Expansion of oil palm agribusinesses over indigenous-peasant lands and territories in Guatemala:

Fuelling a new cycle of agrarian accumulation, territorial dominance and social vulnerability?

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Expansion of oil palm agribusinesses over indigenous-peasant lands and territories in Guatemala:

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Abstract: This paper is a critical analysis of the political economy and ecology of the current territorial re-structuring processes associated with the deployment of a flexible regime of agrarian capitalism in Guatemala, in light of its determinations over the human and social vulnerability of indigenous-peasant farmers in the territories of expanding oil palm industrial monocrops.

Attention is paid to the main discourses of public and private stakeholders as well as to the specific material and cultural dispossession practices of this revisited dynamic that generates agrarian and resource-use conflict, once again catalyzed by demand drivers emerging from world (northern) markets related to the revalorization of commodities and the agrofuels fever.

The discussion focuses on the impacts on three fundamental components of the livelihoods of Guatemala´s indigenous-peasant population, as core determinants of human and social vulnerability: i) the entitlements and rights to access, use and control of the means of production and natural resources; ii) household productive and reproductive strategies; and iii) the labor implications and changes in the social relations of production and reproduction.

Key words: Latin America, Guatemala, agrofuels, agribusiness, post-colonial states, local elites, livelihoods, land, territory, peasantry, indigenous peoples, land and natural resources management practices and institutions, women in indigenous-peasant economies.

Introduction

This paper invites a critical analysis of the political economy and ecology of current territorial re-structuring processes associated with the deployment of a flexible regime of agrarian capitalism in Guatemala, in the light of its determinations over the human and social vulnerability of the indigenous-peasant farmers in the territories of expansion of oil palm industrial monocrops. In doing so, results from research carried out from 2006 to 2008, as well as preliminary results from research from 2009 to 2010 are presented.

Some methodological reflections are considered before briefly describing the research setting in Guatemala embedded in the current historic context of Latin American capitalism. It will then present an analysis of the legitimizing discourses, the land appropriation mechanisms, and the territorial re-structuring strategies developed by the oil palm agribusinesses, followed by an analysis of the role played by the Guatemalan state and other influential private and public stakeholders within the mechanisms and strategies of the latter.

The paper will then discuss how these strategies and mechanisms impact the livelihoods of indigenous-peasant peoples and communities as core determinants of the degree of human and social vulnerability. Finally, some preliminary conclusions are advanced.

I. Aims, scope and methodological background

Considering that the defining features of agrofuels capitalism are not essentially different from other forms of capitalist monocrop production (White & Dasgupta 2010, Merlet *et al* 2010, Gudynas 2010, and Rubio 2009 among others), I focus on a critical analysis of the political economy of the current territorial re-structuring processes associated with the deployment of a flexible regime of agrarian capitalism in Guatemala, in light of its determinations over the *human and social vulnerability* of indigenous-peasant farmers.

In this sense, my approach to the concept of human and social vulnerability is "forward looking" (Alwang *et al* 2001) since it seeks to describe the susceptibility of indigenous-peasant people and communities to a future decline in, or loss of, their collective capability to play a role in today's agriculture and food provision, as well as in their capacities to family and community reproduction.

Chambers (1989:11) defined vulnerability as "the exposure to contingencies and tension, and the difficulty to face them". Vulnerability is therefore a complex concept embracing different components which according to Chambers (1989), Cannon (1994), and Blaikie *et al* (1994) are part of the two fundamental dimensions of vulnerability: i) the risk and ii) the lack (or erosion) of human and/or social capacities, as well as of entitlements to resources.

While each dimension of vulnerability affects the other, the first is related to structure and context issues, whereas the second is highly determined by the composition, sensitivity[1], resilience[2] and sustainability[3] of the practiced *livelihoods*. For the purposes of critical research, I approach the concept of livelihoods through a customised conception which I believe allows for its critical and comprehensive use.

Following Blaikie *et al* (1994), I understand livelihoods as interrelated systems of different components among which are included not only the *productive and reproductive strategies* focused on generating income, surplus, added value, food and other goods and services, but also the *entitlements to access, use and control* of the means of production, common pool and natural resources, the *means and abilities* to make sustainable use of them in the socio-ecological context, and the *rights and social relations* that allow and legitimize their use. Livelihoods, then, are neither immune from contextual influence nor are they static and constant, but are subject to multiple tensions and are historically determined. This approach to livelihoods has three main analytical and methodological implications:

1. The Rights Approach -in its most ample and politicised conception- is inherent to it.

2. It pays analytical attention to a key element in agrarian change, such as the "interplay between structures, institutions and actors" (Borras 2009:22). Accordingly, it is well worth combining *structure and power* oriented approaches with those oriented towards *knowledge and culture* in order to overcome dualisms of *structure* and *agency*. Giddens' (1984) concept of structuration is useful as it points to the continuous dynamic interplay between structure and agency sedimented in space and time, as well as his view of social agency as the relation between the power -or the determinism of the structure- and the capacity to act. I use the concept of *social agency* to consider the opportunity for action and resistance on the part of the indigenous-peasant people and communities (Macleod 2009).

3. This approach to livelihoods is necessarily cross-disciplinary and focuses on addressing the complexity of agrarian realities. Consequently, it relies on, and analytically benefits from the theoretical debates on agrarian political economy while at its core, it considers the relations of power, politics, class, gender and ethnicity.

In this sense, a systematic *agrarian systems* comparative (political economy) approach is used as the "methodological backbone" of this inquiry in which framework synergic

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[1] Or the capacity to respond rapidly to changes, whether endogenous or exogenous, positive or negative Maxwell & Smith (1992:33-37).
[2] Or the capacity to recover after a crisis (ibidem).
[3] Or the capacity to endure in spite of aggressions suffered, or adverse long term tendencies, without eroding the resource basis (ibidem).

concepts and approaches are also employed. An agrarian system is understood as a "long lasting, historically constructed means of exploiting the milieu. A production forces´ system adapted to the bio-climatic conditions of a given space which responds to the moment´s social necessities and conditions" (Mazoyer 1985 in Apollin & Eberhart 2001).

Harvey (1996) remarked that space is not a natural entity, but a social byproduct of the mode of production which is possible to understand by taking its history as a starting point. However, I believe it is necessary to complement this economic determination first with those derived from the political ecology associated with common pool resources management in order to point out the "political issues of structural relations of power and domination over environmental resources" (Scoones 1999:492); and second, with those determinations which refer to the "regulatory role of culture" (Parekh 2000:157) through which power is institutionalized, enforced and distributed, and power relations and meanings are legitimized or contested[4].

Additionally, and always from a comparative perspective, it is important to "capture the relational and political side of property and labor regimes, labor processes and structures of accumulation" (White & Dasgupta 2010:600) in the compared agrarian systems. In this regard, most approaches to peasant economy and agrarian social relations refer us to the familiar debate about the survival and reproduction of the peasant mode of production or its decomposition and eradication under the capitalist system.

However, following remarks by Hurtado (2009:23) and White (1989:28) on this issue I recur to Chayanov´s view of the conditions of reproduction of the peasant household and its extraordinary capacity to confront external conditioning factors (related to the resilience, sensitivity and sustainability of livelihoods from a vulnerability perspective) together with Deere & de Janvry´ s (1979) framework for an empirical analysis of the mechanisms of surplus extraction from the peasant household in a given social formation.

In order to avoid the limitations that a conservative family and/or household approach might imply, in terms of not giving due attention to intra-household dynamics that are of great relevance, I use the *Complete Economy Approach* employed by feminist economists to illustrate a number of analytic dimensions relating to the sexual division of work in the productive and reproductive strategies of peasant households and communities.

Finally, in the discussion on agrarian and rural differentiation[5], I adhere to White´s (1989:19-20) view that "it is not about whether some peasants become richer than others

[4] Culture is a domain of regulation and emancipation (de Sousa Santos 2001), or in Gramsci's terms (1971) of hegemony and counter-hegemony.

