. To maintain this relational stance, a 'good relation' is actively sustained by both the mining industry as neighbouring communities. The relational stance evolved over time through the continuous display of agency. Through the participation of *campesino* communities in collective actions, organized by the *ronda campesina* movement, conflict has been created to address exploitation of people and nature. Implementation of the World Bank's Compliance Advisor Ombudsman (CAO) initiated a conflict resolution trajectory which facilitated, and actually learned, communities and the mining companies to negotiate as an alternative for conflict. Thinking about the future of Cajamarca's regional development is a disturbing exercise. At present, land is taken, exploited and violated, and in the future, when the minerals are exhausted, the mining companies will leave. At that point marginalized people will be left behind on marginalized lands.

Within this study I made use of the concept of livelihood, to understand the above described changes and to show how people cope with the transformation of access to resources in the (re)construction of their lives. Access to resources constitutes in natural, economic, human and social capitals, people combine and transform these capitals in order to build a livelihood (Scoones 1998, Bebbington 1999). The sustainability of a livelihood

depends on its resilience, the potential to cope with resource transformations, and the ability to recover from stress and shocks in the local environment. Sustainability also depends on the ability to maintain or enhance household capabilities, assets and activities in the future (Chambers & Conway 1991). The imported structure, with an expanding mining industry at its centre, competes with rural households for access to resources, resulting in deterioration of the agricultural modes of livelihood production. Competition is most visible in the *jalca*, the highest production zone, where multinational companies bought thousands of hectares of land, and now use enormous amounts of water and destroy wells, by constantly expanding mining projects. Occupation of the highest lands resulted in an increased pressure on natural resources in lower and especially middle lands, deteriorating agricultural production and human health.

New resources, like industrial employment, are increasingly important to cope with the deterioration of agricultural production. The highly unequal access to industrial employment, generates diverging interests between younger and older generations as well as between higher and lower communities. The pressure on natural capitals, and the increase of diverging interests, weakens horizontal social capital. Since the mines hardly employ people above 35 years old, the possibility to access industrial employment, and the consumer patterns attached, is restricted to younger people. Accordingly within many younger people prompted the desire to abandon agricultural modes of production and culture in their search for development according to modern and urban values. New forms of life are imagined, including options which fifteen years ago most could not even dream of, simply because they were unknown. In contrast, the older generation does not find employment in the mining projects, and accordingly continues to depend on agriculture. They are less able to adjust to the fast transformations in society, often have a stronger emotional connection to the land, agricultural production and attached cultural expressions, and here for stress experienced dispossessions.

Interests between the highest and lower communities also increasingly diverge. The high *jalca* communities, which always have been relatively poor in comparison with middle and low land communities due to the harsh environmental conditions, lack of basic services, and poor connections to urban centres, nowadays have the possibility to sell land and hereby abruptly obtain relative huge monetary ingressions. Huge land acquisitions by mining companies within the *jalca* have resulted in a dramatic rise of the monetary value of *jalca* lands, traditionally understood as being practically unproductive. By selling land to the mining companies ex proprietors, i.e. households that sold their lands to the companies, obtain legally protected rights to access employment possibilities within the mining projects. In contrast, middle and lower land communities, traditionally more developed, do not enjoy these benefits. However, they are confronted with the dispossession and contamination of water which affects their relatively well established agricultural economies. Here for horizontal social capital between higher and lower communities deteriorates. Within the agricultural *campesino* structure, horizontal social capital enables households to access a variety of agricultural

production strategies, organized according to the different environmental conditions, in the *jalca* and lower production zones (Bury 2004).

Currently, within the region of Cajamarca it is imbedded in the daily reality of local *campesino* communities to open up and maintain relations and negotiations with powerful multinational companies. This demonstrates the increase in vertical social capital. The new possibilities to petition for economic incentives, social projects and even the right for employment of community members, is a form of coping with the deteriorated agricultural possibilities. By the creative display of agency households maintain a certain level of household productivity (capabilities and assets) in a transforming environment. However it is a forced transition, in which many households continue to suffer extreme and even new forms of poverty like health problems caused by cyanide contamination through food and water consumption and through direct exposure while working in the mines. Many rural livelihoods appeared not to be sustainable in respect of the huge forces that transformed their environment. However, the unavoidable change that comes with the abandonment of a certain mode of production opens up possibilities for people to organize themselves in new ways (Gilmore 2008: 36) and eventually to attach new values to these new forms of organization. The loss of rural livelihoods forced many people out of the decision-making process on the course of regional development and pushed them into a position of petitioners.

To understand coping strategies in relation to a changing environment I made use of the focus Gilmore places on the relation between agency and structure. Structure is both the residue of agency as formed by agential capacities. In this way the modes in which ordinary people organize to mitigate the pressures that kill them and their kin are, or become, structural as well (Gilmore 2008: 40). Within this view structure and agency are not positioned as opposites in the struggles of people for self-determination, structure is simultaneously constraining and enabling human agency. Within rural Cajamarca, the production of livelihood has always depended on agricultural modes of production and the related social structure. Within this structure the access to vertical production zones provided households with a diverse set of products and production strategies. Within this structure, the *ronda campesina* movement is a powerful *campesino* institution since the 1970s. The movement was initially formed within the region, as a *campesino* initiative, to deal with the problem of cattle rustling and a state incapable to provide security in distant areas (Gitlitz and Rojas 1983). Hereby *campesinos* displayed a strong regional call for self-determination. From the 1990s onwards, as a reaction to the entrance of the external and exploitative structure based on extractive industries, the *ronda campesina* movement became the organizing institution in the social struggle to defend the access to resources for agricultural livelihoods. Recent regional history shows how rural communities participated in numerous acts of collective action, supported by the *ronda campesina* movement. Within a locality the existing social structure determines how new structures are received, transformed, and finally obtain a certain expression. Through a conflict resolution trajectory facilitated by the CAO, the threat of conflict became a leverage

tool foundational for the continuation of the current relational stance, that enables rural communities to petition for compensation and mitigation projects.

