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How to be heard when nobody wants to listen. Community action against mining in Argentina.

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Abstract

Since 2002, Argentina has witnessed a growing number of mining conflicts. While national and provincial governments promote mining as a basis for development, local communities have opposed and acted to prevent it. Between 2003 and 2008, seven (out of 23) provinces banned open-pit metal mining, thus challenging the institutional framework that promotes it. These challenges, moreover, began during a period of high unemployment. Why are communities opposed to an activity that could benefit local development? This article argues that these communities are demanding recognition for local visions of development that are not compatible with mining - and that cannot be adequately accommodated by current decision-making processes.

Key words: gold mining, Esquel, local democracy, valuation languages, local referendum, environmentalism of the poor

Introduction

In January 2004, the Argentine government launched the National Mining Plan, announcing that mining would become one of the foundations for the country’s development. The announcement was made in a favourable international
context for mining, when metals such as gold had reached record price levels. In addition, Argentina was a particularly favourable site for extractive activity, with an attractive tax system and a recently devalued currency that allowed gold mining projects to achieve outstanding rates of return, among the highest in the world and only exceeded by those of South Africa and Chile (Prado 2005). By 2004, Argentina ranked ninth among the top ten world destinations for mining investment (Bridge 2004)

The government’s announcement was made a decade after a legislative framework designed to promote mining had come into effect and as its results were becoming apparent. Between 2003 and 2007, the number of mining projects in the country increased from 40 to 336 (Bureau of Mining 2008), while the number of foreign mining companies grew from seven to 55 between 1990 and 2004 (Prado 2005). International Financial Institutions (IFIs) supported the government’s promotion of private investment, which was presented as the best means to strengthen the economy and stimulate development. This investment framework, moreover, was implemented jointly with strategic participative plans for local development that were meant to strengthen governance and to legitimize foreign investment.

The mining boom came at a critical moment for Argentina. In 2002, government statistics registered record unemployment (21.5%) and poverty rates (the income of 57% of the population was below the poverty line), and the economy experienced a strong recession, with an 11% reduction in GDP (EPH 2002). In this context, new mining projects were perceived as an opportunity to reactivate the economy and generate new sources of income for the public purse. However, while the national and provincial governments were celebrating the increasing number of projects and encouraging mining as the engine of national, provincial, and local development, various communities began to take action against mining. The emergence of grassroots movements around the country pressed municipalities and provinces to ban open-pit metal mining activities. From 2003 to 2008, seven out of Argentina's 23 provinces approved such bans, challenging the national framework that aimed to promote mining.

The challenges posed by this effective local opposition raise a series of questions. What motivated communities with high unemployment and poverty
rates to oppose an activity that could potentially improve local economic conditions? Why have local groups acted to ban mining? The purpose of this article is to explore these issues through a case study of Esquel, the city in which anti-mining mobilization began in Argentina.

Esquel, a small city in the Patagonian Andes, was the site of the first public mining conflict of the twenty-first century in Argentina. It placed the discussion of mining -- its environmental, social, and economic impacts, as well as the question of the right of local populations to choose their own development path -- on the national political agenda. When Meridian Gold, an American corporation, arrived in Esquel with the intention of exploiting a gold and silver mine located seven kilometres from the city, a popular movement emerged to contest the agenda of the provincial government, which was perceived to have imposed the mining project in disregard of local development views. Official channels for participation proved ineffective at accommodating the community's vision of development, forcing residents to organize themselves to halt the initiative. The conflict was resolved (for the time being, since the gold remains underground) when a local plebiscite was held, in which 81% percent of the population voted against the mine. This experience also prompted the organization of a national network of communities affected by mining.

In a town where a quarter of the population was unemployed and 20% was poverty-stricken, what reasons lay behind the opposition to a project that could have stimulated local development? Was the conflict triggered by a poor communications strategy, as claimed by government representatives?

This article argues that behind the Esquel conflict, which exemplifies a growing number of mining conflicts, is a collision of two institutional frameworks for decision-making, and of two different visions of the role of mining in local development. These different perspectives came to the fore when the local community in Esquel discovered that its points of view could not be accommodated by official channels for participation. In fact, official decision-making processes about mining provided no room for the values and visions of local actors; this, in turn, generated opposition and led to the community's mobilization.
Just before the arrival of Meridian Gold, Esquel was undergoing a process of great mobilization and participation. The need to review and rethink the foundations of the local economy and society in a time of crisis was reflected in several initiatives, such as the design of a local development plan (fostered by the municipality of Esquel) and numerous other examples of mobilization that occurred during those years. The introduction of the mining project contravened the dynamics of local participation and leadership and represented a top-down process that attempted to impose an activity with significant local impact without properly involving or consulting with members of the local community.

After exploring some theoretical considerations and briefly explaining the research methodology, this paper will analyze the evolution of the conflict between proponents and opponents of a mining project in Esquel, Argentina, with reference to differing visions of development.

Environmentalisms and visions of development: Theoretical considerations

Environmentalists do not necessarily share a common vision of what development is or should be. While some question or oppose economic growth, others accept it under certain conditions and still others avoid taking a stand in the debate. These contradictory perspectives can emerge during environmental conflicts, not only through the discourses and actions of local protesters but also through their expressed perceptions of the motivations and interests of other actors.