[5] It is frequently distinguished among three categories of "landowners" in Guatemala: i) *corporate* landowners (i.e agribusinsesses) whose owners are absentee from the producing territories; ii) *landlords*, who

but about the changing kinds of relations between them (or between peasants and nonpeasants, including extrarural groups) in the context of the development of commodity relations in rural economy. The changes involved in differentiation processes are thus essentially qualitative rather than quantitative, although of course they may be quantitatively measurable".

In order to allow for all these perspectives in the analysis, the methods of data collection and processing that were used include: Literature review; interviews (with different private, peasant and public stakeholders); life stories; participant observation; focus groups (on gender differentiated time and land use, and for results feedback and discussion, etc.); the development, together with the Government´s National Council of Protected Areas, of a "*2010 Harvested Oil Palm Geographic Information System*"; and a statistically representative household survey of the research areas, through gender-differentiated questionnaires for both heads of family when available (588 questionnaires for 294 households in 20 different villages).

II. The research setting embedded into the history of Latin American agrarian capitalism

As Blanca Rubio (2009:34-35) argues, since agriculture in the capitalist view is (considered to be) an activity subordinated to industry, it has played diverse strategic roles within the different models of capitalist accumulation in modern history. During the dominance of the Liberal feedstock and raw materials export based model of the 19th and early 20th century in Guatemala and Latin America, agriculture provided feedstock to industry in Europe and then the USA. Later on during the Imports Substitution model, agriculture allowed higher industrial wages in real terms by providing national markets with cheap food.

Both models were based on an international division of labor in which dependent countries like Guatemala provided the Central nations with food and other feedstock and raw materials in exchange for industrialized goods. With the world industrial re-allocation under the neoliberal globalization model a new international division of labor arose, which created the illusion that the role of Latin America as an exporter of prime materials was being left behind (as in several South East Asian countries). However, the set of policies of the neoliberal Washington Consensus impacted fatally on millions of peasant productive units. The widespread value dispossession transformed many peasant men and women into full time dependent laborers, partly in the *maquiladoras*, but mainly as a migrant

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are plantation or cattle ranch owners, often non-indigenous (can be also agribusinesses´ owners); iii) and *peasant* farmers of different kinds (among which we may of course find several entrepreneurial kinds).

workforce. During the last twenty years of the 20th century, Guatemala moved from a cheap feedstock and raw materials exporting country to an exporter of cheap labor.

With the convergence of global crises (financial, environmental, energy, food) at the beginning of the 21st century, Latin America is being pushed towards a new export-based cycle of international economic integration which, though still dependent, differs in some respects from that observed a century ago. The rise in world oil prices has had a deep impact on other world commodity prices (food and minerals) (IMF 2008), affecting modern production and consumption patterns in the North. This is to be subverted -among other strategies including military intervention and commercial sanctioning- through the substitution of part of the huge Northern fossil fuel consumption by the so-called *agrofuels*.

At the present time, the growing demand for agrofuels in Northern countries remains one of the main structural causes of the rise in food prices[6]. It also restores agriculture to a strategic role in the process of global capitalist accumulation, since by providing raw materials for the development of fuels, agriculture has direct repercussions for the industrial capital reproduction cycle.

Thus a triple "gold fever" -yellow, black and green- has been triggered, resulting in profound territorial re-structuring processes worldwide[7]. This is especially occurring in (still) resource-rich Southern countries, since the primary limitation on massive commercial incorporation of agrofuels is neither financial nor technological but is in fact the availability and (low) cost of sufficient quantities of agricultural raw materials. The interest in satisfying this international demand has revitalized Guatemala's historically unresolved and conflictive "agrarian issue" as a central one in national accumulation strategies as well as in (rural) development policies especially in the target territories of the oil palm agribusinesses.

Accordingly, the comparative research is being carried out in the oil palm plantations´ new expansion territories in Guatemala[8], specifically in 20 villages from 6 different social and agro-ecological areas of Guatemala´s Northern Lowlands (NLL)[9]. These areas are

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[6] In addition to the oil price rise/agrofuels issue, it is important to consider the impact on increasing food prices derived from the continuous devaluation of the US dollar (currency of reference for all commodities), the emerging economies´ growing demand for feedstocks and raw materials, and last but not at all least, the renewed interest of speculative financial capital in minerals, oil and food and feedstock markets worldwide.

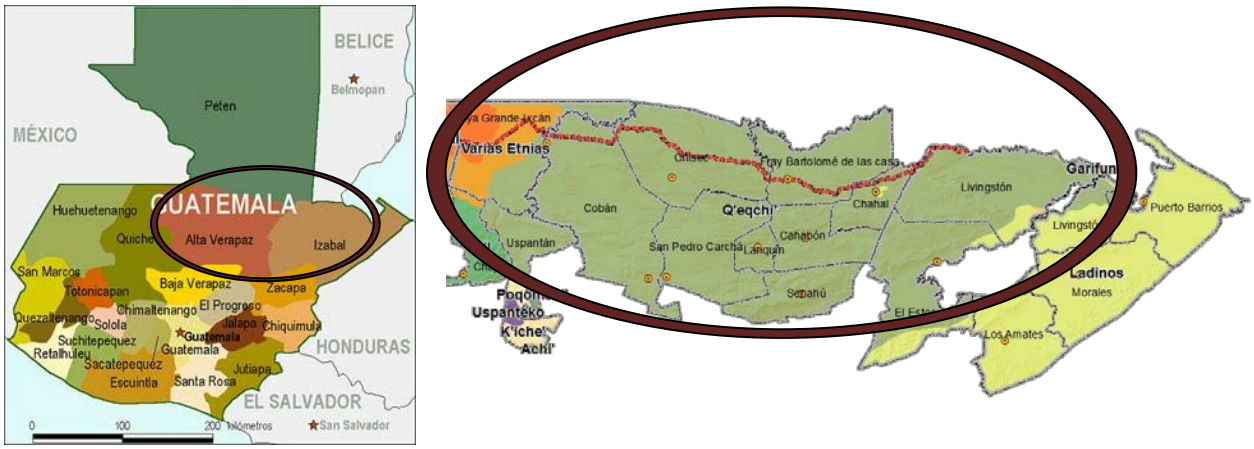
[7] Involving the negotiation, adjustment and relocation of the costs and benefits of territorial surplus production and circulation following both a "logic of territory" and a "logic of capital".

[8] Guatemala is a subtropical country in Central America with an estimated 2010 population of 14 million, 54% living in rural areas. It is inhabited by 24 ethnic groups (22 of them Maya indigenous people).

[9] With a total population of 318,643, 49% of which are female. The average population density is of 54 habitants per Km^2, which has tripled from its value 25 years ago. 77% of the population is rural and around 90% indigenous, mainly Maya-Q'eqchi ´. They are mostly dedicated to family-based agricultural activities.

inhabited mainly by *Maya-Q´eqchi´* indigenous peoples[10], and include 60% of total oil palm harvested lands and most of the new lands sown with oil palm since 2005. They are "Ixcán", "Sayaxché", "Chisec", "Fray Bartolomé de las Casas", "Polochic Valley" and "Polochic Hill".

Figure 1: Maps illustrating administrative and ethnic territorial settlement. The circumference demarcates the territory studied in this inquiry coincident with lands at 500 m.a.s.l



Source: Government of Guatemala 2009.

The characteristic history of the northern lowlands of Guatemala provides an explanatory framework for present social relations from the colonial period onwards, through the Liberal reforms of 1871, the subsequent privatization and dispossession of indigenous communal lands in favour of German coffee planters, to the late 20th century context of the crisis of the traditional coffee estates and the *colonato* (bondage labor) as the predominant agrarian relation of production. For recent and comprehensive up-to-date historical analyses of material as well as racialized dispossession trends in the Guatemalan lowlands see Ybarra 2010, Sanford 2010, Grandia 2009, Hurtado 2008 and Paredes 2008.

