

A small village in the mountains of Peru, poisoned by mercury,  
stands up to the world's largest gold mining corporation.



**Awards 2003**

Valladolid "Time of History" 2nd Prize  
Man and Environment Award, Festroia  
Rudolf Vrba Award, One World Prague

Audience Award  
Barcelona Film and Human Rights Festival



A *Guarango* Film and Video publication

# CHOROPAMPA

## The Price of Gold

*\* OCIC (SIGNIS) Award for Film Post-production in  
Latin America and the Caribbean, 2001 \**

Produced and directed by  
Ernesto Cabellos  
Stephanie Boyd

**"A powerful documentary"**

Lucien Chauvin, Miami Herald

**"Climaxes with a stunning sequence..."**

Robert Koehler, VARIETY.com

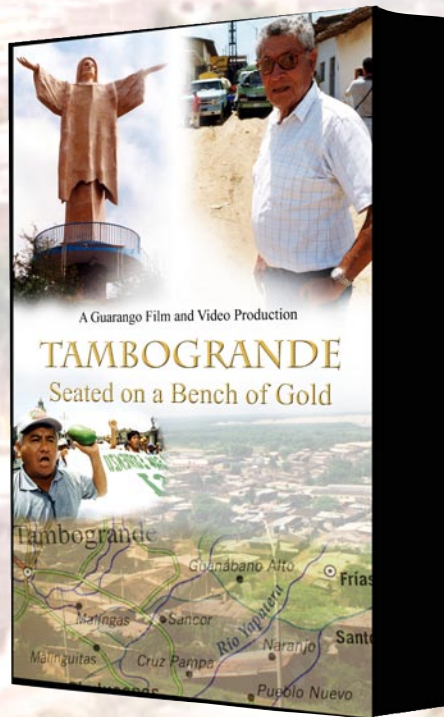
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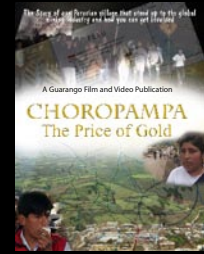


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**Will the town's demands be heard before it's too late?**



## CHOROPAMPA

### The Price of Gold

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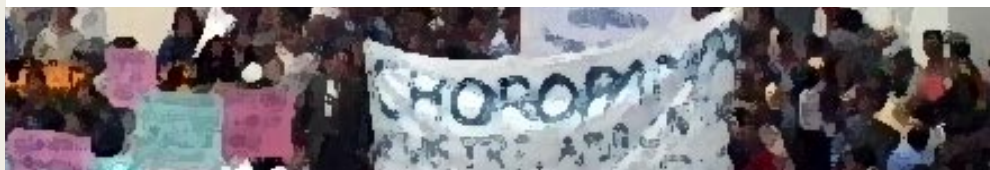
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In August of 2000 I arrived in the troubled village of Choropampa, nestled in Peru's northern Andean mountains, knowing a story was waiting to be told but wondering how to find it. Would the townsfolk trust an outsider and a gringa? Luckily my fears were unfounded. Word spread quickly that bustling Tuesday market day that I was in town and people lined up to share their devastating experiences of the spill. From young children to elderly women who trekked kilometers to sell their produce and local merchants, their vivid memories and passionate struggles for justice and health care made me realize the story had to be told in their own words.

Over the next two years I returned often with my partner Ernesto Cabellos and our filming equipment from the other world of Lima, as far from Choropampa's reality as the neon streets of Miami. But the desire to bring their story to the outside world was so strong they forgave our funny accents, probing camera lens and bizarre habits and let us inside the usually shy and reserved outer layer of Andean village life, to the heart that beats inside.

Unfortunately we were not so lucky in our dealings with Yanacocha. Numerous written and verbal requests to interview personnel in Lima and Cajamarca, the provincial capital, were met by refusals from upper management. While they could not prevent us from taping public meetings in Choropampa, we were victims of a defamatory and potentially dangerous attack. In March 2001, on the evening before hundreds of townsfolk blocked the highway between Choropampa and Cajamarca to pressure the mine for health care and compensation, the head of Yanacocha's operations in the area, Sandy Garcia, told Choropampa's mayor that I had offered to sell our footage to the company.

Tensions in the town had never been higher and suspicion was at a premium. Rumors circulated that the mine had spies and informants in the town and neighbors eyed each other warily, wondering who to trust. Mr. Garcia's statement smelled like a desperate attempt to keep us from recording the blockade, but thankfully our bonds of trust with the townsfolk prevailed. The following evening Ernesto and I stood in near-darkness, holding flashlights under our chins to illuminate our faces to the crowd of about 400 people who were gathered to launch the blockade. We nervously awaited the verdict.

Through a crackling mega-phone the mayor read out a letter we had written in our defense. When finished he paused, then asked the crowd if we could continue filming. We were greeted with a resounding cheer of approval and turned the cameras back on in time to capture the entire event, from the first rocks and boulders to hit the road to police repression the following day.

This booklet complements the documentary's dramatic, visual narrative with background information, photos, maps, contacts, ideas for activism and data on other transnational mines in Peru and around the world. You can read it before or after watching the video, or use it alone as a teaching or activist tool.

The people of Choropampa ultimately gave us two stories: a tale of one town's resistance and also a universal story, repeated in many small communities around the world, whose people stand up to powerful multinational corporations with courage and strength.

*Stephanie Boyd*



# WHERE ARE WE?

## STATE OF CAJAMARCA



Area 33,318 km<sup>2</sup>,  
which represents 2.6  
percent of Peru's total territory  
Population (in 1998): 1,377,297  
Rural population: 72.1 percent.  
Urban population: 27.9 percent  
Illiteracy: 27.2 percent  
One doctor for every 3,226 persons.  
Population with indoor plumbing: 17.3  
percent

(source: Peru's National Institute  
of Statistics and Information, INEI)



## PERU

(country averages)  
Population (in 1998): 24,800,768  
Rural population: 29.9 percent.  
Urban population: 70.1 percent.  
Illiteracy 10.3 percent  
One doctor for every 970 persons.  
Population with indoor plumbing:  
43.1 percent

(source: Peru's National Institute  
of Statistics and Information, INEI)

## PROVINCE OF CAJAMARCA







## The Price of Gold

by Stephanie Boyd

Moving spots of white light break through the darkness as hundreds of footsteps crunch against the asphalt highway. A large trailer approaches, headlights blazing, brakes squealing and the crowd pauses as though uncertain of what comes next. A rock is tossed onto the road from the shadows, followed by a barrage of stones and boulders. Elderly women who have walked hours from their farms to join the blockade fill shawls with rocks from a nearby construction heap, their tall, proud sombreros and wide skirts illuminated by the eerie glow of the stalled truck. Men from the small village dislodge boulders from overhanging cliffs while a group of youth drag tires blazing with orange flames onto the center of the highway. A robust grandmother spins with youthful energy, clutching an old mega-phone and shouting "In the name of God, Choropampa, stand up for your rights."

On June 2nd, 2000, nearly a year before farmers and merchants from this once-sleepy Andean village took to their main

street in frustration and anger, a truck from US-based Newmont Mining Corp's Yanacocha gold mine spilled 151 kilograms of liquid mercury along the same road. Villagers, especially children, played with the alluring silvery balls of liquid that sparkled in the bright sun and resembled azogue, an ancient cure-all. They collected it in plastic soda bottles, took it into their homes and brought it to school. Folk from surrounding communities were contaminated at the town's bustling weekly market, widening the spill's impact beyond Choropampa's 800 inhabitants. Symptoms of mercury poisoning surfaced less than a week after the incident and although government tests found nearly 1,000 victims, hundreds more have sought medical attention for mercury-related ailments including rashes, vomiting, impaired vision, central nervous system disorders, respiratory problems and kidney trouble.

Villagers like Luisa Elsa Martínez say the mine's response was slow and ineffective (see box pg 8). Yanacocha hired village

youth to clean the highway without providing safety equipment and paid villagers to return mercury, which encouraged more gathering. When symptoms could no longer be denied the company hired international experts, like Dr. Michael Kosnett, a toxicologist with the University of Colorado, who insisted recovery would be swift and patients would not suffer negative long-term effects.

Despite these assurances, people continue to exhibit symptoms of mercury poisoning more than two years after the event. Jose Luis Quequejana, a chemist who worked with Peru's Ministry of Health at the time of the spill, says the government's reaction was inadequate.

"Rapid, immediate and effective measures were necessary - and this never happened," says Quequejana. An environmental auditor was not sent to investigate until nearly two weeks after the spill, says Quequejana, at which time the government was advised to declare the area an emergency



**Choropampa's mayor, Lot Saavedra, speaks to police during the blockade.**

zone and evacuate dwellings with mercury levels above international standards. Instead of following these instructions, the former government chemist says his superiors deliberately tried to cover up the severity of the accident and took instructions from Yanacocha. He says the level of mercury in the air required to evacuate houses in Choropampa, set at 0.001 mg/m<sup>3</sup>, was too

high, meaning numerous families remained in contaminated homes. (The US Environmental Protection Agency has set acceptable indoor air standards at 0.0003 mg/m<sup>3</sup>). Clean-up measures inside homes were also insufficient, says Quequejana. Most houses in Choropampa have dirt floors and adobe-brick walls that readily absorbed the chemical.