Martinez-Alier (2002) has proposed that three main currents dominate contemporary environmentalism: the “cult of the wilderness”, the “gospel of eco-efficiency” and the “environmentalism of the poor”. These three approaches entail different outlooks on the relation between society and nature and the reasons behind environmental conflicts.

The “cult of the wilderness”, or “deep ecology”, is mainly represented by conservation movements established in the North that focus on the preservation of unspoiled wilderness and the restoration of degraded areas. This movement
does not question economic growth as such but aims to preserve the remnants of pristine natural spaces outside the market. However, it must be noted that this current tends to neglect other issues on the environmental agenda (Guha and Martinez-Alier 1997: 93).

An example of this “cult of the wilderness” approach can be seen today in the Cordillera del Condor, in Ecuador, where rich deposits of copper and gold have been found. This region holds one of the most biodiverse and still poorly known ecosystems on earth, and is home to indigenous communities and other local inhabitants who consider their livelihoods at risk from the proposed mining activities. In this context, international and national conservation organizations have focused their efforts on negotiating with the government and the mining companies. In effect, the conservation organizations accepted the inevitability of mining in the region and advocated for the creation of protected sites outside claimed areas. This strategy created distrust and led to conflict with other environmentalists concerned about the long-term impact of mining on local livelihoods and watersheds in the Cordillera, and about the unjust distribution of costs and benefits related to mining projects in the area.

The growth of the international conservation movement since the 1970s has been interpreted as part of a wider cultural shift. Ronald Inglehart associated this shift with the emergence of “post-materialist values” (1977, 1981, 1990), a thesis that by the end of the 1970s held hegemonic status in the political science and sociology literature (Guha and Martinez Alier 1997, Brechin and Kempton 1994). “Post-materialism” refers to a shift in values that has taken place among the generations that reached adulthood in rich countries during the post-World War II era of affluence. According to this thesis, as these new generations had their material concerns satisfied (housing, food, etc.), they started to become concerned about other non-materialistic dimensions of life, such as the environment, the quality of life, sexual freedom, and human rights. This phenomenon would explain the formation during the 1970s and 1980s of European green parties and the emergence of the feminist, pacifist, and student movements. Furthermore, as post-materialist arguments reached widespread acceptance, different related theses emerged, such as the postulated positive relationship between income and environmental concern (Jones and Dunlap, 1992, Albrecht 1995).
Nevertheless, since its formulation, the theoretical and methodological foundations of Inglehart’s thesis have been widely questioned. Particularly when its conclusions are extrapolated to poor nations, how can we explain concern for the environment when material needs remain unfulfilled (Brenchin and Kempton 1994, Peet and Watts 1996, Dunlap and Merting 1997, Guha and Martinez Alier 1997, Brenchin 1999, Dunlap and York 2008)?

The “eco-efficiency” environmentalists are concerned with the sustainable management of the environment and human activity. This position is not opposed to economic growth but stands for a rational and efficient use of natural resources, which distances it from other sacred or aesthetic appreciations of nature (Martinez Alier 2002). Some of the key phrases associated with this stance are “optimal allocation of natural resources”, “sustainable development”, “ecological modernization”, and “environmental services”. Experts, scientific knowledge, and innovative research play a key role in “eco-efficiency” environmentalists’ ideas about reducing the past, present, and future environmental impacts of economic growth.

This perspective is represented by the “Kuznets environmental curve” (KEC). The original Kuznets curve hypothesis, published in 1955 by the economist from whom it gets its name, suggested an inverted U relation between income distribution inequality and per capita income. In the early 1990s this work was recovered and applied to link income and environmental degradation. According to this hypothesis, when a country starts to grow, it first experiences increasing pressure on the environment (emission of pollutants, degradation of resources). Then, when growth reaches a certain level, these pressures decline as new technologies emerge, new regulations are crafted and material pressures decrease.

According to this view, then, poorer countries need to grow economically in order to decrease their impact on the environment and improve their environmental health conditions. Nevertheless, case study research shows that such improvement has occurred only with regard to some specific pollutants. Other indicators of environmental pressures show inconsistent trends or, on the contrary, indicate that pollution levels tend to increase in affluent societies (e.g. greenhouse gas production, waste generation) (Dinda 2004, Roca et al. 2001, Stern 2004).
Moreover, Bridge and McManus (2000) explain how the emergence of social concern about the environmental impacts of forestry and mining in the United States has prompted a radical change in industry discourses. The adoption of “eco-efficiency” and “sustainability” discourses was central to re-legitimizing business practices and facilitating extractive activities in the context of increasing social unrest and concern about the environment. By adopting the rhetoric of sustainable development, mining industries were able to co-opt the language of environmental protest, at once disenfranchising opposition and establishing themselves as authorities on and guardians of the protestors’ ideals (Bridge and McManus 2000:38). From this perspective, “eco-efficiency” environmentalism can be interpreted as part of a business strategy that allows high-impact industries to reframe discursively their activities to make them more socially acceptable.

The “environmentalism of the poor” perspective, developed in the field of political ecology, regards environmental movements in poor countries or communities as a defence of local livelihoods against the impacts and risks of economic growth. From this perspective, similar to that of the Environmental Justice movement in the United States, mobilizations emerge from diverse ecological conflicts that are produced by forms of economic growth that entail the extraction of resources and the production of waste. Since the environment is perceived as the direct basis of material sustenance by poor people, they protest resource extraction and pollution (Guha and Martínez Alier 1997). This thesis does not deny the existence of a “post-materialist” environmentalism in northern societies, but it questions the perspective that the rich are more concerned about the environment than the poor, or that the poor are too poor to be "green" (Martinez-Alier 1995).