Notwithstanding, it is worth stressing two determining characteristics of the Northern Lowland population. On the one hand, many communities suffered the *scorched earth policy*[11] instigated in the 1980's by an anti-communist and ultra right wing military government with the support of the CIA. The Peace Accords between the Government of Guatemala and the Guatemalan National Revolutionary Unity were fully "signed" by 1996.

[10] Though there are also many *ladinos*: This is a Guatemalan specific ethnical/identity classification, that includes basically all the population who is neither indigenous nor creoles (direct European descendents) or afro-descendents. Sometimes it can be assimilated to the widespread classification of "*mestizo*".

[11] Around 160 massacres were carried out in municipalities along the NLL as part of what has been classified by the UN as the Genocide of Guatemala´s indigenous-Maya people (CEH 1999) resulting in 250,000 people killed and 50,000 people kidnapped and disappeared (mostly rural and indigenous Maya).

On the other hand, as in most cases among contemporary indigenous populations, identity building and worldview are intimately linked to land and nature. This is especially deeply rooted for the Maya Q'eqchi´ who refer to themselves as *Ral Ch'och* (Sons and Daughters of the Mother Earth) and worship the "Mountain-Valley" or *Tzuultaq'a*. Among them their spirituality, language and traditions are a source of pride and social recognition.

III. Legitimizing discourses, land appropriation mechanisms and territorial re-structuring strategies developed by the oil palm agribusinesses in Guatemala

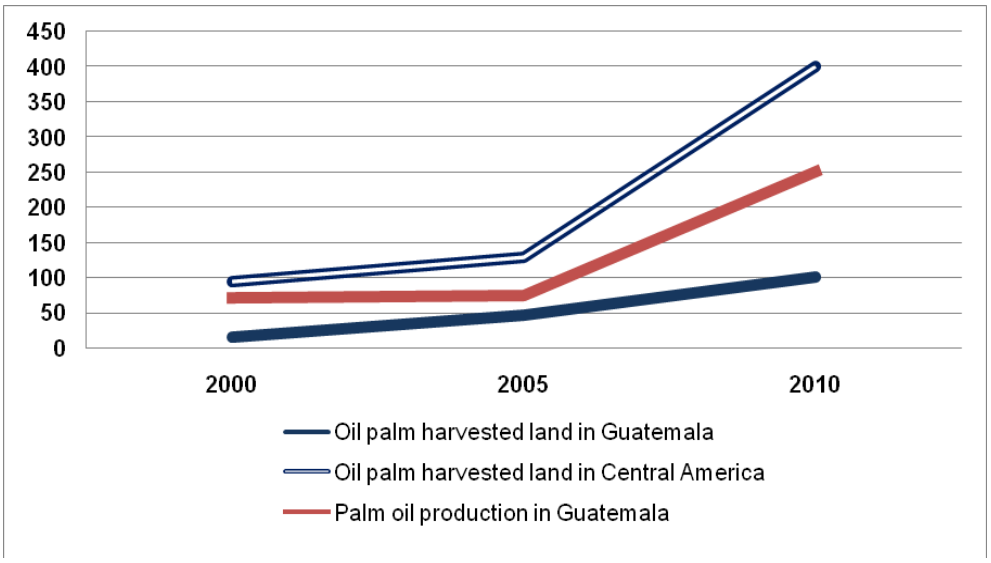
The export-oriented big agrarian capital in Guatemala is mainly controlled by the traditional creole-oligarchy though transnational corporations, and a growing number of joint-ventures between these actors also play an important role. The oligopoly of oil palm agribusinesses (OPAs) is owned by five of these creole-oligarchy families. One of them is associated with a US agro-diesel producer owned by Goldman Sachs & The Carlyle Group.

All of them are associated within *Guatemala´s Palm Growers´ Guild*, which is part of the hegemonic *CACIF*[12]. In addition, since they have felt their exports growing to the USA and the EU, two of the OPAs joined the *Roundtable on Sustainable Palm Oil* (RSPO) and a third one is about to join. All form part of *Guatemala´s Renewable Fuels Association* (AGCR) and of *Guatemala´s Corporate Social Responsibility Association* (CENTRA-RSE). They boast of two main legitimizing narratives: i) the generation of wealth, employment and rural development opportunities; and ii) doing the latter in a responsible and sustainable way.

60% of the crude palm oil is sent straight from the mills to the international markets, and the rest is processed in Guatemala as edible oil and soap. There is no commercial processing of agro-diesel from palm oil yet, though one of the groups has developed the technology to derive it from the fatty acids produced during the crude palm oil refining process. It is well worth noting that: i) production of agro-diesel from palm oil in Guatemala is profitable while crude oil prices are above US$71/81 per barrel; and ii) the industry may be interested in deriving crude palm oil to produce agro-diesel only if the market price per ton of crude palm oil falls below US$698/798 USD.

Figure 2: Evolution of palm oil produced (thousands of tons) and oil palm harvested land in Guatemala and Central America (thousands of ha). Year 2000 to 2010.

[12] Guatemala´s *Coordination Committee of Agrarian, Commercial, Industrial and Financial Guilds.*



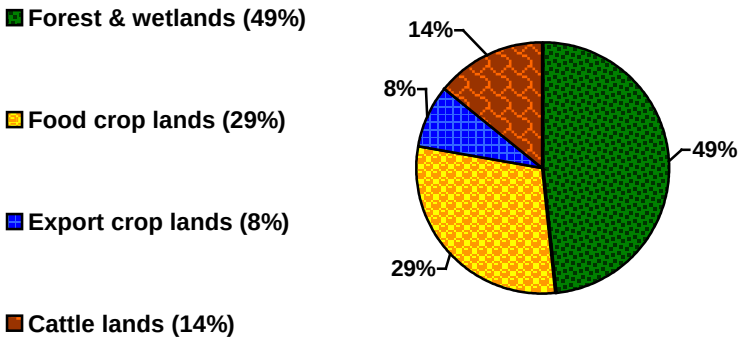
Source: Alonso-Fradejas *et al* 2011.

With regards to the figure of 101,784 ha of land harvested with oil palm, a couple of things must be pointed out: first, considering that between three and four years may pass from the time the palm is sown to the time it is harvested, the *harvested* land area of oil palm is, according to our field work, far below that which is *sown*. Second, more than the precisely accurate harvested oil palm figures themselves, we are interested in stressing its astonishing growth rate of 146% from 2005 to 2010, as well as the related socio-ecological impacts.

Even though the area of harvested oil palm represents less than 10% of Guatemala's total farmland, this figure is much greater in the "expansion territories" such as *Fray* where it accounts for 37%, or in *Sayaxché* with 58% (see *Table 2* below). Additionally, according to official data, there are up to 700, 000 more hectares declared "apt" for oil palm plantations.

Oil palm plantations have expanded over the last ten years under neither the supervision of the Government, nor the accountability of the Oil Palm´s Guild. This expansion has taken place mainly over tropical forests, wetlands and food crop lands.

Figure 3: Land use in the year 2000 in areas harvested with oil palm in 2010



Source: Alonso-Fradejas *et al* 2011.

Oil palm agribusinesses in Guatemala openly and eagerly look forward to taking advantage of high international feedstock prices. To achieve this goal, they combine (according to Harvey 2003 and Holt-Giménez 2007) *time displacement strategies* aimed at setting aside today´s capital surpluses for future profit generation (under a *logic of capital*) with *spatial displacement strategies* aimed at (re)shaping new geographic areas adequate to the interests of the OPAs (under a *logic of territory*).