Unfazed by these accusations, Dr. Luis Teran, director of Cajamarca's regional hospital when the spill occurred, says everyone treated at the hospital was cured and unless people are hiding mercury, there should not be any mercury-related illnesses. Without skipping a beat, the spry, well-spoken doctor offers his "psycho-social" theory to explain the current situation: "It is a very depressed zone, economically, and people barely scrape by on what they produce on their farms. There has been manipulation by interested persons and professio-

nals who have created high expectations or uncertainty."

Ecovida, a non-government environmental organization in Cajamarca, called for Dr. Teran's dismissal in the wake of the spill,



**Booklet distributed by the international aid agency CARE in Choropampa, informing people they would not suffer long-term health effects once mercury was naturally eliminated from their bodies**

### Mercury Facts

At room temperature metallic or elemental mercury takes a silvery liquid form but the chemical evaporates rapidly at higher temperatures, like those found in Choropampa at the time of the spill. The most adverse health effects from this type of mercury occur through inhalation. According to the World Health Organization, about 80 percent of inhaled metallic mercury enters the bloodstream from the lungs and is quickly sent to other parts of the body. Elemental mercury can remain in human kidneys for years and can also be trapped in the brain. Symptoms of mercury poisoning include skin rashes, muscle pain, respiratory difficulty, loss of consciousness, nausea and kidney pain. Depending on the severity and length of exposure, effects range from insomnia and digestive problems to renal damage, central nervous system disorders and neurological problems. Exposure to mercury is especially dangerous for pregnant women and can lead to miscarriages and birth defects.

Any mercury that is not trapped in the brain or organs is eliminated through normal bodily functions. In an effort to speed up the body's elimination, doctors gave chelation drugs (Penicilamina and DMPS - Sodium Dimercaptopropanesulfonate) to some patients from Choropampa, which made their kidneys and liver work harder. Patients who took this medication complained of negative side effects and a World Bank report on the spill noted that the chelation procedures were "aggressive" and their use should be evaluated.

According to Peru's Ministry of Health, the most severe cases of poisoning occurred when mercury was brought into poorly ventilated homes. Esperanza Soriano, a nurse at Choropampa's health post at the time of the spill, disagrees, saying she and several other patients with high levels of mercury in their blood samples neither collected nor brought the substance into their homes. She believes people who worked or lived near the spill were affected by their close proximity to the vapors. (The greatest concentration of mercury was spilled in front of the health post).

Elemental mercury can be transformed into organic mercury or methyl mercury through contact with organic matter in the environment. This compound is extremely toxic because it can accumulate and move up the food chain. The World Bank report acknowledged that "a certain proportion of the mercury that remains in the environment, either in the soil or transported into nearby waterways, can be expected to be transformed into organic methyl mercury."

The most infamous case of organic mercury poisoning occurred in Minamata Bay, Japan in the 1950s. Thousands were poisoned from eating fish with high levels of organic mercury from chemicals dumped by a factory into the bay. Chronic symptoms included neurological disorders, severe birth defects, mental illness and fatigue.

Rivers and lakes contaminated with organic mercury have caused serious human health effects and environmental damage in China, Canada, Tanzania and illegal gold-mining areas of the Amazon.

(sources: CAO report of the World Bank on the mercury spill in Choropampa, San Juan and Magdalena, US Environmental Protection Agency website, Minamata Disease Municipal Museum website).





Site of the spill: the highway passing through Choropampa connecting Cajamarca, the state capital, to the national capital

saying his moonlighting as medical advisor to Yanacocha was a conflict of interest. Dr. Teran was replaced as director of the hospital in January of 2001 but continues to practice medicine.

Not surprisingly, Dr. Teran was highly unpopular in Choropampa and numerous mercury victims, like Rocio Guzman, accuse him of worsening the spill's impact.

"If he had told us the truth maybe the spill wouldn't have toyed with the lives of children and other people here in Choropampa," said the young mother of two. Guzman was the first person to report symptoms of mercury poisoning and was mis-diagnosed twice, first with food poisoning and later with leukemia. She continues to suffer back and muscle pain, severe headaches, loss of coordination and constant fatigue.

Such symptoms could mean mercury has concentrated in the body's organs or the brain, causing liver and kidney damage or central

nervous system disorders says Nilton Deza, a biologist at the University of Cajamarca. Blood and urine tests would not detect mercury once it has settled in these areas (see mercury box, page 6).

The details are bleak but villagers have organized to demand medical care and fair compensation. Virgilio Nimboma, a farm laborer who lost his health and livelihood because of the spill, has joined about 1,000 other mercury victims in mounting a legal case. With the help of US legal firm Engstrom, Lipscomb and Lack and two Peruvian firms, the group hopes to

sue Yanacocha's parent company, Newmont Mining Corporation of Colorado, in the United States.

"They say if we have one lawyer or ten lawyers, they'll have 100," says Nimboma. "And why are they so afraid of us having lawyers? We're demanding our rights; we're demanding justice."

Newmont holds the controlling interest in Yanacocha with 51.35 percent. Peru's Buenaventura Mines SA has 43.65 percent with the remaining 5 percent held by the International Finance Corporation of the World Bank.

Shortly after the spill, the Compliance Ombudsman's Office (CAO) of the World Bank sent a commission to investigate. This office was set up in 1999

Since the spill, Yanacocha has stopped transporting mercury but refuses to accept responsibility for the accident. Interestingly, the company had signed individual settlement agreements with 720 affected persons as of March 2001. Signatories received amounts varying between US\$600 to \$6,000 and waived the right to make future claims against the company. Claimants must have a government-stamped medical certificate showing levels of mercury in the blood above 20ug per liter to qualify. Yanacocha has registered just over 900 persons who comply with this requirement.

Government testing, however, has been viewed with skepticism in a country accustomed to rampant corruption. Choropampa's mayor, Lot Saavedra, says the agreement provided insufficient compensa-

tion and that claimants were coerced and tricked to sign. Armed with only a manual typewriter, a one-room office and the

strength of his convictions, the determined 22-year old mayor leads a campaign for dignified compensation and health care. Specific demands include a new medical center in the village and international health insurance for all those affected.

Yanacocha has spent about US\$10 million as a result of the spill, of which nearly \$1 million has gone into public works projects for Choropampa. Despite these losses, Newmont registered profits of \$4.6 million during the first nine months of 2000. With some of the industry's lowest gold-extraction costs, Yanacocha

**They say if we have one lawyer or ten lawyers they'll have 100. And why are they so afraid of us having lawyers? We're demanding our rights; we're demanding justice**

to receive complaints from communities affected by projects financed with money from World Bank agencies. The commission's report found that Yanacocha had no regulations guiding its transport of mercury at the time of the spill. (Neither did Peru, though a law on transportation of toxic substances has since been passed. The US Environmental Protection Agency, however, had a detailed list of requirements and Yanacocha has always claimed to follow international environmental standards). The report also concluded that Yanacocha lacked an emergency response plan for accidents outside the mine site.

remains the jewel in Newmont's mining crown and the company spent \$18 million in Peru on exploration alone in 2001.

Pointing to large, jagged cracks in the plaster of the new primary school built by Yanacocha, Saavedra shakes his head. "This is not enough to make up for the damage they've caused us," says the impassioned community leader. "What they're doing to us is humiliating. It's blackmail."

The somber passing of the spill's two-year anniversary last June was marked by heightened tension and suspicion in Choropampa. A decade of rule by Alberto Fujimori, who abandoned the presidency in disgrace in November 2000 amidst charges of profiteering and human rights abuses, has left a legacy of mistrust towards government and big business. Yanacocha was directly implicated by a video made public in which Vladimiro Montesinos, the defacto head of Fujimori's notorious secret service, instructed a judge to rule in favor of Newmont in a 1998 law suit with a French company over Yanacocha shares. Newmont later won the case.

Like the Spanish conquerors 500 years before them, Yanacocha officials have been accused of playing on pre-existing

**“Long ago the Spanish used weapons to kill our ancestors and take our stuff. Now the foreigners only need to contaminate us and take it from under our noses.”**

jealousies and political rivalry to divide the villagers at every turn. Hundreds of townsfolk and rural neighbors joined Saavedra in blocking the highway between Cajamarca and Lima in March 2001. Others were advised by their lawyers to wait for a court victory. There are also those who have already given up and plan to leave town.

The conquistador analogy goes beyond fomenting division. "Long ago the Spanish used weapons to kill our ancestors and take

our stuff," says Julia Carrasco, a farmer from Choropampa. "Now the foreigners only need to contaminate us and take it from under our noses."