From this vantage point, environmental conflicts can be seen as disputes about territorial control (Sabatini 1996). The key to the problem would then lie in the relationship established between a community and its environment (Folchi 2001). To such communities, the environment is not a luxury asset, something superfluous, but rather is part of a complex social system in which physical, cultural, social, economic, and cognitive issues articulate a relationship singular to that place and historic moment (Norgaard 1984). As proposed by Arturo
Escobar (2006), environmental conflicts can be conceptually understood through three inter-related rubrics: economy, ecology, and culture.

Such movements at times can express themselves in terms of “environmental justice”, an idea that should not be understood as justice for the environment per se - as the conservation movement might do - but rather as a demand for the fair distribution of the costs and benefits of polluting activities, the recognition of difference, and/or procedural justice (Dobson 1998, Fraser 1998, Scholzberg 2007, Young 1990).

These three distinct and sometimes conflicting forms of environmentalism lead to different attitudes toward the role of experts, local knowledge and visions of development, and environmental management strategies. The first and the second forms of environmentalism entail a top-down management approach where expert knowledge defines a sustainable path, identifying and protecting the natural heritage and developing the technological solutions and economic instruments for sustainable growth. The third perspective, however, allows for the incorporation of diverse movements that advocate for a locally-defined development path. Escobar emphasizes that “there are no grand alternatives that can be applied to all places or all situations … One must resist formulation of alternatives at an abstract, macro level; one must also resist the idea that the articulation of alternatives will take place in intellectual and academic circles” (1995: 222). This perspective clashes with top-down, imposed perspectives on development and legitimizes local knowledge and institutions in decision-making processes. Alternatives so developed may be local to start with, but they may grow into regional or national proposals and policies. In some cases, as in the growing “climate justice” movements, the links between local and global issues are explicit.

**Methodology**

To describe and analyze the conflict in Esquel -- its actors and their visions of development -- we draw on diverse sources of information. During the first stage of research, which took place in February 2003, we consulted documents, press releases, leaflets, posters, personal communications, newspaper articles, and personal notes from meetings and public events in Esquel. During a second stage in early 2006, we conducted 15 in-depth interviews with key
actors and carried out a thorough analysis of local and national press sources between April 2002 and March 2003. A matrix in which actions and perceptions were entered chronologically and by type of actor became the framework for the investigation.

**Esquel Case study: Mining frameworks, environment, and participation**

In the 1980s, following a decade of political instability in Latin America, in an effort to promote economic growth and reduce the enormous foreign debt, governments in the region set in motion a reform process to liberalize the market. The mining sector was given a prominent role in this new model of economic development (Haselip and Hilson 2005). Supported by loans from the World Bank, governments passed new mining regulations introducing incentives and reducing taxes on private investment (Morgan 2002). Similar reforms were pursued during the 1980s and 1990s in approximately 90 countries, which triggered a redirection of investment flows towards new extracting areas, such as Latin America (Bridge 2004). In fact, the Latin American region has experienced the most significant increases in mining development of any emerging market in the past ten years (Haselip and Hilson 2005). In Argentina, this is reflected in the spectacular growth in mining investments, which, in the year 2002, when the Esquel conflict erupted, reached US$ 175 million and grew by a factor of eight in four years (CAEM, 2008).

Since Law No 24.196 on Investment in Mining was passed in 1993, various additional regulations have broadened the range of incentives offered to mining projects. Examples include tax and exchange rate stability for 30 years, VAT refunds, and an exemption from various taxes on production, the import of machinery and the export of minerals. However, all of this was not sufficient to regulate mining activity, since Argentina is a federal republic and provinces own their natural and mining resources. In contrast to other countries in the region, in Argentina the management of mining activities is decentralized (Sanchez Albavera et al. 1999). Therefore, to unify mining policies throughout the country, in 1993 a Federal Mining Agreement was signed between the provinces and the national government, limiting the application of local taxes and ratifying the
benefits enshrined in national legislation. As a result, provinces may not set royalties that exceed 3% of the ex-mine price of mineral extracted, and municipalities may not charge taxes or stamp duties on mining activities.

Then, in 1995 an Environmental Protection Act for mining activities (Law 24.585) was passed. Under this legislation, mining companies must submit an environmental impact assessment (EIA) before engaging in prospecting, exploration, extraction, or mine closure activities. No public participation is contemplated at any stage of the appraisal and approval procedure. In the province of Chubut, where our case study is situated, the provincial Bureau of Energy and Mining is responsible for assessing and approving EIAs.

During the 1990s, governments introduced another set of reforms aimed at improving participation and environmental protection. National and provincial constitutions and regulatory frameworks were updated, incorporating new rights for civic participation and environmental protection. These changes have had a direct impact on other areas of government, such as mining bureaus, which must now incorporate a public presentation of the EIA and ensure access to information on decision-making procedures. With the support of IFIs, this process also promotes the formulation of local development plans as a means to consolidate local governance and optimize the identification of projects for private investment.