As will be further pointed out, the role of Guatemalan state regarding both of these strategies is critically meaningful. I agree with Hurtado (2008), Grandia (2009) and De Ruiter (2009) that the central axis for oil palm expansion in Guatemala is based upon the "transference" of land rights. Four main ways of transferring land rights to OPAs (specially the fourth one) can be identified:

1. *Twenty five years leasing*: A landowner leases his land to the OPA which installs and manages the plantation. The ownership rights of the land do not change. Among them just 1% are peasant farmers (from *Fray*). Most of them are leasing landlords.

2. *Independent producers*: The producer is a landowner who makes decisions about production but uses hired labor. Normally they own large areas of land. These (again less than 1%) are all non-peasant landlords.

3. *Contract farming*: Since mid 2009 OPAs have found an outstanding ally for expanding oil palm monocultures in the government *ProRural* Rural Development Program, specifically in *ProRural´*s *Oil Palm Program* part of *ProRural´*s *Maize Program* and as such has been included in the 2008-2011 National Food Security Strategy.

   The US$ 1.5 million *ProRural Oil Palm Program* was developed when, after the first land-for-oil-palm (re)concentration wave, many people (mainly Q´eqchi´ and more specifically Q´eqchi´ women) refused to sell any more land to the OPAs. Although

according to the Director of the *Oil Palm Program* -a former engineer from the OPA related to Goldman Sachs & The Carlyle Group- "it was developed to avoid land deals".

The goal of the *Oil Palm Program* is to plant 4,200 ha of land in the plots of organized peasants in the areas of Chisec and Ixcan through a three-way agreement that provides conditioned credits to the peasant, the whole of which is transferred to the OPA[13]. None of these conditioned credit agreements include either agricultural insurance (which means that the peasant takes on all the risks) or the "disinvestment costs" related to the OPAs´ withdrawal after 25 years of production and land recovery.

4. *Land deals*: The oil palm agribusinesses buy land to establish their own plantation system. This expansion mechanism and harvest system has become the most common up to 2010 and that is why the proposed analysis is based on it. It entails two well differentiated impacts on land distribution:

   a) Land *re-concentration* by means of buying medium and large sized estates (Polochic, Syaxché and Fray areas). The OPAs only buy land with an updated registration at the General Property Registry, and those that have no labor (bondage) liabilities. It is thus common for cattle ranchers to first buy the property to put "everything in order" and then sell to the OPAs for a much higher amount.

   b) Land *concentration* by means of buying peasant plots that are titled or in the process of being titled (Ixcán, Chisec and Sayaxché areas).

To achieve more and better land deals the agribusinesses use different types of political agents. Some of the better known are charities and/or environmental NGOs (national and international); others are charismatic individuals like teachers, preachers from various churches, radio broadcasters, community leaders or even the communal authorities and municipality mayors. These agents promote the alleged virtues of the oil palm within their areas of influence (such as their communities, the state and mass media, or international institutions and forums) in addition to finding out who wants to or has the need to sell their land, in order to convince them to sell it to receive an economic commission from the OPAs.

[13] The peasant is bided to sell fresh fruit bunches only to the contracting OPA, and the latter is obliged to buy them as long as they fulfill quality standards. The price per ton 15% CIF Rotterdam´s. Through their peasant Association, each contract-farmer is entitled to a US$ 757 per ha state-conditioned credit which goes straight to the OPA for technical services and the baby oil palm trees. After 3 years in which the contract-farmer must set aside his plot without any economic support he will start paying back the credit to his Association (around US$ 6 per ha per year for 7 years). The credit is interest free and will remain in the Association.

Table 1: Peasant households that sold land up to October 2010 in the studied area.

Areas	Estimated land harvested with oil palm in 2010 (ha)	Additional land apt for oil palm (ha)	Households which sold land (%)	Buyer of the lands (%)		
				Peasant	Cattle rancher	Oil palm agribusiness
Ixcán	16,800	344,890	13.51%	-	-	100%
Fray			0.46%	-	-	100%
Chisec			0.24%	50%	-	50%
Sayaxché	40,391	30,540	28.61%	-	8.6%	91.4%
Partial totals	57,191	***375,430***	***11.72%***	***0.83%***	***6.67%***	***92.5%***
Polochic Hill&Valley	5,400		0%			

Source: Alonso-Fradejas *et al* 2011.

In deploying their time displacement strategy, the OPAs are causing a speculative rise in the price of the land. They have paid between 1.5 to 7 times the original economic values of the estate´s land.

Regarding the lay-motifs for selling their land, out of the households that sold and where the male head-of-household works for an OPA, half stated they did it because their *land was not productive*, while the other half stated they did it *to deal with unexpected debts and payments*. In the case of those who sold land but the male head-of-household did not work for an OPA, half stated that they sold the land under *pressure from third parties*, one third sold because their *land was not productive* and the rest to *deal with unexpected debts and payments*. Some of the reported methods of *pressure from third parties* include:

On one hand, *coercion* which is expressed in two ways: One, through the enclosure of the peasant´s plot or even whole villages by oil palm plantations (denying the right of way); the other, through deception and tricks played by the OPA´s political agents.

On the other hand, *threatening* which regrettably is sometimes put to practice[14]. "Either you sell to me at this price or we will have to negotiate with your widower". Those who reported these types of threats pointed out that the person that told them this spoke Spanish with a "strange accent". During field work in Colombia in 2008, it was found that OPAs in Guatemala had not only hired Colombian engineers but also paramilitary agents that had used the same threats to force thousands of afro-Colombian and peasant families out of their lands (Alonso-Fradejas *et al*. 2008). It is common to find private security agents around the oil palm plantations that do not allow anyone to enter without the prior consent of the manager, not even public officials exercising their duties (CONAP 2008).

[14] See Hurtado 2009 and Pastoral Social del Petén (2009) "Guatemala nunca más: Otro Petén es possible", for an interesting collection of experiences of land transactions under threat and violence.

IV. Role of the Guatemalan state and other influential private and public stakeholders.

The Guatemalan State has been playing a key role in supporting and legitimizing the *territorial re-structuring* processes to the benefit of capital focused on exporting feedstocks, food and raw materials in general, and of the OPAs specifically. They have done this in accordance with the previously mentioned "logic of territory" as well as the "logic of capital".

The state´s actions under the "logic of territory" are analyzed in light of the historical *territorialization strategies* implemented during the social formation of the modern Guatemalan state, as "the means and ways through which spatial order and people in this space are controlled" (Sikor & Lund 2009 in Monterroso 2010). From 1996 onwards, two main state-led territorialization strategies were deployed:

On one side, land policy was submitted to the logic of the *Market Led Agrarian Reform* (MLAR). Under the advice (and partial financing) of the World Bank, the FONTIERRAS (Land Fund) was funded to: i) provide credit for peasant groups to buy land in the market; and ii) to legalize and title land holdings.

Between 1997 and 2010, FONTIERRAS redistributed just 4% of productive land to less than 5% of the landless, or those families with insufficient land, mainly benefiting landlords who were able to sell their unproductive estates, or those which were affected by the 2000-2002 international coffee price crisis, at overvalued prices. It is well known that the market has failed to democratize land holding in highly concentrated contexts such as in Guatemala[15], where national lands are already occupied or are enclosed for conservation purposes. The *Gini Coefficient* with respect to the concentration of tenure and land ownership in Guatemala rose from 0.82 in 1979 to 0.84 in 2002 (NEI 2003). This means that in 2002, 78% of the arable land was in the hands of 8% of the total number of producers.

We argue that the rural population´s need to have legal certainty over their land ownership (undeniable in a context of latent historical threats of dispossession) was used by the elite to speed up what the Inter-American Development Bank (2002) called "an increase in the allocative efficiency from less efficient producers to the more efficient ones", exalting the "right to private property" of the land over other possible land rights (of possession, use, etc.) as well as over other legally binding forms of property.

[15] About MLAR in Guatemala see CNOC 2002, Garoz *et al*, 2005, Castillo & Hurtado 2005, Murga 2005 and Plataforma Agraria 2006 among others. About the MLAR in general see Deininger 2003, Borras 2003 & 2006, Sauer &Mendes Pereira 2006, Holt-Giménez 2007, Kay, Borras & Lahiff, 2007 among others.