In our globalized world, structures based on exploitative industries, easily enter into spaces where resources are cheap and less controlled. As easily as structures can enter into a certain space they can leave after resources have been exploited, become more expensive or protected. As visible in the recent history of rural Cajamarca, by the forces of globalization structures are often generated in other spaces than where they eventually come to constrain, and enable, agency. Even a suddenly imported structure as mining, is both constraining and enabling human agency, and consequently will evolve by the agency of local actors. Here for the supposed, or falls, dichotomy between structure and agency becomes again debatable and should be further analysed. Analytically, I propose that it would be appropriate to reassess understandings pointing at a dualism, departing from Giddens approach, wherein structure and agency become more separated from each other since their mutual generative connection is shattered by the disappearance and disjunctions of time and space in a globalized world.

Within rural Cajamarca, a foreign structure entered into the region and competed with the regional structure for the access to resources, and consequently transformed and internalized through agency. However, in the future when minerals are exhausted the mining industry will leave, and with it the foundation of the internalized foreign structure, that increasingly determines the production of rural livelihoods. The access to new resources, to cope with experienced dispossessions, like industrial employment and the possibility to petition for the implementation of economic incentives, will disappear. The contaminated and exploited lands impede a return to a society based on agriculture. Additionally, the younger generation would experience it as a setback in their development to return to an agrarian society. Here for, the implementation of extractive industries within rural Cajamarca, which followed the hegemonic neoliberal discourse about development, forced households into an unsustainable direction.

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Figures and Pictures



Figure 1: A *minga* in Catudén. Multiple households of a family work together to harvest corn.

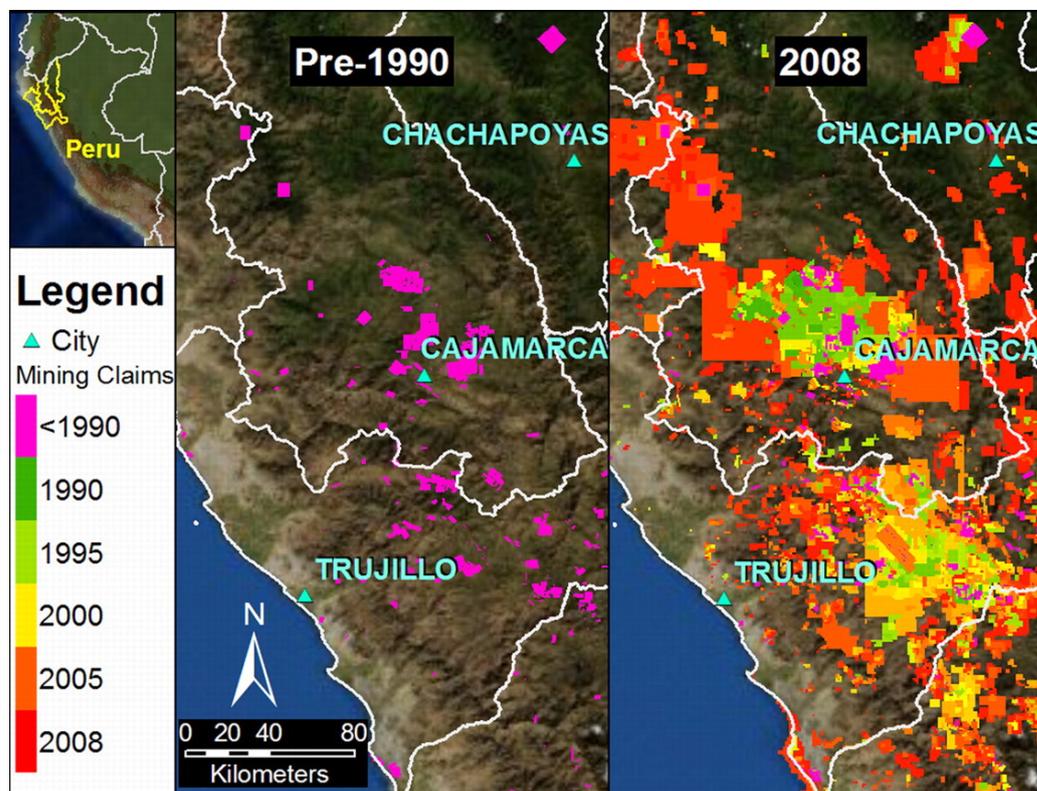


Figure 3: Mining claims, Cajamarca, 1990–2008. Source: Bebbington & Bury 2009.



Figure 4: Terraces of the Yanacocha Mining project.



Figure 5: A small part of the huge Yanacocha project that literally covers mountains.