**Esquel’s participation-related experiences and development plan**

Esquel is a small city located in the Patagonian province of Chubut, bordering the Andes mountain range, 1,900 km from the Argentina’s capital, Buenos Aires. It is the largest Andean settlement in the province, with 28,089 inhabitants. It has the most extensive infrastructure for transportation and services, and the best educational facilities in the region. The San Juan Bosco National University (UNSJB), the Agriculture and Forestry Experimental Centre of the National Institute for Agricultural Technology (INTA), and the Andes/Patagonian Forest Research Centre are all based in Esquel. Among other relevant organizations in the city are a local cooperative that manages water and power services, neighbourhood committees, and an indigenous movement that mobilizes around the demands of some of the Mapuche communities in the area.
Traditionally, economic activity in Esquel has been linked to its role as an administrative centre and to agricultural activity. Over the last few decades, tourism has grown, with attractions including fishing, mountaineering, a ski resort, and the nearby Los Alerces Nature Reserve, a protected area of lakes and forests that features larches that are several thousand years old. In the 1980s and 1990s, these established economic activities were plunged into crisis. Unfavourable weather conditions and decreasing wool prices combined with public sector restructuring and budget cuts at both the national and provincial levels to paralyze the local economy (Esquel SEAS 2001). By the end of the 1990s, Esquel was confronting a social and economic crisis, with an unemployment rate of 25% and 20% of the population poverty-stricken (INDEC 2002).

In the midst of this crisis, a series of mobilizations and participatory experiences took place in Esquel that gave the community a leading role in setting the public agenda. One of these experiences was the development of a participatory local development plan. Beginning in 1997, several Patagonian municipalities and NGOs participated in workshops to learn about the characteristics and advantages of such planning processes, which were presented as tools for improving governance and as means by which to promote local development projects and investment.

In this context, the municipality of Esquel, in collaboration with a research group at the University of Esquel, initiated the design of a local development plan. The document was developed between December 1999 and July 2002, with Inter-American Development Bank funding (US$ 600,000). The “Participatory Plan for Local Development”, or Esquel SEAS, as the document was called, aimed to create a “model for social, economic, and environmentally sustainable development” for Esquel (Esquel SEAS 2001).

Community organizations were called upon to participate in the elaboration of the plan. Workshops were held with neighbourhood organizations (with an estimated participation of 150 people), and surveys were conducted. In the final proposal, which was presented in several community forums in Esquel in the course of 2002, five pillars of local development were highlighted: agriculture, forestry, tourism, knowledge industries, and mining. However, when interviewed, researchers in charge of the report pointed out that mining was
added to the list only in the final stage of the process, because at that time the “Cordon Esquel” mining project was being promoted and local and provincial governments increasingly wished to include this emerging activity on the public agenda.

The level of participation and local empowerment generated by a series of mobilization and participation experiences that took place during these years, should not be overestimated. In fact, in late 2001 and early 2002, four major social mobilizations occurred in Esquel related to growing social tensions and the economic crisis besetting the province of Chubut and the city of Esquel.

First, by the end of 2001, the national government decided to cancel gas price subsidies for the province, which would trigger a sharp price increase. This provoked massive mobilization among the population of the entire province, which many residents remember to this day. Second, in early 2002, the Bank of the Province of Chubut filed for bankruptcy, and a significant citizen mobilization emerged to face the possible closure of the entity that administered the funds and salaries of a large percentage of the Esquel population. Third, beginning in 2001, an important movement of Independently Organized Teachers (Docentes Autoconvocados) was created and consolidated in the province of Chubut. They were organized as an assembly and played a leading role in several mobilizations, such as protests and strikes demanding that authorities improve labour conditions. During these years, neighbourhood assemblies and solution-seeking forums cropped up in various areas of the country to confront the deepening social and economic crisis. Finally, in early 2001, a “barter club” (club de trueque) was set up in Esquel, as in many other places in Argentina, and it remained active until 2002, with great local participation.

These multiple incidences of participation, characterized by public mobilization and the emergence of new local organizations, contributed to the development of new skills among a population that was trying to regain a leading role in political decision making.

The arrival of mining in Esquel
The first news of the potential for mining in the area of Esquel became public in 1997. Deposits of gold, estimated at three million ounces, were found seven
kilometres from Esquel, and the English junior mining company Brancote Holdings started exploration. In 2002, when gold prices in global markets reached historic highs, the US-based Meridian Gold (MG) purchased the mining project for US$ 270 million. The purchase was seen as a promising development since it was expected to reactivate the economy of the town and the province. During the following weeks, thousands of residents approached the mining company, offering their résumés in hopes of obtaining a job (El Chubut, 23 May 2002).

Along with the announcement of MG’s arrival, the provincial government publicized the imminent submission of the Environmental Impact Assessment (EIA) and the organization of a public hearing, stating that mining would start “at the beginning of the following year” (El Oeste, 12 July 2002). Figure 1 provides an economic and technical summary of the mining project when the EIA was unveiled two months later.