Indeed, legalized land with no resources or capacity for production is distorted from a means of production into a capital asset (to be sold or leased) which has contributed to the aforementioned phenomena of land concentration and re-concentration after the legalization of property. There have been several known cases of lands without title that have been sold to OPAs who then receive their title from FONTIERRAS shortly after the transfer of rights (when the peasant landowners had waited years or decades to receive their title), and cases where the OPAs´ political operators were waiting to buy their titled plots from peasant-farmers even outside the hall where the title-giving ceremony was taking place.

Furthermore, the MLAR has been unfolding within a national context that does not yet have a completed and reliable national Cadastral Registry. Therefore, even the remaining communal lands are under threat of dispossession.

The other state-led territorialization strategy has been the progressive privatization and commoditization of natural resources, linked to the unfolding of a restrictive, exclusive and inefficient *Guatemalan System of Protected Areas* which covers 31% of the country and grants control and management rights of these conservation enclosures to environmental NGOs instead of to the people that have historically inhabited the place.

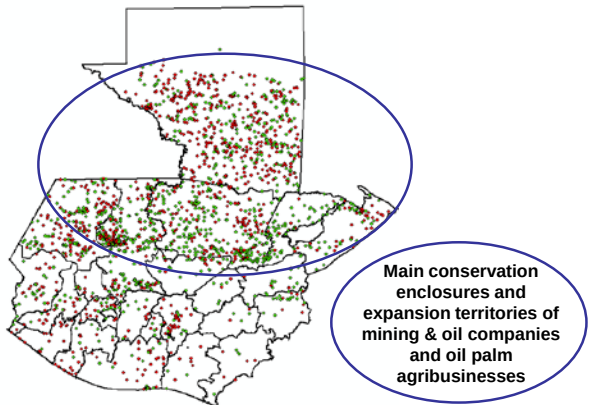
I agree with Ybarra (2010:10) when she remarks that from 1996 onwards "international aid agencies, conservation NGOs, and the Guatemalan state collaborate in their vision of a bounded *Maya Forest* and a productive ownership society", and continues on that (ibid:17) "[..] saving the *Maya Forest* has entailed the cooperation of conservation BINGOs and national elites to reproduce racialized hierarchies. As they are implemented and understood in context, national discourse censures Q'eqchi's as bad environmentalists, conflating swidden agriculture with instances of cutting down the rainforest".

While it is true that the definition and implementation of the *territorialization strategies* has usually been the responsibility of the state (Vandergeest & Peluso 1995) with the collaboration of various overseas development agencies[16], recently these strategies have also been very often backed by the mass-media, and as remarked, even by private armed agents (paramilitaries) who exercise coercive power parallel to (and sometimes even together with) that of the state.

[16] It is only recently that these international institutions have begun to include in their discourses the importance of "informal property recognizing mechanisms in certain situations" (World Bank 2009. Stress is mine) and to question themselves about the myth of titling as a development factor itself. In this regard, it is worth mentioning the contributions of the UN Special Rapporteur on the Right to Food that "in order to protect the rights of land users, 'titling' schemes are both insufficient and potentially damaging" (De Schutter 2010:4).

Thus the political ecology and economy of these territorialization strategies has deepened the historic conflict over the validity and preeminence of the different demanded and/or exercised rights with regards to access, use, tenure and property over the land and the natural resources in a given territory. By the end of 2010, the Government had 4,746 conflicts of the latter kinds registered, most of which were located in the Northern Lowlands (see Figure 4 below). These conflicts have stagnated within a judiciary framework that, on one side, has neither Agrarian Law nor Courts (meaning that cases are revised under Civil Law where the preeminence of the "right to property" is unquestionable) and, on the other side, does not recognize, let alone respect, the will and preferences of indigenous peoples as expressed through the exercise of their right to self-determination[17].

Figure 4: Conflicts registered by the Guatemalan Government. Year 2011



Source: Compiled by author. The different dot colors refer to the kinds of conflict.

In a complementary and parallel fashion, the state deploys strategies under the "logic of capital" in support of the ongoing processes of territorial re-structuring: The bureaucratic machinery remains historically determined by its links to big -legal and illegal- private capital groups, and as we saw, those related to oil palm (national or international) are amongst the most powerful. It is therefore not surprising that the traditional and lately reinforced legal and normative frameworks support the oil palm agribusinesses (such as *ProRural´s Oil Palm Program*).

Consequently, while the surviving public support services for small rural producers are dismantled and endless multi-stakeholder rural development negotiations take place, public funding and efforts are being re-directed towards a new cycle of accumulation based on the

[17] Enshrined in ILO Convention 169 and the UN Declaration on the Rights of Indigenous Peoples, both of which have Constitutional status in Guatemala. On this see the recent report on Guatemala by UN Special Rapporteur on the Rights of Indigenous Peoples. An indicator of the reigning impunity in the Guatemalan judiciary is that of the establishment of the International *Commission Against Impunity in Guatemala* from 2008 onwards. This is a UN entity run parallel to the General Attorney´s office that deals with "high impact cases", mainly related to parallel and paramilitary powers and drug trafficking.

recent raw materials export-oriented model. This is at the forefront of the revitalized "growth for progress" paradigm in Latin America and Guatemala, and is set out through strategies like the *Free Trade Agreements* (especially with the USA and the EU) and the *National Competitiveness Agenda for 2005-2015*. These are the only state policies to survive three different governments, and they provide the required environment regarding trade, investment and infrastructure, logistics and energy development to fit the spatial and time displacement strategies of the primal-exporter capital, amongst which are the OPAs.

These "development" initiatives have two things in common: i) the participation of the globalised elite from the North through private investment funds, International Financial Institutions, and Overseas Development Agencies; ii) the growing participation of the elite from the so-called "emerging economies". Despite the creation of the *Bank of the South*[18], what is highlighted in these initiatives is the role of the *Brazilian Development Banks*, of the public and private capital from Asian countries like China and South Korea, and to a lesser extent but of a great geopolitical importance, of those from Colombia and Venezuela.

V. Discussion on the impacts on indigenous-peasant livelihoods.

Based on our conceptual approach to *livelihoods* and to *agrarian systems* (see supra) we analyze the impact of the flexible agrarian capitalism of the oil palm plantations on the human and social vulnerability of indigenous-peasant peoples from three central elements of their livelihoods: i) the entitlements and rights to access, use and control of the means of production and natural resources; ii) household productive and reproductive strategies; and iii) the labor implications and changes in the social relations of production and reproduction[19].

I present here only the most outstanding features of these three central elements of their practiced livelihoods, keeping in mind both "the interaction between structure, institutions and actors" (Borras 2009:22) and elements of class, culture and gender. The analysis is focused on a comparative approach between social and agro-ecological areas and between different household groups with regard to land holding. Due to the fact that the plantation system is widespread, comparison is made between households where the male head-of-

[18] It is the more powerful multilateral development financial institution in the continent, part of the *Union of South American Nations*. If the *Bank of the South* directed its actions towards other aspects of *integration* beyond infrastructure interconnectivity, it would constitute an important step towards Latin America´s financial autonomy -and thus- to a greater political autonomy from Washington and Brussels. However, the latter is a difficult achievement unless there is a counter-balance to Brazil´s sub-imperialist practices.

[19] For summarizing purposes I will refer in this paper to the "labor implications" together with the changes regarding the social relations, when I otherwise treat them separately (in spite of their linkages).

household works for an OPA (around 25% of the total households in the NLL)[20] and those that do not. Likewise, I will finally outline some implications for agrarian and social differentiation in the Northern Lowlands.

i. Impacts on the entitlements and rights to access, use and control of the means of production and natural resources.