The spirited, newly politicized grandmother has taken her message to demonstrations in Lima and Cajamarca against the environmental and social effects of transnational mining. Such protests are growing in Peru and around the world as word of mining's negative impact grows. The rising voices of these once quiet, isolated communities urge us to consider the real price of gold.

**Luisa Elsa Martínez Sáenz,**  
*Merchant, wife and mother of four*  
*Choropampa*



The 2nd of June is a memorable date because of the mercury spill. It was a Friday at about 6 in the afternoon when a RANSA truck that was transporting mercury to, I don't know where, passed through Choropampa. There was a spill from Choten to Magdalena which poisoned people from here in this central village and other districts...

We went out at night to our church and saw that people were gathering something, but we didn't realize in time that the highway was wet and so we walked on the mercury at 8 at night. The next day we came back to our church at 9 in the morning and we saw a lot of mercury on the highway. Because we didn't know it was toxic - we thought it wasn't dangerous - we played with it.

It was in the form and color of liquid metal. At the moment one picked it up, it turned into many little balls. They flattened it like this; they played with it. It scattered into so many balls and it was difficult to gather. But that's how it was - out of curiosity we all did it and gathered it covered in dirt. And some even picked it up with their mouths.

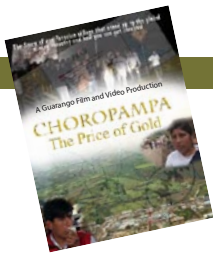
This same day, Saturday, at 2 in the afternoon, men from the mine came and told us to keep collecting mercury because it wasn't toxic. They even put a sign on the telephone by the road that said they were buying mercury for 100 soles (US\$30) a kilogram. All the children gathered more, for the money.

On Saturday, the 3rd, Mrs. Rocio Guzman Bazán was the first person poisoned - her body was covered in a rash. And they told her she must have eaten some fish from a can or had some other illness. But after the 8th of June the situation became very bad here in town. More cases appeared and the majority of people were poisoned. Everyone had kidney pain, headaches, back pain - their stomachs hurt; they wanted to vomit; they felt dizzy. My daughter also began to feel sick and we thought it was from physical education at school, but no, it wasn't. Then on the 12th of June the doctors from the health post said she had a severe urinary infection, but that was untrue.

More doctors arrived on Tuesday the 13th and the public defender came along with many people in aid of the town. A doctor came that I remember well, called Honorio. Well, he said that it wasn't any type of infection at all but that (my daughter) had been poisoned from mercury...

In the hospital in Cajamarca she lost consciousness for two days. She almost remained that way but we insisted that they give her medicine. So they gave it to her and she has recuperated but not completely. She is still sick, like all my children, and she had to return to the hospital in Cajamarca 4 times. So, they say that it's alright, she'll get better here, but she remains in poor health up until now.





# Shop talk: Life can't be bought

## Scene from the documentary *Choropampa: The price of gold.*

This scene takes place inside Choropampa's main general store in November, 2000. Shop owner Juana Martínez is engaged in an animated conversation with Maria Jara, a friend and client, about Yanacocha's plan to compensate individuals affected by the spill.

In August the mine began offering

have steadfastly resisted signing and, along with about 1,000 other persons affected by the spill, are preparing a legal case, aided by two law firms in Peru and one in Los Angeles. They hope to sue Newmont, Yanacocha's majority shareholder, in the United States.

## The Scene: Shop talk



monetary compensation in amounts ranging from approximately US\$600 to US\$6,000 to persons whose official government urine tests showed mercury levels of at least 20 ug/liter. A five-year health insurance policy was included in the agreement but only covers illnesses related to mercury. Patients also must first go to health posts in Choropampa, Magdalena and San Juan - the affected villages - before being treated in hospitals or outside clinics. Municipal authorities from Choropampa have presented several complaints to Yanacocha officials charging that health post doctors refuse to admit patients' illnesses are related to mercury and continue to charge for treatment and medications.

Interestingly, the settlement offer states that Minera Yanacocha "does not accept responsibility for the accident" and "is not in agreement with paying the solicited sum" to the signatory. The document also states the signatory will not claim further damages from the company related to the spill.

By March of 2001, according to Yanacocha, 720 people had signed these individual settlement agreements. Juana and several members of her family qualify but

**Juana:** Now they're trying to convince people - they have convinced them, with their money. They've divided us and now...

**Mrs. Jara:** What kind of person would do this?

**Juana:** Life can't be bought.

**Mrs. Jara:** It's a tremendous evil.

**Juana:** I'm telling you, during those days they sometimes approached me. They said "We want to be friends with you, why don't you accept..."

**Mrs. Jara:** Oh, they said friend? Friends don't talk like that.

**Juana:** Yes, we always demanded health insurance for life, national and international, right? Because they're the type, like fly-by-nights, who are here one day and then, suddenly, they're gone.

**Mrs. Jara:** They're shrewd.

**Juana:** Ah, what we've been through. The engineers still disrespect us; they make

fun of us - they laugh.

**Mrs. Jara:** That's right.

**Juana:** What I've been through, sister, because I didn't keep quiet. I didn't keep quiet but instead made more of a fuss. They don't want to give us medicine -they don't. We have to buy medicine and if we complain they act all high and mighty...

Only now have people begun to realize, but it's too late to be figuring it out. The engineers have looked for ways to win them over - give them a little money - but what is more money, sister? They've given some people 500 soles (US\$142), 1000 soles (US\$185), but can life be bought?

**Mrs. Jara:** If they offered me four million I'd say, thanks, I'd say you and your money go and live it up, as long as God allows it, as long as God allows it (shaking her head). Thanks sister, thanks and until Sunday. (She waves, exits the store).



# WONDERFUL WORLD

## Summitville, USA

US taxpayers were left with a clean-up bill of about US\$120 million dollars when Canada's Galactic Resources Ltd. declared bankruptcy in 1992 on a cyanide-leach gold mine in the San Juan Mountains of southern Colorado. Cyanide and other toxins from the mine poisoned 17 miles of the Alamosa river. The mine had been operating since 1986.

Superfund stepped in to assume clean-up costs. (This US-government program investigates and cleans-up the country's most hazardous waste sites). More than 100 million gallons of cyanide-laced water had to be treated to prevent another spill in the Alamosa River. This river supplies water to ranchers and farmers in the San Luis Valley and feeds into the Rio Grande River. Just one month after pulling out of Summitville, Robert Friedland, head of Galactic, helped finance Golden Star Resources to open the Omai mine in Guyana.

*(source: Mineral Policy Center, Project Underground)*

## Omai Mine, Guyana

When a retaining wall of a tailings pond at the Omai gold mine failed on August 20, 1995, four billion liters of cyanide-laced waste spewed into the Omai and Essequibo Rivers. The spill traveled over 50 km downstream and killed thousands of fish and local livestock. In the aftermath of the accident, farmers were prohibited from watering crops or livestock from the rivers or fishing. The mine is owned by Cambior Inc. of Canada (65 percent), Golden Star Resources Ltd of Colorado (30 percent) and Guyana's government (5 percent). At the time of the spill, Omai was the largest gold mine in South America and Cambior was one of the largest gold producers in North America. Robert Friedland was an original board member and financier of Golden Star and helped procure financing for the Omai project. Friedland was head of Galactic Resources - responsible for the US Summitville Mine disaster.

Omai was re-opened after being closed for 6 months following the spill. In 1998 a Canadian non-government organization launched a \$47 million class action suit against Cambior in the company's home province of Quebec on behalf of 23,000 Amerindians in Guyana affected by the spill. The judge dismissed the case saying it should be heard in Guyana. In 1999 the same plaintiff group filed a suit in a Guyanese court, claiming damages of about \$100 million and a guaranteed supply of potable water. Representatives from the group say the mine is still dumping toxins into the Essequibo River.

*(source: Probe International, Project Underground, Reuters)*



# OF MINING

## Kumtor, Kyrgyzstan

In May of 1998 a truck transporting cyanide to the Kumtor mine in Kyrgyzstan fell from a bridge spilling close to 2,000 kilograms of sodium cyanide into the Barskoon river. The river feeds the country's largest lake - a major tourist attraction. At least one person died and hundreds were poisoned.

Two-thirds of the Kumtor mine is owned by the government of Kyrgyzstan and one-third by Cameco, a Canadian company. Numerous financial institutions have provided funding and insurance for the mine, like the US Overseas Private Investment Corporation (OPIC) and the World Bank's Multilateral Investment Guarantee Agency (MIGA).

Kumtor's environmental record was further tarnished in February of 2000 when about 1,000 kilograms of ammonium nitrate was spilled in the Tien Shan mountains from a trailer en route to the mine site.

(source: *Project Underground*)

## Baia Mare, Romania

In January of 2000, 3.5 million cubic feet of waste containing cyanide and heavy metals spilled from the Baia Mare gold recovery operation, contaminating tributaries of the Danube River in Hungary and Yugoslavia. Hungarian officials estimate 1,240 tonnes of fish from the Tisza River died in the aftermath of the spill. A UN report detected cyanide at the Danube River delta - 2,000 km from the source of the spill - four weeks after the incident. The Foundation for Otters says the spill decimated the river's otter population, one of few remaining breeding populations for the vanishing species in Europe.