Figure 1: The "Cordon Esquel" Project

- The project was to generate a 4.6% increase in the GDP of the province, with annual revenue from mining royalties of approximately US$ 981,253 (3.9% of the revenue from provincial taxes). At a local level, it was expected to generate approximately 300 direct and 1,200 indirect jobs.
- The working life of the project was estimated at eight to nine years for the extraction phase, based on estimated total extractable reserves of over 3,000,000 ounces of gold and a production rate of 300,000 ounces of gold a year.
- An open-pit mine was envisaged, with the possibility of expanding to a mixture of open-pit and underground mining in the future. The average ore grades in the deposits were approximately 10 g/t for gold and 17 g/t for silver.
- Production during the working life of the mine was calculated as approximately 12 million tons of mineral (gold and silver) and 130 million tons of waste rock, at a rate of 3,000 tons of mineral per day, using 180 tons of cyanide a month.
- The proposed method for extracting the gold and silver was by leaching with cyanide in a closed tank, with the construction of a slag heap for the tailings close to the mine that was to cover a total surface area of 10 km² for extraction and processing.
Initial perceptions
In early 2002, when the confirmation of the mining project was imminent, the provincial government requested that a research group based at the San Juan Bosco National University (UNSJB), the same group that had drafted the local development plan, carry out a study of the mining project. With funds from the mining company, researchers prepared a report on local perceptions regarding the possible impact of the gold mining project (UATA 2002).

At this stage there was no detailed information available about the project, and the report could only assess perceptions, but its main conclusions identified some of the key elements of the conflict to come. The document highlighted six issues of concern to the community: (a) maximization of local employment; (b) adequate integration of mining into the local context of development; (c) forecasting social changes; (d) availability of reliable information; (e) minimization of environmental impact; and (f) the regulation of urban growth. With regard to the need to integrate mining with existing activities, concerns were raised about the possible interference of mining with ongoing agriculture, forestry, and tourism activities. Regarding social and urban changes, residents valued the then-current size of the city, as well as extant social relations and lifestyles; they also expressed concern about the social, cultural, demographic and environmental transformations that mining might trigger (UATA 2002).

Interviews conducted revealed that in 2002 there had been a general lack of local knowledge concerning the implications of open-pit mining. The initial image conjured up was of rudimentary mining, using no toxic substances. In the words of a local journalist who was interviewed, “It must be borne in mind that at this juncture the whole of Esquel knew absolutely nothing about what a mining scheme entails. I believe many of us saw mining as a pick, spade, and helmet with a light.”

Local perceptions before the arrival of the mining project were also influenced by a then-recent experience that served as a backdrop to the community’s initial views on the mining project: the construction of the Futaleufú
hydroelectric dam. The project had engendered expectations that were never fulfilled of great improvements in living conditions and of low energy prices.

**Informing the community: cyanide risks**

By mid-2002, the first details concerning the mining project, already presented to the national and provincial authorities, finally reached Esquel. To present the project to the local community, the supervisory authority for mining in the province, the provincial Mining Department, organised a series of talks. By then, some university lecturers from San Juan Bosco National University (UNSJB) and organisations in Esquel had sounded the alarm about the centralised, non-participatory approach taken to presenting the project (Pizzolón 2003). However, concern escalated into open conflict following one particular event during the government’s official communication campaign.

A talk on cyanide use by a representative of Du Pont, the future supplier of cyanide to Meridian Gold, motivated University experts in chemistry to get involved. Doubts about the quality and reliability of the information presented, combined with mistrust about the way in which the information was disseminated by the Mining Department, prompted these academics to build alternative information channels that offered a different technical assessment of cyanide use and its related risks. “[The government’s information campaign] was a slap in the face for science, and for the people, because it was like saying ‘I am telling you these things and you believe them because you are stupid’” (Chemistry lecturer from UNSJB).

While the University lecturers were not experts in mining, they had the knowledge and resources to conduct their own independent analyses. So they gathered information from chemistry texts and the Internet, organised discussions in schools and institutions, circulated reports by e-mail, and raised their profile by accepting the invitation of a local TV channel to present a public explanation of their reports that was then broadcast regularly. In this way, they cast doubt upon the alleged certainties of the official experts.

On October 15, 2002, the authorities announced the presentation of the EIA, to be followed one month later by a public hearing. Mining activities were scheduled to start at the beginning of 2003. In this context, a consensus was gradually built among the various organisations and civil society sectors on the
need to obtain more information about the project, its potential impacts and risks, and on the need to create spaces for local public participation, where all doubts and concerns could be voiced and addressed.

**Controversial EIA**

The presentation of the EIA marked another turning point in the conflict. First, it was difficult to access the document. The company rejected the community's demand that it be distributed more widely, alleging that it contained industrial secrets. Second, other assessments began to emerge which indicated that the report was inadequate and contained inconsistencies. Nevertheless, the provincial government continued to support the project and kept to the original schedule for the public hearing and the commencement of mining activities.

In this context, various local, provincial, and national organizations requested a postponement of the public hearing, arguing that more time was needed to give the EIA due consideration. This request was rejected repeatedly by the provincial government based on the following argument, quoted in a local newspaper: “If the community wishes to analyse a specific point, a specialist may study and raise any particular issue in the report within no more than a week’s time. For this reason, we consider the 60-day time limit excessive” (*El Chubut*, 7 November 2002). This reasoning was based on the idea that the EIA was a technical document intended for specialists and not for members of the public, who would not readily understand its contents.

These events again raised questions about the transparency of the company's methods and about the government's role in monitoring the quality of the impact assessment and, more broadly, its credibility as a watchdog. In light of the haste to start operations and the lack of space for community participation, the project gradually came to be seen as an imposition from outside.

