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Latin America

As mining conglomerates target Haiti, Latin America rises against them

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People and governments across Latin America are rising up against foreign mining companies in a wave of revolt that is generating alarm among investors and their political operatives in the imperialist governments.

In Haiti, U.S. and Canadian gold mining companies are rubbing their hands over the riches that they believe await them. A recent study by Haiti Grassroots Watch estimates up to \$20 billion, at gold's current price of \$1,600 an ounce, lies in the ground [\[1\]](#).

So it's no coincidence that Washington has used its proxy, the Organization of American States (OAS), to illegally install a compliant regime – that of President Michel Martelly – whose operative watchword is: “Haiti is open for business.” Washington and Ottawa, which represent most of the international mining firms in the Americas, are adopting an increasingly interventionist response throughout the continent.

Nationalizations grow

“From expropriations in Venezuela, Bolivia, and Argentina to violent opposition in traditionally mining-friendly jurisdictions such as Peru and Chile, the rising political tensions pose a risk to a decade-long bonanza mining companies have enjoyed,” reports the Canadian national daily Globe and Mail on July 11 [\[2\]](#).

The previous day, Bolivian President Evo Morales announced his government would expropriate the Vancouver-based South American Silver Corp. According to the company, its claim in Bolivia's Mallku Khota region contains one of the world's largest undeveloped silver, indium, and gallium deposits.

In May, Bolivia nationalized a Spanish-owned electrical generation company. That followed by several weeks a highly-publicized nationalization of a Spanish oil company's operations in Argentina, the largest oil company in the country. Then in June, the Morales government nationalized the Colquiri tin and zinc mine owned by the Swiss global mining giant Glencore International PLC.

The mine nationalizations were prompted by inter-Bolivian conflicts that the Bolivian government accuses the companies of stoking. Tensions have arisen at mining sites between employees of the operations of large companies, artisanal miners who have a long tradition of working through cooperatives, and local Indigenous residents. The stakes are further fueled by sky-rocketing prices for minerals in international markets.

As well, nationalization of resource industries has been a key demand on the government by social movements in Bolivia, though this demand had apparently not been a large factor in Mallku Khota.

“Unfortunately, the so-called transnational companies...pit brothers, in-laws, cousins, neighbors, brothers from the same ayllu (community) against one another,” said President Evo Morales about the decision to nationalize South American Silver.

Some Latin American populations are standing up to the mining transnationals, regardless of their government's stand. That's increasingly the case in Peru. Five people were killed by police during the first week of July at protests against the multi-billion dollar Conga gold and copper project, which would be the largest mine in Peru's history if it

goes ahead. The project's owner is the U.S.-based Newmont Mining Group.

Area residents do not want the Conga mine, saying it will damage local water supplies. A string of protests against mining projects have occurred in Peru in recent years.

In Chile, similar concerns over water supply and quality as well as the effects of mining on electrical supply are driving protests. The Council of Canadians released a detailed report in March 2012 looking at recent developments and concerns in Chile's Patagonia region [3].

The U.S.-based Sustainable Development Strategies Group wrote in a 2010 study on mining in Chile, "If social movements in opposition to mining are now part of the landscape, and if mining is creating increasing intense competition for water and energy, the real question now is how, institutionally, politically, and legally Chile will accommodate the citizen voice in mineral development."

Interventionist responses

According to the Vancouver Sun, Canadian Trade Minister Ed Fast wrote to his Bolivian counterpart on July 11 expressing "deep concern" with reports that Bolivia was preparing to nationalize South American Silver. Fast's spokesman Rudy Husny said the minister has instructed officials to "intensify their engagement with the Bolivian government to order to protect and defend Canadian interests and seek a productive resolution of this matter."

The paper reported that Canadian officials were expected to meet with the Bolivian government and with Bolivia's ambassador to Canada.

President and Chief Executive Officer of the South American Silver Corporation, Greg Johnson, appeared on the Canadian Broadcasting Company (CBC) Radio One's The Current on July 12 and argued that his company has been wronged [4]. He reported, with satisfaction, that the Canadian government is pressuring the Bolivian government to reverse its decision.

The CBC host of the program sounded like a public relations spokesperson for the company. In an accompanying interview, he hectored Bolivia's ambassador to the U.S., asking if South American Silver would be compensated. He also expressed offense at Evo Morales' statements accusing foreign mining companies of "looting" Latin America's wealth for generations.

Evidently, the radio host has not read *The Open Veins of Latin America*, Eduardo Galeano's classic history of the continent. Galeano describes how Latin America became "a huge mine." [5]. The book details the unbelievable human toll and suffering and the environmental destruction perpetrated over the centuries starting with Spanish conquistadors until today's European and North American mining companies.

"The metals taken from the new colonial dominions not only stimulated Europe's economic development; one may say that they made it possible," Galeano writes. The book is appropriately sub-titled, "Five centuries of the pillage of a continent."

The Prospectors and Developers Association of Canada estimates there are 20 Canadian mining companies operating in Bolivia.