Almost half of the households in the NLL have no land, or have insufficient land that does not cover the reproductive needs of the family. Around 22% of the households own between 2 and 10 ha, and close to 30% between 10 and 45 ha (see Table 2 below). There are two main types of households amongst the landless. The one that constitutes the majority of households is made up of the second and third generations after the first settlers, and the other group is made up of those who "lost" their land (see Table 1 above).

The latter is relatively small, but highly significant from the point of view of the Q´eqchi´ cosmovision. All the people that reported having sold their land were born and raised in peasant households in a community; no first generation family of former bondage laborers reported they had sold their land. The households where the male head-of-household works for an OPA sold relatively more land than the others.

46% of households with land lack the title to that land, and out of these, most have a male head-of-household that works for an OPA. Out of the rest of the households that do have a land title, 64% have a private individual/family title (again, most of whom work for an OPA), while 36% have it under the *Collective Agrarian Patrimony* (the legal term for communal land titling still currently in use in Guatemala).

Out of those who sold their land, 85% had a title: 80% had an individual title while 20% had a communal one, reinforcing the fact that individual titling makes it easier to lose the land.

In most households (92%) that sold their land, the Q´eqchi´ women disagreed with their spouses/mates who, in the end, generally had the final word on whether or not to sell the land despite the fact that FONTIERRAS´ "family titling" gives equal property rights to men and women. Women have frequently taken actions to try to stop their husbands, and even the community, from selling the land (some have even resorted to hiding their family land title).

[20] More households have "a member" working for an OPA, but we focus here on those where the male head-of-household considers his job at the OPA as the *main* productive activity that generates monetary income.

Table 2: Household groups by land held (ha) in the research areas in the NLL. Year 2010.

Groups by land held	Description	Chisec	Fray	Ixcán	Polochic Hill	Polochic Valley	Sayaxché	Total
From 0 to 0.2 ha	Households	7	13	4	8	6	24	62
	% in the land hold group	11.29%	20.97%	6.45%	12.90%	9.68%	38.71%	100.00%
	% of the households in research area	12.50%	31.71%	7.55%	32.00%	8.96%	46.15%	21.09%
From 0.2 to 2 ha	Households	18	6	6	15	34	2	81
	% in the land hold group	22.22%	7.41%	7.41%	18.52%	41.98%	2.47%	100.00%
	% of the households in research area	32.14%	14.63%	11.32%	60.00%	50.75%	3.85%	27.55%
From 2 to 5 ha	Households	5	5	3	0	26	2	41
	% in the land hold group	12.20%	12.20%	7.32%	0.00%	63.41%	4.88%	100.00%
	% of the households in research area	8.93%	12.20%	5.66%	0.00%	38.81%	3.85%	13.95%
From 5 to 10 ha	Households	3	3	12	2	1	2	23
	% in the land hold group	13.04%	13.04%	52.17%	8.70%	4.35%	8.70%	100.00%
	% of the households in research area	5.36%	7.32%	22.64%	8.00%	1.49%	3.85%	7.82%
From 10 to 20 ha	Households	8	0	27	0	0	4	39
	% in the land hold group	20.51%	0.00%	69.23%	0.00%	0.00%	10.26%	100.00%
	% of the households in research area	14.29%	0.00%	50.94%	0.00%	0.00%	7.69%	13.27%
From 20 to 45 ha	Households	15	14	1	0	0	17	47
	% in the land hold group	31.91%	29.79%	2.13%	0.00%	0.00%	36.17%	100.00%
	% of the households in research area	26.79%	34.15%	1.89%	0.00%	0.00%	32.69%	15.99%
From 45 to 67 ha	Households	0	0	0	0	0	1	1
	% in the land hold group	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%
	% of the households in research area	0.00%	0.00%	0.00%	0.00%	0.00%	1.92%	0.34%
Total	Households	56	41	53	25	67	52	294
	% in the land hold group	19.05%	13.95%	18.03%	8.50%	22.79%	17.69%	100.00%
	% of the households in research area	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Alonso-Fradejas et al 2011.

It is important to note that while in general, increasing the quantity of land owned increases a household´s *Total Annual Net Rent* (TANR)[21], the (human, social, technical and economic) capacity to make the land *productive* has a relatively higher influence on the TANR than the quantity of land owned. There are different possible explanations for this phenomenon (agroecological, political, economic, etc.), but it allows us to confirm that land is an indispensable, but not sufficient, condition for safe and vibrant peasant agriculture that contributes to resilient and sustainable livelihoods in the Northern Lowlands.

Another fundamental entitlement in the practiced livelihoods is the access to forests and water. The forest provides the main source of energy (firewood) for households in the NLL, as well as building materials, medicinal plants, hunting and fruit for a family's food security during the months before the winter maize harvest. Regrettably, the area covered by tropical forests (characteristic to the NLL) has the ideal edapho-climatic conditions for oil palm production, which requires high and constant amounts of running water for irrigation.

The palm oil milling, along with soil desiccation, clearing of the forest, and intensive use of agrochemicals at the oil palm –an invasive species- plantations, affect the ecosystems of the conservation enclosures and of the (Ramsar) wetlands along the NLL.

Rural dwellers reported problems with access to goods and services from the forest and water (for drinking and other uses), and health problems due to overcrowding and the feeling of being enclosed between conservation enclosures and oil palm plantations. The most disadvantaged group is that of households who sold their land and whose male head works for an OPA. Half of these do not have access to forests at all, and the other half only has access to private forests. In the case of the other households, 23% do not have access to forests and 31% have access to private ones while 46% still have access to communal forests.

Nonetheless, Guatemala´s *Ministry of Environment and National Resources* has not even demanded *Environmental Impact Evaluations* for the plantations (they only require it for the mills) since the Oil Palm Guild denies its legal applicability by alleging that the oil palm is an agricultural crop and thus there are no "changes in the use of the soil"[22].

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[21] TANR= Annual Net Monetary Income + Value of Production for Home Use + Value of Family Labor. Annual Net Monetary Income= Annual Gross Monetary Income - Monetary Value of Services to Others - Hired Labor Costs - Productive Inputs - Monetary Taxes - Paid Credit Interests - Monetary Payments for Land Rent - Monetary Payments for House Rent.

[22] The changing identity of oil palm is rather striking. While in this case it is claimed to be an "agricultural crop", the industry also claims the plantations are "forests" when they want to benefit from programs that provide economic compensation for CO_2 absorption, and the lobby of oil palm producing and importing countries has asked the World Trade Organization to consider it an "industrial product".

Ironically, the OPAs are part of the RSPO. One of them will receive almost US$5 million within the next seven years for selling carbon credits through the Kyoto Protocol's Clean Development Mechanism, with the "green seal" from the IUCN in Guatemala.

Notwithstanding, the mass media, certain parts of the bureaucracy, some conservation NGOs and the *Agrarian Chamber* claim that the Q´eqchi´ peoples, and rural dwellers in general, are responsible for the serious ecological problems in the country, even if "the landscape ecology literature suggests that dispersed Q'eqchi' settlements offer significant advantages for biodiversity. In fact, fragmented holdings more often have greater diversity in terms of a wide range of cultivated forest products and "wastelands" that are not converted to agriculture (Hecht 2004)" (Ybarra 2010:28).

Eroding the natural and productive basis of the resources and means of production of a population has more than just material consequences. This likely occurs in most cases, but is definitely so in the case of the Q´eqchi´ peoples from the NLL. Their capabilities for social agency reside in their communal institutions (both modern and traditional), and it is these that make their specific ways of governance of land and common pool resources viable. Two thirds of the surveyed men and women stated that decisions in their villages are adopted by *consensus*, though women rarely participate in the delegate bodies of the communal administrations.

Most men and women stated that the most important thing needed to maintain communal governance is to "respect the community´s decision". Nevertheless, centuries of colonial and post-colonial domination, and especially the memories and sequels of three decades of genocidal and scorched earth war (when organizing was equal to communist affiliation) have had an effect since barely one fourth of the men and the same proportion of women participate in organizations other than those of communal governance.