“Let us bear in mind that the environmental issue is just as important as the social and cultural issues. We are changing the face of our town forever. The decision taken must not be subject to time constraints and, even less so, to the sensitivities of a few civil servants…. The emphasis that government officials are placing on supporting this project is obvious, clear, blatant, and
almost grotesque. Even more serious is the fact that many of them are the officials who are going to exercise “control” over the implementation of the project” (reader’s letter published in the newspaper El Oeste, 13 November 2002).

Neighbourhood assemblies

As more and more contradictory information circulated in the local community about the mining project -- its impacts, risks, and benefits -- and the public hearing was imminent, meetings were held to exchange views and hold discussions, first among groups of acquaintances, then in neighbourhood assemblies. New communication technologies played a central role in the learning processes of the community. E-mail and the Internet were key tools, not only for finding and circulating information but also for building networks of contacts with movements in other parts of the country and the world.

The first assemblies convened informally toward the end of October in a local school where the Independently Organized Teachers (Docentes Autoconvocados) used to meet. This pressure group played a key role in the initial organisational arrangements, sharing, for instance, some basic guidelines on how to organise and moderate an assembly.

The first neighbourhood meetings produced no consensus on the project or on mining in general. Above all, they functioned as a forum for exchanging information and concerns, and brought together highly divergent points of view. Some participants wanted to gather information or to voice criticism, while others considered the project beneficial, provided that adequate controls were put in place (Pizzolón 2003, Zuoza 2005). In the course of the various meetings, data on mining activities, their precise nature, and previous experiences around the world were examined. “Concerns, comments, downloaded information from the Internet, newspaper cuttings, etc., were all brought together there. Everything served its purpose in a collective catharsis with the sole intention of chipping away at the unknown” (Pizzolón, 2003:152).

In mid-November, after a period of analysis and discussion, an assembly of 600 local citizens voted unanimously to adopt a position against the mining project and formed the Autonomous People’s Assembly (Asemblea de Vecinos
Autoconvocados, AVA) with the slogan “No to the mine”. This took place when the public hearing was imminent, the EIA was highly questioned, and the provincial government was ignoring repeated calls for postponement. In the AVA the idea that gained most ground was that the public hearing had been just a formality to lend legitimacy to a project that had already been approved. Beyond its heterogeneity, unlike other types of Esquel organisations, the AVA managed to become a forum of reflection for a broad cross-section of the local population critical of the project. In the months that followed, it led the way to building a movement opposed to the mine.

In the AVA the problems surrounding the project were defined and pieced together. At first, the principal concern centred on the risks posed by the use of cyanide and its impact on water resources (already scarce in the region). Later, dissemination of information and experiences from other communities in Latin America, such as Tambogrande in Peru (Muradian et al. 2003), gave way to the emergence of new considerations regarding the project’s impacts on the local community and the environment. Changes to the natural environment and new risks, such as accidents, pollution, and acid leaching, were added to the concerns about mining impacts, not only on the local populations but on their existing economic activities. At the same time, the news of numerous new mining projects in the region heightened concerns about the future of nature reserves and respect for the territorial rights of the Mapuche indigenous communities located in the vicinity of the deposits.

In this broad public debate, the fact that citizens had no chance to inject their concerns and differences of opinion into the decision-making process led them to adopt a more complex and political understanding of the project. This is illustrated by the motto “out with them all” that was taken up by the local population during the activities and marches at the time of the plebiscite: a battle-cry associated with the intense citizen mobilisation of Argentina’s 2001 national economic crisis, symbolizing loss of confidence in the political class. “It was a steady build-up. At first, it was limited to environmental aspects, then it moved on to what the government and the company were doing” (Member of AVA).

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1 Literally, the “Independently Organized or Self-Organized Assembly of Neighbours”.
Given the AVA’s urgent need to express its opposition to the mining project publicly and to prevent a government-organized public hearing, the Assembly devised strategies to halt the project. At this stage, AVA was convinced that local visions of development were incompatible with large scale mining. From the locals’ view development efforts should aim at improving ongoing non-pollutant activities such as agriculture and forestry and the fostering of emerging ones, such as tourism. Concerns referring to the territorial transformations related to mining activities, previously identified by the University report, were also raised. A main demand of the AVA was not to compromise the social and environmental future of the city and the region.

AVA mobilization strategies also reflected the diversity of the movement, which brought together specialists – in chemistry, geography, medicine, journalism, law, and education – alongside members of the local population and spokespeople from the marginal sectors of the town’s population. Some participants from poorer sectors of the city and others from more distant areas played a key role as intermediaries in bringing the information that was shared in the assemblies to their own neighbourhoods. The circulation of a documentary on the impact of mining activities in Peru and a mercury spill in Choropampa (near Yanacocha in Cajamarca) were also crucial for illustrating the effects of gold mining in other communities in Latin America.

Lawyers, including one with previous experience in defending indigenous people’s land rights, prepared an acción de amparo - an injunction against infringement of environmental rights - which led to the suspension of mining activities in February 2003. Preliminary municipal legislation was drawn up and a campaign was launched to pass the new municipal laws. The campaign also sought out the involvement of a number of national and international institutions and organisations that supported and disseminated the views of the local population, thus tilting the balance of power in the conflict.

The most symbolic activities were the street marches that, as time went on and participation by the local population increased, turned into a platform that allowed highly diverse sectors, which were not participating in the AVA but which were against the mining project, to express their views. With regard to the wide participation in the marches, one interviewee recalled extraordinary
images such as “a Mapuche … walking shoulder to shoulder with a rancher who … had tried to evict his family”.

