

## Summary

### **The Divergent Trajectories of Corporation – Community Mining Conflicts in Peru**

Peru's economic growth model is heavily dependent on the mining industry. Since president Fujimori's neo-liberal reforms in the 1990s, which included the privatization of the mining industry and tax-exemptions for foreign companies, the country's GDP has surged. In 2013 the mining sector comprised approximately 7% of Peru's total GDP and 55% of its export. The economic success, however, has come at a societal price. The boost in extractive activity resulted in the expansion of open-pit mining into rural areas inhabited by peasant communities, and has been accompanied by a sharp increase in mining conflicts between those communities and mining corporations.

In many cases, mining conflicts evolve peacefully. However, according to reports of the Peruvian Ombudsman, even more conflicts escalate into violence, and many become protracted. Frequent forms of escalation are the forceful occupation of mine sites, hostage taking of mining personnel, and fatal clashes between the police and peasants during anti-mining protests. Scholars and practitioners agree that the main sources of mining conflicts are a combination of peasant communities' concerns over the contamination of water due to mining, and the subsequent threat to their livelihood, the unequal distribution of mining benefits and revenues between rural and urban regions, the threat mining poses to peasant communities' identity, and a bias of the Peruvian state towards protecting the interests of the mining industry.

Although various scholars and practitioners have examined the causes of mining conflicts, the divergent ways in which mining conflicts progress have scarcely received attention. This is striking, given that the social conflict reports of the Peruvian Ombudsman illustrate that mining conflicts between seemingly similar actors, and concerning professedly akin issues, have completely different trajectories: some go through peaceful demonstrations and negotiations leading to agreements, while others experience violence and become protracted.

The research objective of this thesis is to address the gap in the current mining conflict literature, to which end it seeks to answer the following research question:

***What explains the variation in the trajectory of corporation-community mining conflicts in Peru?***

Sub-questions:

1. What factors or mechanisms result in, or contribute to, the escalation and protraction of corporation-community mining conflicts in Peru?
2. What factors or mechanisms result in, or contribute to, the peaceful resolution of corporation-community mining conflicts in Peru?

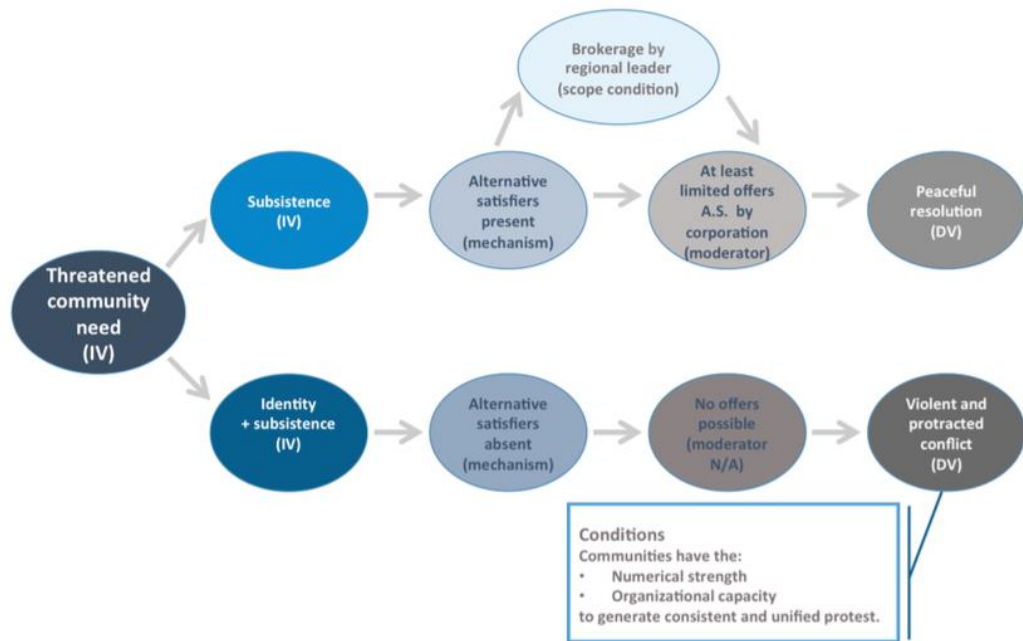
An answer to these questions is relevant to conflict resolution practitioners who are involved in resource conflicts, both within and outside Peru, because understanding the factors that cause or

contribute to the escalation and protraction of corporation-community mining conflicts can help to prevent it. This thesis predominantly approaches the research question from a Human Needs Theory (HNT) perspective, but also examines whether and how corporate action and trust affect the trajectory of a mining conflict.

Human needs theorists argue that a conflict likely becomes violent and protracted when a certain need is under threat, while the choice of alternative satisfiers for that need is scarce. In Peru peasants and mining corporations both use land and water as satisfiers for subsistence. Peasants use water and land for agriculture, whereas mining corporations use large volumes of land and water for the practice of mining. The different ways in which mining companies and peasants use water and land as satisfiers for subsistence is deemed incompatible by most peasant communities. In addition, certain Peruvian peasant communities perceive their identity as dependent on their peasant profession, in which case land and water also become satisfiers for the need for identity. As such, mining projects present a threat to the subsistence, and at times the identity of local peasant communities. The subsequent question is: are there alternative satisfiers available for the subsistence and identity of peasant communities that can prevent escalation and protraction of the conflict that is triggered by the incompatible use of land and water?

Regarding the application of HNT to mining conflicts in Peru, ***the thesis' main findings*** are the following:

1. The presence of alternative satisfiers for a peasant community's threatened subsistence, coupled with at least minimal offers of those satisfiers by the mining company involved in the conflict, is necessary but possibly not sufficient for the peaceful resolution of a mining conflict rooted in a threat to a community's subsistence.
2. The reason for the potential insufficiency is that the study uncovered a scope condition: *brokerage by a regional leader*. The presence of an elected regional leader who connects the different parties on both sides of the conflict through dialogue increases the likelihood of a peaceful resolution of mining conflicts rooted in the threat to a community's subsistence. The absence of brokerage by a regional leader, in contrast, decreases the likelihood of a peaceful resolution.
3. The absence of alternative satisfiers for a peasant community's threatened identity causes a mining conflict rooted in a threat to a community's identity to become violent and protracted, but only when the following two conditions are met: the communities that experience the mine threatens their identity have the numerical strength (majority) and organizational capacity (existence of a community-level organization) to generate consistent and unified community protest against the mine. The causal chain that follows from the study's findings is illustrated in the diagram below.



The thesis compares two conflicts: the Conga conflict, a protracted conflict that first became violent in 2011, and the Quellaveco conflict, which was peacefully resolved in 2012. The two conflicts both concern corporation-community mining conflicts in rural areas, involving peasant communities and transnational mining corporations. The cases were selected on variance on the dependent variable, applying the most similar system design. In addition to the controlled comparison, the thesis applies process tracing within each case to enable causal inferences. The data for the study was gathered through semi-structured interviews with different parties involved in the conflict, such as community leaders and members, mining company staff, governmental authorities, and NGO staff. For external triangulation, the study makes use of secondary sources, such as news articles and the database of social conflict reports of the Peruvian Ombudsman.