The political operators of the OPAs have managed to reach the core of these communal governance institutions. In this way, according to Bordieu (1990), they join the *symbolic power* dispute over whose preferences and narratives will be shared and represented through the village *common knowledge* regarding the *Sahil Ch´ool* (Q´eqchi´ development vision), and thus conditioning the paths of collective action regarding current agrarian and territorial changes (based on Isihara & Pascual 2009: 1556-1560).

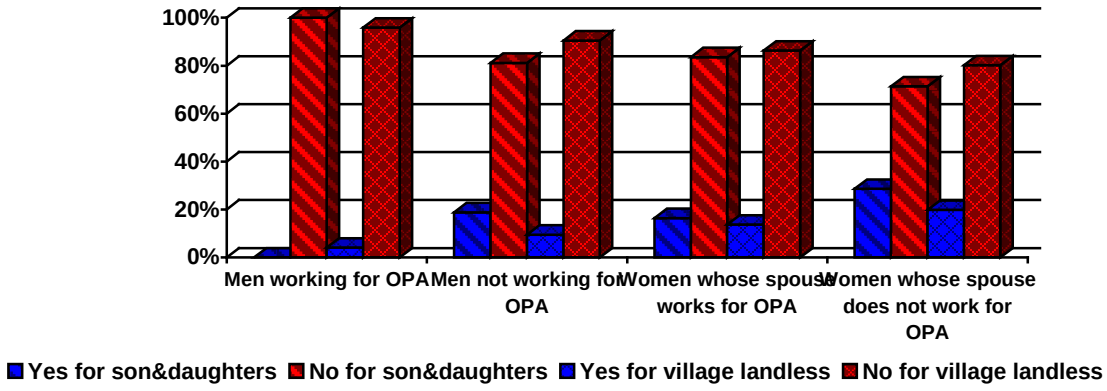
This symbolic power dispute is linked (just like the *National Competitiveness Agenda*) to the imaginary "*change for progress"* paradigm. To stop cultivating the land and "sowing staple grains that only reproduce poverty" are its common narratives. A process of cultural homogenization is sought through the vogue dynamics at play in the NLL which reassign values on property, work, leisure and consumption in order to erode and/or control communal and social organizations. Furthermore, as we pointed out regarding the

paramilitarization of the oil palm plantations, old social control mechanisms characteristic of the "modern estate plantation system" from the end of the 19th century are reified in this context of neoliberal agribusiness as powerful instruments directed to reduce class struggle, cultural emancipation and the struggle in defense of peasant and/or indigenous peoples´ territories.

The dispute to define and control the village common knowledge remains valid, and everything suggests that this will continue to be the case, at least in the medium term. Thus, it is important to mention the general (gender specific) perception expressed by the Q´eqchi´ peoples from the NLL about agrarian change related to the oil palm plantations.

To begin with, it was common in the focus groups, both with men and women from different kinds of households, to group the Land Fund and other governmental land and natural resources administration agencies in the same "institutional category", together with OPAs (as well as with other agribusinesses, landlords and mining or oil companies) and even with some big national and international conservation NGOs. This shared perception gives us a good example of the "*sahil ch´ool*" or how the Q´eqchi´ peoples in Guatemala´s Northern Lowlands understand "development".

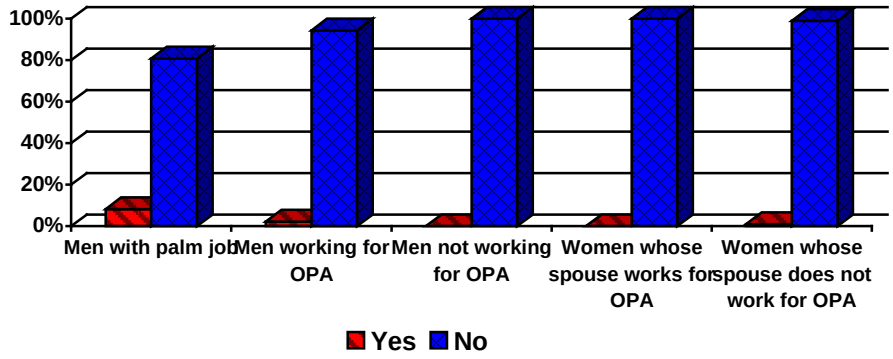
Figure 5: Opinion when asked: Do you have access to enough land for your sons & daughters? Do you think there is land available, for every family in the village or nearby?



Source: Alonso-Fradejas *et al* 2011

Most people felt there is a scarcity of land. Men working for an OPA felt it even more than anyone else. When asked "why" they thought so, two thirds of the men and a similar proportion of women, both those working for an OPA and not, answered it was "due to the arrival of the OPAs and their plantations to their territories". Around15% of the men also considered it was due to the increased surface of land under protected areas. The second most frequent answer among men and women was "because we have too many children for so little land".

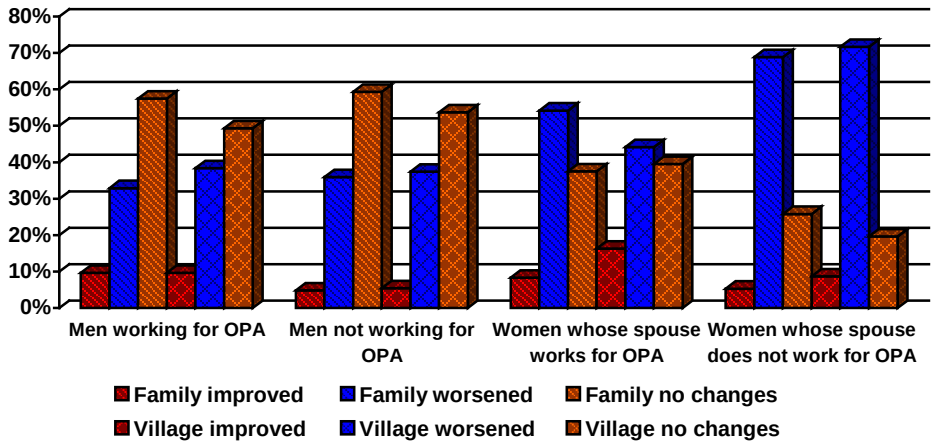
Figure 6: Opinion when asked: is an oil palm plantation like a forest?



Source: Alonso-Fradejas *et al* 2011

The majority of people think that an oil palm plantation is not a forest but women are even clearer, no matter whether the job in the plantation is important for their household income or not, since they are responsible for administering forest products & services in the household reproductive economy (firewood, medicinal plants, etc.).

Figure 7: Opinion when asked: Did family and/or community living conditions change when the oil palm agribusinesses arrived? How?



Source: Alonso-Fradejas *et al* 2011

Most people, even men working for an OPA, think living conditions either remain the same or have worsened, both at household and village level. However, women in households whose male head works for an OPA believed that village conditions improved more than conditions at household level. Many of them alleged problems with their husbands drinking more alcohol and behaving more rudely since they started working for the OPA. Women from both kinds of households believed that their family and community living standards worsened when the OPAs arrived. They all pointed out problems in accessing land, forest and water, as well as a rise in violent events in the village.

ii. Impacts on the productive and reproductive strategies of indigenous-peasant households

Following Deere & De Janvry (1979), an inquiry was carried out on the choice of activities and the allocation of resources in the home production process; and on the choice of activities and job search in the wage labor production process for every household grouped by land held in the research areas. Tables 3 and 4 summarize just the structure of the more comprehensive comparative-tables with absolute and relative per household figures.

Tables 3 and 4: choice of activities and job search in the wage labor production process in the research area "n". Year 2010.