The emergence of the AVA transformed the political landscape. By December 2002 more and more voices (of local and provincial experts) were heard, pointing out the flaws in the EIA submitted by Meridian Gold. In this climate, the provincial government reiterated its support for the mining project by expressing its confidence about the project's technical viability. Governor Lizurume was quoted in *El Oeste* on the 26th of November: “As long as we think that there is no risk, there is nothing to stop the investment from going ahead”. The influence of the local movement was downplayed and associated with radical conservation movements (usually linked to the influence of international NGOs), irrationality, or political motives. On another occasion the Governor said: “The project is in progress and nothing will get in its way, unless technical considerations, such as the environmental impact report, make it advisable to slow down” (*El Oeste*, 10 November 2002). The government’s key argument was that there was a technical rationale for the project, beyond the comprehension of non-experts.

The official argument assumed that if the non-specialists (including university teachers) had better information, they would reach the same conclusions as the experts. This official reasoning downgraded the public role of non-experts – who were considered ignorant about what was at stake - to merely being recipients of information about their decisions, one of the lowest rungs on the eight-rung ladder of participation proposed by Arnstein (1969). This attitude, in turn, created feelings of frustration and injustice among the sectors excluded from the decision-making process and heightened the climate of mistrust.

**The local plebiscite**

In an atmosphere of mounting tension within the local community, the municipal Deliberative Council finally approved, in the beginning of February, three municipal orders proposed by the AVA:

- a ban on the use of cyanide in the territory of Esquel (subsequently rescinded by the mayor on the grounds that it possibly clashed with national law);
- a municipal derogation of national and provincial mining laws on the grounds that they “are harmful to the tourist profile and the interests of the local community”; and
- the announcement of a public referendum on the mining project, thus giving a new twist to the decision-making process (as in the Tambogrande case in Peru).

The approval of these municipal orders, particularly the call for a public vote in favour or against the mine on March 23, for various reasons brought about a change in the dynamics of the conflict.

First, the referendum thrust local public opinion to the centre of the political stage; until that point, it had been marginalised in the official decision-making process. The laws passed by the municipality bear witness to efforts to create a forum for expressing local interests and values that give greater weight to local democracy than to other decision-making criteria such as economic growth or national interests.

In addition, the mayor of Esquel, who until then had aligned himself with the provincial government in support of the project, changed his tune and stated: “Although not binding, the plebiscite will place a moral obligation on this municipality that we can neither escape nor hide from. For this reason, we will respect fully the will of the people of Esquel” (El Chubut, 4 March 2003).

Finally, the call for a referendum polarised the sectors concerned, either in favour or against the project. The spotlight moved from the environmental organizations and the government and onto the 20,000 people of Esquel who were about to vote. At the same time, the referendum made the Esquel conflict more visible nationally and internationally.

On March 23, the plebiscite was duly held with a turn-out of 75% of the 20,000 eligible voters. The result was that 81% said “No to the mine”. In the days that followed, the company and the provincial government announced that they were halting the mining activities, the municipal Deliberative Council approved the ban in Esquel on mining that uses cyanide, and the provincial legislature approved a ban on open-pit mining. These bans, along with the political difficulty of moving the project forward, nevertheless represent only a partial closure of the mining project. This is so since the project has been sold
to the Canadian company Yamana Gold which, in spite of local resistance and bans, hopes to advance the project the future.

**Community networks and mining law**

In November 2003, a few months after the plebiscite in Esquel, representatives of communities from six provinces in Argentina, all opposed to mining projects in their respective areas, met in Buenos Aires and set up the National Network of Communities Affected by Mining. Its objective is to “coordinate the struggle against the ransacking and ecocide on our doorsteps that is condoned by the current mining legislation”. The network identified the root causes of mining conflicts to be the laws that grant disproportionate advantages to private investment in mining over and above the right to participation and decision-making at local levels. In the months that followed, new neighbourhood movements sprang up in different parts of the country. These movements successfully obtained bans on open-pit mining that uses toxic substances in seven provinces of the country: Chubut (2003), Río Negro (2005), Tucumán (2007), Mendoza (2007), La Pampa (2007), Córdoba (2008), and San Luis (2008).

**Two opposing views on development**

While analyzing the conflict in Esquel, it became evident to the authors that the conflict revolved largely around two opposing views on mining and development.

On the one hand, there was a coalition that incorporated the provincial and municipal governments (though towards the end of the conflict, the latter changed its position), the local chamber of commerce, and the construction workers' union, which saw mining as a beneficial activity if adequate technologies and controls set up. This group did not dismiss environmental concerns altogether, but it displayed confidence in the EIA and related expert opinion, reflecting an eco-efficiency perspective that views economic growth as a necessary step towards sustainable development; environmental concerns
were taken into consideration only through expert opinion and technological mitigation measures. Hence, it was a position in which sustainability is defined by experts who supposedly have the ability and knowledge to assess the possible impacts and risks while providing cost-effective adequate solutions. This group also was convinced that mining activities were compatible with ongoing activities, and that they would offer new opportunities for local development, generating jobs and incomes and thus improving livelihoods in the community. According to this group, criticism related to environmental uncertainty and questions regarding compatibility with local development views were alarmist and ignorant and often motivated by an "environmentalism of the rich" perspective imported from abroad by conservation organizations.

