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Harper in Peru: What Media Failed to Report

PM committed Canadian tax dollars to aid conflict-ridden mining opposed by locals.

By Stephanie Boyd, 30 May 2013, TheTyee.ca



Macusani in Peru's southern Andes, site of a proposed uranium mine backed by a Canadian firm that is raising health concerns among locals. Photo: S. Boyd.

CUSCO, PERU -- Canada's press corps was so focused on the Duffy corruption scandal during Stephen Harper's recent trip to South America that no one bothered to challenge our fearless leader's new "foreign aid" program to help Canadian mining companies get richer in countries where mining has led to major human rights violations.

Don't get me wrong: Harper needs to be grilled, fried and publicly boiled over the Duffy issue. But at least one of the intrepid reporters who followed Harper down to Peru might have questioned what he was doing there. It was the first ever visit by a standing Canadian PM to this once-ignored South American nation, and Harper certainly didn't come to polish-up on his salsa.

Peru's wealth of mineral resources and lax environmental and social standards have attracted a small army of Canadian mining companies to the country, including many Vancouver-based firms. Twenty years ago, Peru was an investment wasteland, racked with hyper-inflation and a civil war with leftist guerrillas. Now, it's become Canada's second largest trading partner in Latin America and the Caribbean. Last year, Canadian direct investment in Peru was \$6.9 billion, most of this in mining, oil and gas.

It's no wonder that Harper was given royal treatment when he arrived in Lima last Wednesday. He strode up the red carpet and greeted Peru's President Ollanta Humala with an awkward handshake, his pot-belly almost reaching Humala's shoulders, as a military band groaned out a few bars of "Oh Canada." After schmoozing with Humala

and mining executives, he flew off to Cali to attend a meeting of the Pacific Alliance, formed by Peru and its right-wing buddies: Mexico, Chile, and Colombia.

Alliance leaders and their new friend, Stephen Harper, sang the praises of democracy, social inclusion and environmental protection and patted each other on the back for promoting socially responsible capitalism.

No one wanted to ruin the smiling group photos by mentioning the 15 civilians who have been killed during protests with Peruvian police forces since President Humala took power nearly two years ago, the majority in conflicts related to oil, mining and gas projects. Nor did anyone mention the married couple in Chihuahua, Mexico, who opposed a mine being developed by Vancouver's MAG Silver and were gunned down by unknown assailants last year. Or the ongoing environmental violations at Barrick Gold's Pascua Lama mine in Chile, and threats against community leaders standing up to paramilitary groups in Colombia.

Millions from Canadians to promote mining

If Harper was really concerned with promoting development among the Pacific Alliance countries, he could have used his visit to pressure member nations about human rights violations connected to the extractive industries. (Better yet, his government could support initiatives back home to make Canadian companies accountable for their actions overseas).

Instead, he chose to award the Peruvian government, one of the region's worst human rights violators, with a \$53 million aid package. The catch is that the funds must be used to promote development projects linked to mining and education (like sending Peruvians to UBC's new Institute for Extractive Industries and Development so they can learn to work at Canadian-owned mines?)

Underneath the rhetoric, Harper's "aid" is directed at helping Canadian mining corporations get richer with Canadian taxpayers picking up the tab.

In case you believe the government's doublespeak about 'mining leading to development,' take a look at the evidence. Peru's economic policy has been focused on mining as the motor of development for the past 20 years, turning the country into the darling of the World Bank and IMF. On paper, the math looks spectacular: in 10 years Peru's economy almost doubled in size and last year's growth rate of 6.3 per cent makes it one of fastest growing countries in the region. The wealth hasn't reached Peru's mining communities, however, which remain among the country's poorest areas.

In rural zones, where most of the country's mining projects are found, 53 per cent of the population still lives in poverty. Mining communities say the promised benefits have

failed to trickle down and they're left with contamination, labor unrest and social decay. And they're responding in protest with strikes, blockades of mining installations and community referendums.