Baia Mare uses cyanide to recover gold from tailings (discarded, crushed rock from mining activity) from a government-owned mine. The company is owned by Esmeralda Explorations Ltd. of Australia (55 percent) and the Romanian government (45 percent). The mine had been operating for just 9 months before the incident and cost US\$30 million to build.

The Hungarian government brought a legal claim against the company in July, 2000 for US\$179 million to cover environmental damages.

(source: *Mineral Policy Center, Mining Watch Canada*)

## OK Tedi mine, Papua - New Guinea

A 1984 landslide destroyed a dam holding the mine's tailings, releasing about 80,000 tonnes of waste rock containing lead, cadmium, zinc and copper into the Fly and Ok Tedi rivers. Locals say clean-up measures were not effective and the mine continues to pollute rivers with tailings waste. Fish stocks were destroyed and about 1,300 km<sup>2</sup> of forest and 1,200 km of river bank were contaminated. An important settlement was won in 1996 by about 30,000 locals. The company was required to pay compensation, dredge the river and build a pipeline or containment structure to stop tailings from reaching the river. Residents say this last point was not fulfilled and that the mine is still dumping waste into the river.

In March of 2000 the World Bank released a report calling for the mine's immediate closure. Residents are concerned that majority shareholder BHP of Australia will pull out without paying clean-up costs. BHP owns 52 percent of the mine, the government of Papua-New Guinea 30 percent and Inmet Mining Corporation of Canada 18 percent. The mine is responsible for about 20 per cent of the country's exports and 10 per cent of GDP but in the mine's 15-year life-span has earned just \$84 million on an investment of \$530 million.

(source: *Environmental Mining Council of British Columbia, Mineral Policy Institute*)



# CAJAMARCA

## Seated on a Bench of Gold

Segunda Castrejon falls silent. Peering out from under her wide-brimmed straw sombrero at a deserted hillside belonging to the Yanacocha mine, she raises a finger and traces an invisible border.

"Those were my 186 hectares," whispers the usually fiery leader of Cajamarca's Rondas Femininas, a rural women's self-defense organization. "I was raised here, had my children here and now the mine is the owner and I didn't even have anything to do with the sale."

The company began purchasing land from farmers at the end of the 1980s for amounts ranging between US\$30 to \$100 a hectare. Like Castrejon, many had untitled land that was sold by relatives or neighbors. Father Marco Arana, a local priest, says the company threatened farmers with expropriation if they refused to sell. Although legal experts say this is forbidden under current legislation, most farmers living in Cajamarca's remote mountains were not aware of their rights and had no access to legal counsel.

"Faced with the alternative of accepting the sale or initiating legal proceedings in a country where farmers know the law has always been against them and the judges corrupt, placed farmers in a situation where they were forced to sell their land," says the priest.

Farming communities believed their land would be returned once the mine closed. Until then, they were promised jobs and development projects. In reality, hundreds left for the provincial capital, converted into a mining boom town, with few jobs for unskilled labor in the mine and increased crime, prostitution and poverty.

Yanacocha's corporate reports gloss over social unrest with glowing tales of community development projects. In the year 2000, the company spent US\$850,000 in rural development programs and \$350,000 in improvements to water canals.

But Arana says the company's strategy lacks participation from locals and monitoring. He points to a new potable water project that lacks effective treatment for the water that will be piped to homes. And despite Yanacocha's projects, Cajamarca remains Peru's second poorest department in terms of basic needs like water, electricity and housing with about half the population living on less than US\$1 a day, according to government statistics.

Many farmers, like Juan Castrejon (see box), say that even if such projects did work, they would not make-up for the mine's environmental threat.

Nilton Deza, a biology professor at the University of Cajamarca, is concerned about water pollution from heavy metals. "The area where

Juan Castréjon,  
Farmer, Huambocancha chica.

*Juan's family, along with hundreds of others in the Porcón river valley, relies on the Arcuyoc y El Potrero irrigation canal for water. The canal is one of several that begin in Mt. Quilish, channeling the mountain's natural watershed to rural communities in several valleys.*



Over here's maíz (corn). I also have rocotos (hot pepper), zapallo (squash) and frijoles (beans). Way over there I have fruit, like avocado, peaches and apples. I also have capulí, a plant that produces fruit for humans to eat. All of this area is irrigated with waters (from Mt. Quilish.) Water is what sustains us. If our canal dries up we will never see this area green again and that's why it hurts our hearts and souls to think of our crops and one day losing them. That's why we're worried and we're against mining Mt. Quilish because Quilish is what gives us life - this water. And not just us but the city of Cajamarca also. Look, Cajamarca is so beautiful and one day, with these mining companies exploiting Mt. Quilish, it will disappear from the map.

Before Yanacocha came our lives were peaceful. No one bothered us. We didn't worry about anything. We planted; we had good harvests. We kept some at home to eat and took the rest to sell in town. So the city, in turn, is sustained by the countryside.

I've shown this area to engineers from Yanacocha. I said, "Engineer, look, we don't have potable water." He said "I'll give you potable water," but I said, "Engineer, from what mountain are we going to get water if there isn't any? There are no mountains with water - the only one is our canal. That's why our late ancestors, the elders, when they saw there was no water close-by they had to bring it from Quilish. That's why our canal runs for 32 kms until it reaches this area. You see, sir, that was the sacrifice made by the elders, and we have documents from 1911."

I've told the engineers we don't need help. I want to be poor but live a few more years with clean water, because why do I want a faucet of water? It's only for drinking, and for agriculture? Food comes first and it's what we live on.



the mine is located contains enclosed sulphides," he explains. "This is extremely dangerous because during mineral extraction, rainwater and oxygen from the air are mixed with the soil, forming sulphuric acid, which affects water quality." Chemicals, especially lime, needed to treat acid water pose a risk of stomach cancer and other health consequences, says the biologist.

Deza calls the mine's cyanide leaching process a "time bomb" waiting to explode (see cyanide box). Yanacocha insists its operations are totally safe, but a growing number of accidents at similar facilities around the world have called the process into question (see pages 10-11).

The city of Cajamarca's water supply passes through one of two water treatment plants but rural zones use untreated water. Yanacocha maintains that this water has never been potable but farmers say their water's quality and quantity has noticeably deteriorated since the mine's inception and that once plentiful trout and frog populations have disappeared.

The company demands scientific evidence to back-up local communities' empirical observations, but so far efforts to independently monitor water quality have been unsuccessful. A water commission (COTEGA) was formed in 1999 with representatives from Peru's health ministry, the University of Cajamarca, non-governmental organizations and Yanacocha. Lab costs were paid by the mine, an issue that led to the resignation of four members of the commission who accused the company of manipulating test conditions.

Reinhard Seifert, one of the members who resigned, says under former President Alberto Fujimori (1990-2000), Peru's mining ministry lacked the financing, personnel or political will to carry out effective environmental monitoring. Government corruption was so widespread during these years that most official reports and statistics were viewed with suspicion. Yanacocha's image was further tarnished in January 2001 when a video was made

public in which Fujimori's personal advisor, Vladimiro Montesinos, instructs a Peruvian judge to vote in favor of Newmont and Buenaventura in a legal case against a French company.

With the fall of Fujimori's government in November 2000, Peruvians hoped government corruption would be curbed. New taxation laws have been passed that should increase the amount of taxes paid by mining companies. The legislation also commits the government to make good on outstanding transfer payments to the provinces. Cajamarca alone is owed about US\$25 million dollars in unpaid funds from mining taxes. But communities worry tax loopholes will prevent companies from paying the full amount and say the current government of President Alejandro Toledo has not resolved the problem. Toledo has promised to continue Fujimori's neoliberal reforms and promote foreign mining investment.

But Yanacocha's expansion plans have been temporarily curbed by a municipal ordinance passed by the city of Cajamarca

to protect Mt. Quilish - a mountain slotted to become part of the Yanacocha mine.

Yanacocha has brought an injunction against the ordinance, claiming they have permission from the federal government to proceed. The case is currently working its way through Peruvian courts.

Mt. Quilish is an important watershed for hundreds of farming families and locals still practice traditional religious ceremonies inside the mountain's numerous caves. Yanacocha has already turned five neighboring mountains into gaping open-pit mines, but resistance is growing.

Thousands of *Cajamarquinos* have taken part in marches and protests over the past two years as part of the 'Save Mt Quilish' campaign. Activist groups have united once isolated rural communities with Cajamarca's urban population in the hope of saving what remains of their once majestic and pristine mountain range.



## Cyanide heap leaching

The controversial process of cyanide leach mining is now the most popular method of gold extraction and allows the mining of low-grade ore that was once too expensive to extract.