On the other hand, various sectors of the Esquel community were incorporated into the AVA: the water cooperative, a small businesses group (split from the chamber of commerce), Mapuche indigenous organizations, and regional NGOs among them. The scope of this coalition was reflected in the result of the plebiscite, which demonstrated that poverty-stricken and unemployed residents also opposed mining.

Although it would not be accurate to affirm that all residents opposed the “Cordon Esquel” mining project, they certainly did not agree with the way the project was introduced into the community. From the day of the first official announcement, the provincial government and mining bureau simply assumed that the project would go ahead and announced a schedule and anticipated production figures. This attitude rankled a community that was mobilizing around and deliberating upon local development issues that had not been taken into account.

Throughout the conflict, local actors came to more explicitly embrace and celebrate certain values in relation to local development. An appreciation for participatory democracy had begun to form during previous participative experiences and was consolidated through the experience of the mining conflict. Second, local actors asserted a heightened level of appreciation for the environment, particularly as a source of potable water in a region where water is scarce, but also as an inseparable part of the city’s economy and the mode of life of its residents. Traditional activities like agriculture and forestry, and
emerging activities such as tourism, were deemed valuable and considered to be environmentally and socially sustainable. Esquel's residents also deemed the small size and quiet lifestyle of the city to be valuable.

As neighbours began to gather information about open-pit mining -- its short lifespan, its environmental impact, the attendant social and urban changes, and its generation and distribution of profits -- the idea that this activity was not compatible with their vision of local development consolidated. It is worth highlighting the fact that the region already had experience with another large project: the construction of a dam that never affected the level of economic growth or development promised by those who promoted it. This precedent generated a sense of “reasoned distrust” that was not taken into account by those supporting the mining project when making their own promises about positive outcomes.

The experience in Esquel reflected the fact that the community held and was willing to defend its own vision for long-term local development. Even in a context of pressing crisis, the community chose strong, long-term sustainability over a project of uncertain environmental sustainability that privileged pecuniary income in the short-run (Pearce and Atkinson 1993). This is an example of an action stemming from the "environmentalism of the poor".

Decision-making processes: exclusion and participation
The Esquel case also raises questions about the ways in which decisions about large investments are made, investments that have important implications at the local level. In this case, there were two opposite approaches: the formal, top-down process implemented by the authorities under the umbrella of the new mining legislation, and the informal bottom-up process lead by the AVA and supported by the institutional tools available to local actors for expressing their views (e.g. participation laws, plebiscite).

According to Vatn (2005), decision-making structures are value-articulating institutions that determine the values that can be expressed, the way in which they can be expressed, and, ultimately, the preferable choices. In other words, they establish procedures that frame the debate and that influence what will be negotiated, thereby skewing the outcome. An analysis of the official decision-making procedure in the Esquel case, its underlying values and
preferences, allows us better to understand why local unrest increased and why an alternative decision-making space emerged, led by the AVA. The comparison between these two value articulating institutions underlines how limited official decision-making processes are when it comes to accommodating local perspectives.

The government and the company responded to growing concerns about the project by avoiding public debate; they claimed that the issues were reserved for the experts, limiting public involvement in the formal assessment and approval process (Shepherd and Bowler 1997). To express their points of view, residents created an independent, inclusive, and critical space for deliberation, the Autonomous People’s Assembly (AVA, Asemblea de Vecinos Autoconvocados).

The way in which the AVA was organized demonstrates the need for a different approach to the evaluation of extractive projects, with regard to both the shape and the content of the evaluative process. As far as content is concerned, in the framework of the AVA, different valuation languages are considered legitimate (environmental, cultural, social, indigenous, economic, ethical, and democratic) while the EIA was based only on technical responses to variables that had been pre-selected before the document was written. Therefore, the officially organized public hearing, designed to facilitate deliberation on the EIA, had a structural limitation because it was based on the restricted terms of reference of the document itself. This made it impossible to express certain “intangible” issues that were at stake (social identities, power networks, belief systems) (Suryanata and Umemoto 2005). The perceived lack of opportunity for participation via official channels led the AVA to boycott the event.

As far as shape is concerned, the Assembly is by definition a local and horizontal space for deliberation, while the EIA was a technical report written by experts in accordance with a procedure designed to be objective, impartial, and unbiased (Weston 2000) -- assumed qualities that have all been seriously questioned (Owens et al. 2004, Jay et al. 2007, Persson 2006). Regarding jurisdiction, the EIA's position was that the province should have the final word.
The AVA arose specifically to champion the importance of local level actors in the decision-making process.

Therefore, due to the structural limitations of the official decision-making process – with regard to its ability to incorporate different interests, values, and visions of development, as well as its ability to channel growing mobilization at the local level -- the community was left with no choice but to oppose mining activities, pushing for a ban that would disarm the provincial government’s agenda.

Finally, the Esquel case demonstrates that a decision-making process that acknowledges social learning dynamics requires a change in governance style, towards one based on greater collaboration. Such a decision-making framework also implies a different role for information, as a means to support communication, rather than as the sole domain of experts. This, in turn, recalls and reinforces the insight that management should not be understood as a process requiring the identification of optimal solutions in a predictable environment; instead, it should be seen as a process requiring many instances of learning in a rapidly changing world (Pahl-Wostl et al. 2007).

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