There are currently 229 social conflicts in Peru and over half of these are related to mining, oil and gas projects, according to Peru's government Ombudsman's office.

Canadian companies have distinguished themselves as leaders in this new and growing field of social conflict.

Nearly unanimous community opposition

"Many of Peru's historic and current mining conflicts are related to Canadian companies," says Jose de Echave, who served as vice-minister of the Environment during President Humala's first cabinet.

One of the most recent involves Vancouver-based **Candente Copper**, which hopes to build a copper mine in one of northern Peru's fragile tropical forests. Leaders from the nearby indigenous community of Cañaris say the proposed mine would destroy their source of water and livelihood. Last year the community held a **referendum** in which 95 per cent **voted** against the mine, but the company has ignored the results and is pushing ahead with the project.

Peruvian law requires the government to consult indigenous communities before giving out concessions on their land, but human rights groups have **criticized** loopholes in the regulations. Most notably, the law isn't binding, meaning the government must consult the community, and is then free to go ahead and do what it wants. In the case of Cañaris, Peru's government is also trying to deny the community's "indigenous" status, despite the fact that Cañaris holds official government certification as an indigenous community.

Violence broke out this past January when a peaceful demonstration against the mine was attacked by Peruvian police who fired on about 400 Quechua-speaking farmers and used tear gas to disperse the crowd. Peru's La Republica newspaper reported that at least 25 people were injured, four of them with serious wounds from gunshots and rubber bullets. A **dialogue process** was set-up to resolve the dispute, made-up of representatives from the company, Peruvian government and local communities. However, at the most recent dialogue meeting in April, representatives from Cañaris **say** they were not allowed to participate and were "thrown out of our own house."

In Peru's southern Andes, another conflict is brewing at the country's first uranium project, owned by Macusani Yellowcake, a small Toronto-based company. The proposed mine was given the go-ahead last month despite criticisms that Peru has no regulations to

govern radio-active material like uranium.

"The government is treating the project as though it were an ordinary mine, without any special provisions regarding uranium mining" says Jose de Echave, adding, "And the local community is completely unaware of the possible impacts."

Civil strife hotspots

Despite the company's glowing assertion on its [web page](#) that the area has "superb infrastructure" including "roads, power, water, etc.," Macusani is one of the country's most forgotten areas. Most roads are unpaved, bumpy affairs that twist and curve around sheer mountain cliffs, electricity is intermittent and water is a scarce resource. Sounds like a perfect scenario for transporting a radio-active substance like uranium.

The project is located in Peru's windswept department of Puno, where Quechua-speaking farmers dedicated to herding llamas and cultivating potatoes still eke out a subsistence livelihood. Macusani is stunningly beautiful, with pristine mountain lakes, open skies and tall, waving ichu, the tough grass that manages to survive here, at over 4,300 meters above sea level.

Residents are understandably concerned about the possible health effects from the mine. Although some community leaders have signed agreements with the company, the provincial 'Ronderos', the farmer's self-defense organization, has [called](#) for a referendum on the mine.

There's also a simmering conflict at Barrick's Lagunas Norte gold mine, in northern Peru, and the list of Canuck-inspired civil strife goes on and on.

But why should the Canadian public care about protests and wounded and contamination in remote farming villages at the other end of the Americas? Even if you don't feel it's our responsibility as global citizens to monitor the behaviour of Canadian corporations overseas, here's the new rub: every Canadian taxpayer is now financing the human rights abuses of our mining companies in foreign countries.

The conservative government has turned Canada's International Development Agency into the public relations wing of the mining industry, with the prime minister himself as head PR wonk.

The blood is literally on our hands.

Stephanie Boyd is a Canadian journalist and documentary filmmaker who has been living and working in Peru for the past 16 years. Her films have been shown on television and at festivals around the world and won over 20 awards. [The Devil Operation](#), her latest film, chronicles a spy operation against activists and farming leaders linked to South America's

largest gold mine.

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