Company brochures usually neglect to mention the risks for human health and the environment. Several hundred tonnes of low-grade ore are leached with cyanide to produce a tiny amount of gold, creating large amounts of waste. Mining low-grade ores also releases toxic chemicals from the rock, including arsenic, mercury, cyanide and sulfuric acid. Cyanide itself is incredibly toxic - a teaspoon of 2 percent cyanide solution can kill a human.

Fish are very sensitive to cyanide and concentrations of hydrogen cyanide exceeding 0.1 milligram/liter can prove fatal. Cyanide can break down into several hundred cyanide-related compounds, like cyanates and thiocyanates. Although these compounds are often less toxic than cyanide, many are dangerous to aquatic organisms and can remain in the environment for years.

**The Process:** Ore is blasted, dug out of a pit and piled in a nearby heap resembling a smaller, human-made mountain. A weak cyanide solution is sprinkled on top, seeping through the pile and bonding with gold and silver. The gold-bearing cyanide solution reaches a rubber pad under the heap and is transported to a rubberlined reservoir. This solution is pumped into the processing mill where the precious minerals are separated from the cyanide which is then re-used.

Leaks in the liners, usually made of high-density polyethylene, are a major concern. In addition, cyanide can persist in abandoned leach heaps and groundwater long after mines have been closed.

## PERU: MINING COUNTRY

During the 1990s the Peruvian government began aggressively promoting the country's mineral reserves to foreign investors. Measures included bargain basement privatization, low taxation rates and weak environmental laws.

In the early part of the decade, Peru's environmental legislation was re-designed to include environmental management programs but mining companies were given a ten-year period to comply. New mining operations and extensions must submit environmental impact studies to Peru's Ministry of Energy and Mines for approval. Companies hire their own environmental auditors to carry out these studies - a point of concern in environmental circles. Critics say the ministry does not have the necessary funds or will to carry out adequate environmental monitoring and to enforce regulations.

Mining plays a big role in Peru's economy, making up 40 percent of exports, but new evidence suggests the industry's importance during the last decade may have been exaggerated. Using numbers provided by the Fujimori government, Peru's mining industry represented 10 percent of the country's GDP in 1999 but after the former president left power amidst charges of corruption, Peru's transition government discovered notable statistical errors. Revised calculations by the Peruvian Economic Institute show that by 1999 the mining industry represented 4.5 percent of the country's GDP - an increase of just 1.5 percent since 1990.

Even more worrisome for local communities is Peru's centralized political system. Taxes go to the federal government and are supposedly dispersed to municipalities but the province of Cajamarca alone is owed US\$25 million in outstanding payments. A new law passed in July of 2001 increases the amount of taxes paid and gives the federal government until the year's end to pay outstanding sums. But mining communities worry that tax loopholes prevent companies from paying the full amount and economic benefits may not be worth the ecological risks.

Despite concerns, Peru's mining industry continues to expand. Foreign involvement is increasing with a projected investment of US\$5 billion between 1998 and 2002. Peru has at least 90 registered mines in production. The map on the next page illustrates just a few of the current environmental and social "hot spots" from the country's unregulated romance with foreign mining.



## TAMBOGRANDE TG-1 deposit

This small Canadian mining company's explorations have been tainted with tension and conflict. The tiny agricultural town of Tambogrande lies atop a multi-mineral deposit with an estimated 64 million tonnes of mineral rich in gold, silver, copper and zinc worth around US\$2 billion. A Canadian transnational wants to relocate part of the town to make way for an open-pit mine but faces overwhelming local opposition.

In February of 2001 a peaceful demonstration turned nasty when several protestors set fire to offices, machinery and model homes in Manhattan's Tambogrande compound. About a month later Godofredo Garcia Baca, one of the mine's most popular and charismatic opponents, was assassinated. Other anti-mining activists have received death threats.

In an attempt to find a peaceful solution, Tambogrande held a municipal referendum on the proposed mine in June 2002. More than 90 percent of Tambogrande's registered voters said 'no' to the mine. The referendum was given a seal of approval by an international monitoring mission from Canada's Rights and Democracy Center, but the company and Peruvian government have refused to respect the results.

Tambogrande neighbors the lush semi-tropical valley of San Lorenzo, Peru's mango and lime-producing capital with production valued at US\$110 million a year. More than 75 percent of the San Lorenzo region's 70,000 people earn their living from agriculture. In contrast, once operational, the mine will provide a maximum of 500 jobs.

Before construction can begin, however, the Peruvian government must approve Manhattan's Environmental Impact Study, submitted in December 2002. Companies hire their own environmental auditors - a loophole that has not been lost on leaders of Tambogrande's Defense Front, a coalition of fruit growers and concerned citizens who oppose the mine.

## ANTAMINA

Antamina is one of the world's largest copper mines with a projected annual production of 250,000 tonnes of copper and 150,000 tonnes of zinc for at least 20 years. With an estimated US\$950 million a year in exports, Antamina has become the darling of Peru's mining portfolio, but conflicts with local communities have already arisen.

In 1998 the Federation of Fishermen in the port town of Huarney said the company was polluting fishing waters and frightening away marine life during construction of a wharf and mineral-pipeline. Since then, the company has invested considerable funds in social relations and has been credited by the industry as a leader in community development. Many locals, however, remain unconvinced.

Huarney's fishing folk worry the pipeline will release toxins into fishing waters. The company has been accused of lowering water levels in Laguna Conococha, affecting plant and animal species and of contaminating the zone with mineral residues.



# PERU: Mining Country

## Tambogrande TG-1 deposit

**Shareholders:** Concession rights held by Manhattan Minerals Corp. of Canada.

**Geography:** The northern coastal province of Piura with the main deposit underneath the town of Tambogrande.

**Production method:** Open-pit mine to extract gold, silver, copper and zinc using cyanide leaching technology (see box pg.13).

## Doe Run's Metaloroya

**Shareholders:** The Doe Run Company, owned by the Renco Group, USA, a \$2.5 billion private investment holdings company.

**Geography:** Town of La Oroya in Peru's central Andes, state of Junin. Altitude 3,745 meters.

**Production method:** A mineral processing complex with smelter and refinery facilities.

## Antamina

**Shareholders:** Rio Algom Ltd., Canada - bought in 2001 by Billiton, UK (33.75%), Noranda Inc., Canada (33.75%), Teck-Cominco Corporation, Canada (22.5%), Mitsubishi (10%)

**Geography:** State of Ancash between the Blanca and Huayhuash mountain ranges of the central Andes at over 4,000 meters. The mine is 165 kms from the provincial capital and tourist zone of Huaraz and 430 kms from Lima.

**Production Method:** Open pit copper and zinc mine with a pipeline transporting minerals to the Pacific coast.

## Tintaya BHP Billiton

**Shareholders:** BHP, Australia (see BHP's Ok Tedi mine, pg.11) and Billiton, UK which merged in 2001 to form BHP Billiton.

**Geography:** Altitude 4,100 meters in the province of Espinar, about 250 kms south-west of the city of Cusco.

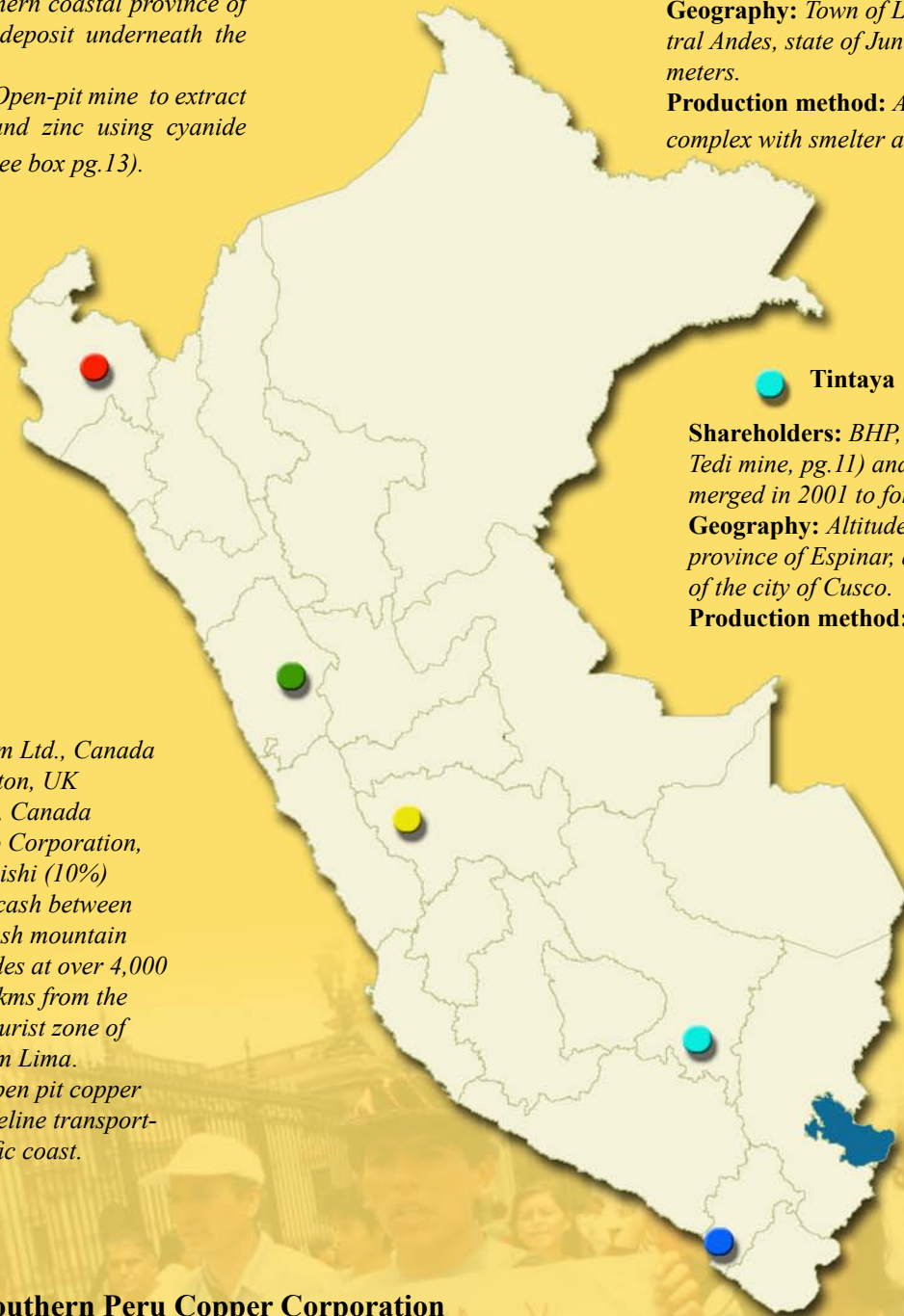
**Production method:** Open-pit copper mine.