A recent series of articles translated from Spanish into French and published by the Belgium-based Committee for the Abolition of Third World Debt (CADTM) examines the role of the British-Australia aluminum mining giant Rio-Tinto in the parliamentary coup d'etat against Paraguay's President Fernando Lugo on June 22 [6].

The company had been lobbying heavily for a long-term agreement for cheap electricity prices as an incentive for it to establish aluminum smelting operations. Paraguay shares several very large hydro-electric dams with Brazil and Argentina. It has substantial installed electrical generation capacity, approximately equal to 5% of all of Canada's. In 2007, Rio Tinto acquired the Canadian-owned Alcan and its large aluminum operations in Quebec and British Columbia.

The coup has returned to power Paraguay's traditional economic elite, who, not coincidentally, are amenable to making a long-term deal with Rio Tinto. Among the few countries to recognize Paraguay's coup government is Canada, which, with the U.S., was also quick to recognize the Honduras coup d'etat in June 2009.

In the weeks ahead, Washington and Ottawa will inevitably heighten sharpen their rhetoric against the Morales government as they contemplate how to further intervene in Bolivia.

Haiti's situation

In February 2004, Washington and Ottawa worked with Paris to carry out a coup d'etat against the elected and socially progressive government of President Jean-Bertrand Aristide. As Wikileaks diplomatic cables released last year by Haïti Liberté showed, those three governments worked hard to keep Aristide in exile in South Africa for seven long years [7].

During his triumphant return to Haiti on March 18, 2011, Aristide gave a speech to the nation at the airport. "To honor [Haiti's founding father] Jean-Jacques Dessalines, we come to bring you our little bit of help," Aristide said in his metaphor-laden Kreyòl. "With the little ball of education centered in the court of dignity, we will kick exclusion off the field and this way, the new generation will begin to benefit from the wealth that slumbers deep within Haiti: gold, copper, uranium, bauxite, silver...

"The calcium carbonate to be found in Miragoâne is valued at more than U.S. \$23 billion. The petroleum reserves are no doubt larger than estimated."

This thinly-veiled nationalist message is precisely why U.S. and Canadian governments backed Aristide's ouster and maintain the ensuing UN military occupation of Haiti to this day. In his place, Washington and Ottawa have placed Martelly's "Open for business" regime.

Newmont Mining is partnered with the Canadian Eurasian Minerals in seeking to open gold mining operations in Haiti's three northern departments. The Haiti Grassroots Watch study, "Gold rush in Haiti: Who will get rich?," published in May [8], examines how Haitian law has already been circumvented by the gold-mining companies as they forge ahead with exploration. HGW Co-Director Jane Regan spoke to Democracy Now on June 1 about the study. [9]

Among its findings are:

? Haiti's former Minister of the Economy and Finances is now a paid consultant for Newmont.

? Two Haitian ministers recently signed a "Memorandum of Understanding" with Newmont and Eurasian that says – in violation of Haitian law – the companies can begin drilling at one of their exploration sites. Haitian legislation states no drilling can occur without a mining convention.

? Nobody appears to be telling the communities in Haiti's north what is going on, and what deals have been made

behind closed doors.

? Haiti has the lowest mining royalties (production taxes) in the hemisphere.

The UN military occupation of Haiti is what the imperialists hope will ensure that Haiti's mineral wealth can again be plundered like in the days of the conquistadors.

Eduardo Galeano spoke last September at an event at Uruguay's National Library discussing Haiti's current plight and its place in Latin America [10]. "The military occupation of Haiti is costing the UN more than \$800 million yearly," he said. "If the United Nations dedicated those funds to technical cooperation and social solidarity, Haiti could receive a good boost to its creative energy. Then they would be saved from their armed saviors who have a certain tendency to violate, kill, and deliver fatal illnesses."

"Haiti doesn't need anyone to come and multiply its misfortunes," Galeano concluded. "But Haiti does need solidarity, doctors, schools, hospitals, and a true collaboration that makes possible the rebirth of its alimentary sovereignty, killed by the International Monetary Fund, the World Bank, and other philanthropic societies."

If the transnational mining companies get their way in Haiti, that will surely "multiply its misfortunes." [11]

[1] <http://haitigrassrootswatch.squares...>

[2] <http://www.theglobeandmail.com/repo...>

[3] <http://climate-connections.org/2012...>

[4] <http://www.cbc.ca/thecurrent/episod...>

[5] Open Veins was first published in 1973. It became an international sensation in April 2009 when Venezuela President Hugo Chavez presented it as a gift to President Barak Obama during the April 2009 Summit of the Americas <http://www.guardian.co.uk/world/200...>

[6] <http://www.europe-solidaire.org/spi...>

[7] <http://www.haiti-liberte.com/archiv...>

[8] <http://www.ayitikaleje.org/journal/...>

[9] <http://www.democracynow.org/2012/5/...>

[10] <http://www.canadahaitiaction.ca/con...>

[11] The Toronto-based Latin American and Caribbean Solidarity Network is spearheading a day of action across the Americas on Wednesday, August 1, 2012 to demand an end to exploitative and unjust mining practices <https://www.facebook.com/events/295...>