## Southern Peru Copper Corporation

**Shareholders:** Asarco, USA (majority shareholder) with minority shares held by Phelps Dodge Corp. and common shareholders.

**Geography:** Smelter and refinery facilities in Ilo, on the southern Pacific coast, in the states of Moquegua.

**Production method:** Two open-pit mines extract copper, silver and molybdenum. Also operates a copper smelter and refinery.



## SOUTHERN PERU COPPER CORPORATION

Southern Peru Copper Corporation is accused of polluting air and water sources near the southern coastal city of Ilo. Copper tailings waste discharged into the Pacific Ocean, at about 20,000 tonnes per year, has created a long black beach of mine slag. Since 1974, US law has forced copper smelters to treat 95 percent of gases but Southern has yet to install filtration systems and emits 100 percent of its gases untreated.

Local environmental groups brought an unsuccessful lawsuit against the company in Texas courts in 1994 for pollution damages. In December of 2000 a small group of plaintiffs from Ilo filed a new suit in a New York federal court. This second lawsuit is based on the Alien Tort Claim, a provision of US law that would allow Southern and its parent companies to be sued in the United States if plaintiffs can prove they would not receive a fair trial in Peru.



Mining communities march on Lima, Dec. 2000

## TINTAYA BHP BILLITON

Tintaya was taken over by BHP in 1996 from Co/Global Magma Ltd., which had bought the company from the Peruvian government. BHP recently merged with Billiton of the UK to form the mega-corporation BHP-Billiton.

A study conducted by local communities and the Lima-based NGO Cooperación in 2001 found levels of contamination in several test points of the rivers Cañipia and Salado. Water sources used by communities living near the mine's operations were unsuitable for human consumption according to World Health Organization standards and had alarming levels of suspended solids, arsenic, lead and iron. The report also found that soil quality had been affected by the mine's operations.

Local groups asked Australia's Mining Ombudsman to voice their concerns about the environment and social issues to company officials. The company expressed a willingness to negotiate and a 'Dialogue Table' was formed composed of all stakeholders including municipal officials, grassroots groups and nonprofit groups like Oxfam America and Cooperación. Several committees have been formed to work on issues concerning sustainable development, land, the environment and human rights. As of printing, this groundbreaking and encouraging process continues.

## DOE RUN'S METALOROYA

US-based Doe Run bought the metallurgical smelting complex in La Oroya in 1997, during former President Alberto Fujimori's privatization of government-owned enterprises. While Doe Run officials delight in showing off the company's investment in new sanitation facilities for workers and windows for local public schools, workers say they have lost benefits such as housing and medical care they received when the company was government-owned.

La Oroya has a long history of environmental contamination but Doe Run promised to install cleaner technology. Local citizen's groups and the Lima-based group ECO say the company has yet to fulfill its promises. Under Peruvian law, Doe Run has until 2007 to comply with environmental regulations. In the meantime, reports of air, water and soil pollution have ignited protest and locals are being trained in environmental monitoring.

Results of a newly-released 1999 government study confirmed fears of lead poisoning in La Oroya. Prolonged exposure to lead increases risk of cancer, anemia and infertility and causes learning disabilities in children. The study found 99.4 percent of children between the ages of 2-10 had lead levels above acceptable World Health Organization standards.



# What the company won't tell you

More than 12,000 miles of American rivers and streams are contaminated with mining-caused pollution today. Non-fuel mining generates twice as much solid waste each year as all US cities and other industries combined.

*(Mineral Policy Center)*



The world's banks and international financial institutions hold more than 34,000 tonnes of gold in reserves- more than 13 times the annual global mine production and an amount equal to nearly one quarter of all the gold ever mined. These reserves could satisfy gold demand for 8 years. (MPC)



Gold's number one use is still aesthetic with 85 percent of the gold used each year going into jewelry. The remaining 15 percent goes to industry, with electronics using about 5 percent.

*(Project Underground)*



A teaspoon of 2 percent cyanide solution can kill a person.

The amount of earth excavated to make a typical pair of wedding bands is equivalent to a six-foot-wide, six-foot-deep, 10-foot-long hole in the happy couple's backyard. The waste generated each year by gold mining operations could fill enough 240-tonne dump trucks to form a bumper-to-bumper convoy around the equator.

*(Worldwatch Institute)*



The 2,170 tonnes of gold mined in 1992 produced an estimated 650 million tonnes of waste, more waste than iron mining, even though the world digs up 200,000 times more iron.

*(Project Underground)*

## The world's most profitable gold mining

*(source: CEPAL, 1999)*

The following list shows the world's top ten countries in terms of average profit returns for the gold mining industry. Low rates of taxation and favorable mining policies - including lax environmental laws - are credited with providing stellar profits, often at the expense of the environment and local communities.

Country	Rate of profit
1. Chile	21%
2. Argentina	17.8%
3. Philippines	16.9%
4. Peru	16.1%
5. Indonesia	15.8%
6. Sweden	15.8%
7. South Africa	15.8%
8. Greenland	15.5%
9. Namibia	14.9%
10. Brazil	14.7%

# GET INVOLVED!

*The Sierra Student Coalition has held over 50 screenings of the short Choropampa video in universities, high schools and public spaces across the United States as part of the group's campaign to get the World Bank OUT of oil, mining and gas and INTO sustainable development. These two pages have been adapted from 'teach-in' materials designed by the SSC to help organizers plan their own screenings.*

## Planning

1. Set a time and date, and reserve a place to hold the event. *Be sure to make arrangements for a large television or a projector to show the video* (it is in Spanish with subtitles).
2. Get the word out! Put up posters, or try making small cards to pass out.
3. Contact your local newspaper and radio and send out email alerts to list-serves and groups working on environmental and global trade issues.

## On the big night...

1. Use the script at [www.ssc.org](http://www.ssc.org) to introduce the video and relate Choropampa's story to World Bank projects around the world that are hurting the environment.
2. Pass around a sign-up sheet for people who want to get involved.
3. Get everyone to sign a postcard to the World Bank - or better yet write a personal letter (see [www.ssc.org](http://www.ssc.org) or page 21 of this booklet for details).
4. Send a short report to the film makers ([info@guarango.org](mailto:info@guarango.org)) with the date of the presentation, audience numbers and email contacts.

## Using the momentum

Educating people is good but taking action is even better.

Once the video has gotten everyone excited to work to get the World Bank out of oil, gas, and mining, continue with a campaign to get postcards signed and letters written. Set a goal, and ask us for more postcards if you need them.

**Getting several hundred postcards signed should be a snap at most high schools and colleges.**

The Sierra Student Coalition is the student-run arm of the Sierra Club, a non-profit environmental organization based in the United States. The SSC has over 25,000 members and 250 clubs in the United States. You can download the complete guide at [www.ssc.org](http://www.ssc.org) or contact Nathan Wyeth, Coordinator, Student Action on the Global Economy campaign, Sierra Student Coalition, Tel: 301.656.8773, [nathan.wyeth@ssc.org](mailto:nathan.wyeth@ssc.org)





# The World Bank World Tour!

1944 - 2001

## 57 Years of Oil, Gas, Mining, Pollution and Destruction

Just in the year since 1992, the World Bank has pumped over \$20 billion into fossil fuel projects.

Some of the largest and most egregious fossil fuel and mining projects are below.

### **Peten Oil Drilling, Guatemala - 1994**

A \$44 million dollar loan for oil drilling in the Maya Biosphere Reserve, notable for biodiversity, primary rainforest, wetlands, and archeological sites, including world-famous Tikal.

### **Omai Gold Mine, Guyana - 1992**

\$49.8 million in insurance for a gold mine that regularly spills cyanide used in processing ore into local rivers and streams. Spills made Omai and Essequibo rivers "national environmental disasters."

### **Intag Mining, Ecuador - 1993**

\$14 million for mineral exploration in habitat of spectacled bears, jaguars, ocelots, mountain tapirs, brown-headed spider monkeys and white throated capuchin monkeys. Survey has included 7 nationally protected areas.

### **Bolivia-Brazil Natural Gas Pipeline South America, 1997**

\$310 million dollar loan and \$14.9 million insurance to construct pipeline from Bolivia to large Brazilian cities, through the Gran Chaco, an area of primary dry tropical forest in Bolivia; the Pantanal, the world's largest wetland; and the Mata Atlantica Rainforest of Southeastern Brazil.

### **Yanacocha Gold Mine, Peru - 1999**

\$100 million loan for expansion of now world's largest gold mine. Local residents unable to use former sources of drinking water, rivers runs red and brown due to pollution, chemical spills endanger communities. A mercury spill has seriously poisoned much of a community, victims have recieved little to no assistance from those responsible for spill.

### **Chad-Cameroon Pipeline, Central Africa - 2000**

\$492 million for pipeline from Chad through Cameroon to Atlantic Ocean, to be operated by ExxonMobil and Chevron. Pipeline will run through virgin rainforest and indigenous land, and make 17 major river crossings, inviting a disastrous oil spill. Drilling will displace farmers and could despoil Chad's best agricultural land.

### **Chirag and Azeri Oil Drilling, Azerbaijan - 1999**

\$400 million loan for oil drilling and pipeline to Black Sea. Endangers health of Caspian and Black seas, both home to rich aquatic, avian, and terrestrial ecosystems.

### **Kumtor Mine, Kyrgyzstan - 1998**

\$40 million dollars in loans, plus more in insurance for mine in the Tien Shan mountains. Chemical spills have killed several and poisoned hundreds.



### **Orissa Coal, India - 1997**

Whopping \$530 million dollar loan to finance two dozen coal mines to fuel coal-burning power plants. Pollution has ruined livelihoods for fishers in nearby rivers. In July 2000, World Bank acknowledged project was failure, cancelled loan with half dispursed.

### **Lihir Mine, Papua New Guinea - 1997**

Total of \$77.7 million in insurance for this mine on island off coast of Papua New Guinea. 89 million tons of cyanide-laced waste will be channeled by pipeline directly in Pacific Ocean.

Sierra Student Coaliton - Student Action on the Global Economy campaign

1.888.JOIN.SSC / [www.ssc.org](http://www.ssc.org)



# Public Declaration by Cajamarca's environmental groups

*Ecological organizations are faced with grave environmental problems threatening human, animal and plant health caused by irrational mining exploration, including the poisoning of trout and aquatic fauna from heavy metals like arsenic, cadmium and cyanide and toxic spills involving mercury, combustibles and other toxic elements. Faced with these and other problems we call for the following measures:*

## Environmental measures:

1. A formal commitment from Yanacocha to respect the intangibility of Mt. Quilish as a nature reserve, as declared by an ordinance from the municipality of Cajamarca.
2. Immediate installation of systems to protect water flowing from current explorations on Mt. Quilish from contamination by mineral residues, heavy metals and toxic substances.
3. A laboratory to monitor urban and rural water in the three river valleys affected by Yanacocha. The lab will be managed by an autonomous authority and without interference from the mining company.
4. A treatment plant to eliminate heavy metals, in compliance with Peruvian law no. 26410 - CONAM.
5. A reserve fund for environmental disasters and emergencies, equivalent to a percentage of the company's net profits.
6. Immediate construction of an alternative transport route so that vehicles carrying toxic and combustible materials bypass the city of Cajamarca and go directly to the mine.
7. An autonomous environmental authority, comprised of institutions, organizations and Cajamarca's civil society. This authority should ensure the mine complies with current applicable laws.

## Social Development measures:

1. Compliance with all past and present commitments and agreements made by the mining company with local governments and communities.
2. The mining company should put a considerable percentage of its net income into a special account for social programs that contribute to the development of the province of Cajamarca.

## Health measures:

1. An independent medical center, funded by the mining company, providing specialized attention to citizens affected by the mercury spill in Choropampa, San Juan, Magdalena and Asunción and to other communities within Yanacocha's sphere of influence.

Signed,

P. José Suárez Suárez, General Secretary, Ecological Front  
Reinhard Seifert, Coordinator, Cajamarca Forum

Prof. David Saldaña Sangay, President Valley and Life Association

Dr. Nilton Deza Arroyo, President Ecovida Association

Cajamarca, April 2001



# MAKE A DIFFERENCE

## Suggestions for teachers and activists with further reading material

### Letter campaigns

The tried but true letter campaign is still an effective lobbying tool. You can organize a letter-writing campaign with your study or church group, ecology club or school. Using the internet to circulate letters is also a good way to gain support. If you don't have access to a human rights or environment list-serve, try sending a letter to 20 people interested in the theme and ask each to forward the letter to 5 or 10 people. In order to avoid confusion, ask each recipient to sign and e-mail a copy of the letter to the person or company you are lobbying.

Send a letter to Minera Yanacocha's general manager, Carlos Santa Cruz, in English or Spanish at: **Av. Camino Real 348, Torre El Pilar, Piso 10. Lima 27, Peru. Tel: (511)215 2600 Fax: (511) 215 2610. email: CSAN0230@yanacocha.newmont.com**

You can also send letters to the company's parent corporations: Newmont's president: **Wayne Murdy, Newmont Corporation, 1700 Lincoln St. Denver, CO 80203, Tel: (303) 863-7414 or in the US. 1-800-810-6463**

Buenaventura's president in Peru: **Alejandro Benevides, Carlos Villarán 790, Santa Catalina, Lima-13, Perú. Telephone: (511) 419-2538 email gerencia@buenaventura.com**

Mining corporations are usually influenced by their financiers so don't stop at sending a letter to the company presidents. You can also target the organizations providing loans and funding. Many companies, like Newmont, receive financing or political risk insurance from the International Finance Corporation of the World Bank which has a special office to deal with environmental monitoring and community complaints (see page 23). Others receive public funds either through direct government investment or securities funds like Canada's Export Development Corporation (EDC), a crown-corporation providing political risk insurance for Canadian companies overseas. You can also lobby the company's major shareholders, which may be pension or mutual funds, academic institutes, other corporations or private citizens.

National governments need to be lobbied to tighten environmental regulations and intervene on specific issues. For companies operating in Peru, send letters to President Alejandro Toledo at: **Palacio de Gobierno, Plaza de Armas, Lima, Peru.**

You can also remind Congress member Luis Guerrero, with Toledo's ruling party, of his campaign promises during the 2001 election to help solve outstanding health issues from the mercury spill and provide just compensation. He also pledged to support the campaign to save Quilish mountain from mining expansion. Send letters to **Congreso de la Republica, Edificio del Congreso, Plaza Bolívar, Lima, Peru. Fax: (511) 427-9009**

Remember to make your letter clear and concise stating the problem (i.e. mercury spill) and action you would like taken (i.e. providing health insurance for life to affected persons and just compensation). For sample letters, see Project Underground's web-page, page 23.

### Fun Stuff

All work and no play makes for a dull activist or student. The most effective and memorable campaigns usually employ creativity, art or humor to capture attention, like Project Underground's comic book *Newmonster: The Story of One Gold Mining Company and the Struggle to Stop it.*



**1. Fake Ads.** Make your own fake advertisement for your favorite mining company or product. You can use computer graphic design or paints, crayons and photos or recording equipment to make fake radio or television commercials.

**You gave each other  
classic 14 kt.  
gold wedding**

**bands because  
you meant forever.  
Now, a decade later you say it  
again with a stunning diamond  
set in a 21 kt gold band.**



**Let her know you care by passing  
on a tiny, processed chunk of what  
was once a majestic mountain in  
the Peruvian Andes or Nevada  
desert.**

**We're sure the indigenous people  
who depended on the mountain for  
water, pasture land and spiritual  
guidance understand that their  
sacred site lives on in your  
cherished gift.**

**Give the gift that last a lifetime  
like your love and the contamination  
and social destruction gold mining  
leaves behind for generations to come**

## Research Tools

**Newmonster: The Story of One Gold Mining Company and the Struggle to Stop it** A tri-lingual (English, Spanish and Indonesian) comic book about Newmont's activities around the world. Available from Project Underground. Free download in pdf from their website <http://www.moles.org> Also check out their special section devoted to Newmont and subscribe to their twice-monthly e-mail publication *Drillbits and Tailings*, in English or Spanish and free to organizations in developing countries.

**More Cyanide Uncertainties: Lessons from the Baia Mare, Romania Spill - Water Quality and Politics.** By Robert Moran, Ph.D., 2001, published by the Mineral Policy Center. This 15-page report written by a geochemical and hydrogeological specialist is available in pdf on the Mineral Policy Center website: [www.mineralpolicy.org](http://www.mineralpolicy.org). The center also provides information packages on specific technical issues like cyanide leaching.

Report by the Independent Commission of the Compliance Ombudsman's Office (CAO) of the International Finance Corporation. Published in September of 2000 with findings and recommendations of a World Bank investigation of the mercury spill in Choropampa and surrounding communities. Available from the CAO office or web-site in English and Spanish. The report's recommendations at the end are especially interesting.

The United States Environmental Protection Agency has fact sheets and information on specific toxic chemicals, including mercury, and reports on Superfund clean-up sites. US environmental legislation is also posted on this site: [www.epa.gov](http://www.epa.gov) U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue, NW, Washington, DC 20460.

The Peruvian government has developed a new web-page with links to government ministries, news releases and country information in an effort to be transparent and accountable. The web-site is: [www.perugobierno.gob.pe](http://www.perugobierno.gob.pe) A new transparency regulation states that civilians have the right to access government reports and official documents and can request information from government ministries. Ministries and departments related to mining issues include: Ministry of Energy and Mines, Ministry of Health and CONAM (national environment council).

**NGOs:** Surf websites of research institutes and non-government organizations found on page 23, or get in touch with them directly.

Many, like Oxfam America and the Canadian Environmental Law Association, have on-going campaigns and workshops. The Environmental Mining Council of British Columbia has a great section on its web-site on activist campaigns.

Digging up financial or stockholder information about mining companies can be tricky, but most are public corporations whose stocks are publicly traded, meaning they must register with securities commissions in their parent countries.

For US companies try a database called EDGAR (Electronic Data Gathering, Analysis and Retrieval). Free information at [www.freeedgar.com](http://www.freeedgar.com). There's also Hoovers OnLine: [www.hoovers.com](http://www.hoovers.com).

Canadian companies are registered in securities commissions by province. The Ontario Securities Commission web site has a link to all provincial sites: [www.osc.gov.on.ca/en/About/Faqs/csafaqs.html](http://www.osc.gov.on.ca/en/About/Faqs/csafaqs.html) The Edgar equivalent for Canada (free) is SEDAR, the System for Electronic Documentation Analysis and Retrieval: [www.sedar.com](http://www.sedar.com) Also try Carlson On-line for stock and investor profiles: [www.fin-info.com](http://www.fin-info.com)



## More Fun Stuff

**2.Artful protest.** A creative protest doesn't need large numbers to attract news media. Peru's La Resistencia staged mass-flag washings outside government Palace during Fujimori's final months to protest rampant corruption, bringing their own wash-bins, soap and laundry lines to hang cleaned flags to dry.

**3.Role-playing.** Improvise a mock-debate or negotiations between executives of a mining company and members of a local community. You can use real cases so students can research their roles or invent a "typical" case. Complicate the game by encouraging the mining side to present technical experts, like doctors, lawyers and scientists. The community side could respond with their own experts. Including a "negotiator" role to mediate the debate is also interesting - how long will it take before one side accuses the negotiator of favoring the other?





## GLOBAL

### The Mineral Policy Institute of Australia

PO Box 21, Bondi Junction, NSW 1355, Australia

Tel: (61 2) 9387 5540

Fax: (61 2) 9386 1497

Email: [mpi@mpi.org.au](mailto:mpi@mpi.org.au)

Website: [www.mpi.org.au](http://www.mpi.org.au)

### Canadian Environmental Law Association (CELA)

517 College St., Suite 401, Toronto, Ontario, Canada, M6G 4A2

Phone: 416-960-2284 Fax: 416-960-9392

Email: [cela@web.ca](mailto:cela@web.ca)

Website: [www.cela.ca](http://www.cela.ca)

### Friends of the Earth International

Contact: Janneke Bruil

PO Box 19199, 1000 GD Amsterdam, the Netherlands

Tel: 31 20 622 1369 Fax: 31 20 639 2181

Website: [www.foei.org](http://www.foei.org)

## UNITED STATES

### Oxfam America

Contact: Keith Slack

1112 16th St, NW, Suite 600, Washington, DC 20036

Tel: 202/496-1308 Fax: 202/496-1190.

Email: [kslack@oxfamamerica.org](mailto:kslack@oxfamamerica.org)

### Mineral Policy Center

1612 K Street, NW, Suite 808, Washington DC, 20006, USA

Tel: (202) 887 1872

Email: [mpc@mineralpolicy.org](mailto:mpc@mineralpolicy.org)

Website: [www.mineralpolicy.org](http://www.mineralpolicy.org)

### Project Underground

1916A Martin Luther King Jr Way, Berkeley, CA 94703

Tel: (510) 705 8981 Fax: (510) 705 8983

Email: [project\\_underground@moles.org](mailto:project_underground@moles.org)

Website: [www.moles.org](http://www.moles.org)

### CAO (Compliance Advisor Ombudsman of the World Bank).

An independent office in the World Bank monitoring projects funded by the bank and addressing community complaints.

Contact: Meg Taylor

Tel: (202) 458-9452, (202) 458-5237, (202) 458-1973

Fax: (202) 522-7400

E-mail: [cao-compliance@ifc.org](mailto:cao-compliance@ifc.org)

Website: [www.ifc.org/cao](http://www.ifc.org/cao)

## PERU

### ECO (Economic Investigations Group)

Contact: Carlos Portugal and Juan Aste

Av. Mariátegui 1391 Interior D, Jesús María

Tel/Fax: (511) 424 4107

Email: [grupoeco@chavin.rcp.net.pe](mailto:grupoeco@chavin.rcp.net.pe)

### CONACAMI

Peru's coordinating NGO for communities affected by mining.

Contact: Miguel Palacin, president

1069 Jr. Carlos Arrieta, Sta. Beatriz, Lima 1, Peru

Tel: (511) 470 5854

Email: [comunidades@terra.com.pe](mailto:comunidades@terra.com.pe)

Website: [www.conacamiperu.org](http://www.conacamiperu.org)

### Cooperacción - Solidarity Action for Development

An NGO promoting sustainable use of natural resources in mining and fishing communities.

Jr. Berlín 1353, Miraflores, Lima 18, Perú

Telefax: (511) 445 0908

Email: [cooperac@chavin.rcp.net.pe](mailto:cooperac@chavin.rcp.net.pe)

Website: [www.cooperaccion.org.pe](http://www.cooperaccion.org.pe)

### CIASO (Center of Environmental and Public Health Research)

Non-profit association monitoring the environmental impact of extractive and non-extractive industries.

Contact: José Luis Quequejana (Executive Director)

Av. Arequipa 1516 Of. 2I, Lince, Lima 14, Peru

Tel: (511) 471 6490

Tel/Fax: (511) 266 0220

Website: [www.ciaso.org](http://www.ciaso.org)

### Ecovida

A non-profit group of environmentalists and concerned citizens working on environmental issues in Cajamarca.

Contact: Nilton Deza, president

Casilla 115, Cajamarca, Peru

Tel: (51 44) 82 96 41

Email: [dezan@rocketmail.com](mailto:dezan@rocketmail.com)

### FEDEPAZ (Ecumenical Foundation for Development and Peace)

Provides legal aid to communities affected by mining in Peru

Contact: Any Leyva Valera

Av. Trinidad Moran 286 Lince, Lima 14, Peru

Tel/Fax: (511) 421 4747

Email: [fedpaz@amauta.rcp.net.pe](mailto:fedpaz@amauta.rcp.net.pe)

### Grufides

A group of young activists and students from the University of Cajamarca working on social justice and environmental issues.

Av Dos de Mayo 1172, Cajamarca, Peru

Tel/Fax: (51 44) 83 20 82

Email: [info@grufides.org](mailto:info@grufides.org)

Website: [www.grufides.org](http://www.grufides.org)



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**3. Hire own “security force” led by retired navy general to show locals who is boss and keep trouble-makers in line.**

**4. Avoid expensive environmental monitoring by bribing public officials and hiring own team of “environmental” monitors.**



Help us conserve this revolutionary system of domination and contamination. Buy stocks in our parent companies in Peru and the United States. We'll send you slick shareholder reports prepared by first-rate and expensive corporate propaganda writers that gloss over our environmental destruction and conflicts with local communities. You'll enjoy all the benefits of being part of the world's lowest-cost gold operation, without feeling a shred of guilt!

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Disclaimer: This is a fictional advertisement. Any similarities with real entities is unintended.