Household groups by land held (ha)	Description	Agricultural Production				Animal Activities		Rental of Resources	Commerce		Migrant Remittances	Social funds	
		Maize	Other staple grains	Carda-mom	Commercial crops	Household Livestock	Cattle	Rental of Resources	Village shop	Trade	Migrant Remittances	Government	NGO
From "x" to "y" ha	Households												
	% in the land hold group												
	% of the households in research area												

Household groups by land hold (ha)	Description	Wage Labor (where/for who)									
		Neighboring peasant plot	Peasant plot from different village	Oil palm agribusiness	Other agri-businesses	No agrarian company	Private security company	Public server	Army	Agricultural estate/ cattle ranch	Others
From "x" to "y" ha	Households										
	% in the land hold group										
	% of the households in research area										

Source: Alonso-Fradejas *et al* 2011

Some of the main features from the more comprehensive comparative-tables with absolute and relative per household figures are commented below:

90% of households produce maize, whether they have land or not, and no matter what the rest of productive activities they carry out are. The farming of the "sacred maize" even in quantities that are not sufficient enough to cover family consumption is a symbolic milestone in the Q´eqchi´ cosmovision and an essential contribution to their food security (especially when combined with beans, generating very nutritious vegetable proteins).

In spite of the fact that 50% of the total rural households in the NLL do not have any or enough land for their family reproduction, only one third of the households generate more than 50% of their *Gross Monetary Annual Income* (GMAI)[23] through paid labor. The other two thirds generate more than 50% of their GMAI mainly through market oriented agrarian activities (there is a proportionally inverse relationship between the amount of commercialized agrarian production for each household and the income generated by paid labor); followed by the income from conditional public monetary transfers[24]. Family remittances are of no great importance for the GMAI of the Northern Lowlands households[25].

The latter stresses the symbolic and economic importance of land farming (even on leased land) for the rural NLL Q´eqchi´ population. Thus, the pressure on the rise of land prices and the reduction of the available land to buy or lease for food production due to its conversion to oil palm plantations has a strong impact on the households' productive and reproductive strategies, especially for those with no or not enough land.

Without further expanding on the description of the NLL agrarian productive systems, it is worth noting that they are: systems based on swidden agriculture; scarcely dependent on external inputs; without deep soil work and without irrigation (during summer); and where animal production, especially hens and pigs, play a very important economic and reproductive role.

However, 77% of households are no longer able to practice swidden agriculture. This change affects communal governance institutions -and therefore their capacities for social

[23] *AGMI*= Annual Gross Aggregated Value of the Agricultural & Livestock Productive System (of home used and market sold) + Paid Labor + Total of Value of Other Incomes and Services Received.
[24] *Mi Familia Progresa*: A social fund, where women benefit from taking their children for periodic health check-ups and to school on a daily basis, for which they receive a monthly transfer of US$18.72 /US$ 37.47, equivalent to 10 and 20% of the minimum wage.
[25] Contrary to other Guatemala rural indigenous and non-indigenous populations, the Q´eqchi´ population barely migrates abroad for long periods of time. Q´eqchi´ migration is internal and in search of temporary work.

agency- as well the (mainly karstic) soil productivity, which is not enhanced by the massive use of agrochemical products.

As expected, among the NLL households there is a proportionally inverse relationship between the amount of land held and the participation in paid labor activities outside the household.

25% of male heads-of-households work for an OPA, mainly in the areas where oil palm has occupied more land. Only 26% of these oil palm workers do not hold land in *stricto sensu,* while the group of households which possesses between 0.2 and 5 Ha includes 62% of the palm workers. This reflects the fact that the more dynamic the peasant economies are, the less the landless will work for an OPA, and the more they will work in other peasants´ plots (where the salary is 47% lower than at the OPAs, but food is included, less hours are demanded and there is a foreman). As is further exposed, working for an OPA is not regarded as a desired job because of its conditions, consumption of time (considering that even the landless farm on leased land) [26] and the physical effort it demands.

In households in which the male head works for an OPA, the *Annual Income from Paid Labor* (AIPL) represents more than half of the *Gross Monetary Annual Income* in just 51% of the cases, despite that on average 91.5% of the *AIPL* comes from the job in the oil palm agribusiness. Although in these households the income received by the male head for working in oil palm stands on average for 36% of the household´s *Total Annual Net Rent* (TANR), the income generated by the agrarian production for the market is still equivalent to 34% of the TANR, and the value of the agrarian production for family consumption is equivalent to 30% of the TANR.

Again, even among households with male heads working for an OPA, the agrarian production remains of great economic importance. To state it otherwise: it is impossible for these seasonal and/or occasional laborers to make a living just from the paid job in an OPA.

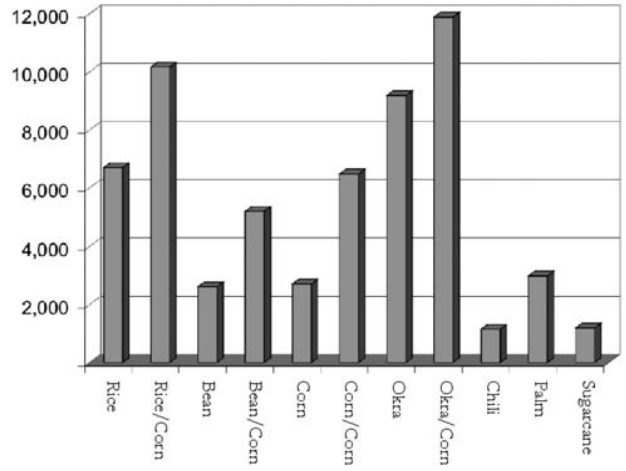
Nevertheless, the hegemonic narratives supporting the oil palm agro-industrial expansion in Guatemala and in other countries in the global South argue that OPAs generate wealth and local economic development, as well as employment, in distressed rural areas. Nothing is further from the truth, at least for Guatemala´s Northern Lowlands. Considering the results of our work in 2008 in the Polochic Hill & Valley areas, it is argued:

On one hand, the wealth generated by oil palm is not enjoyed where it is produced, since it flies directly to the bank accounts of national and international elites. The peasant farming

[26] The fact that heads-of-households that work on oil palm spend less time in agrarian production, helps explain why the average agrarian productivity is observed as lower in these households.

systems generate up to ten times more *wealth* per hectare than the oil palm. The main part of this wealth remains in the producing territory and the rest is distributed along the national value chain.

Figure 8: *Gross Territorial Product* according to crop systems in the Polochic areas in 2008 (in Guatemalan Quetzales 1US$= 8GTQ).

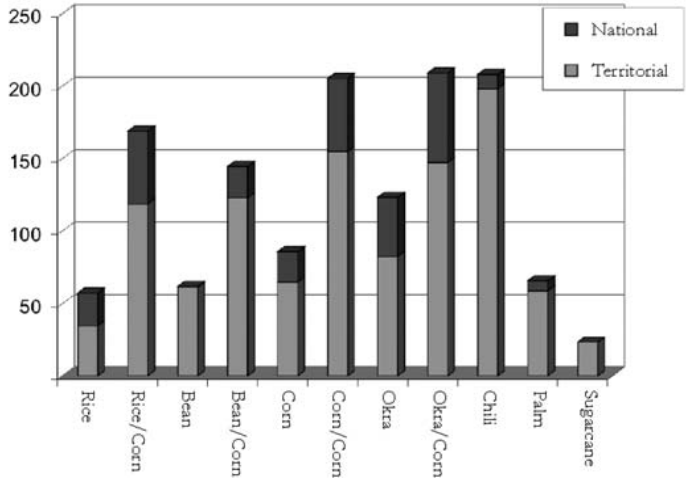


Source: Alonso-Fradejas & Dürr (2009).

Indeed, 25 to 50% of agrarian production in the NLL is market oriented, but the *Gross Aggregated Annual Value of the Agrarian Productive System* and the *Gross Monetary Annual Income* are higher in households where the male head does not work for an OPA.

On the other hand, oil palm plantations generate far less employment than the indigenous-peasant crop systems, not only in where it is produced, but also at national level.

Figure 9: Employment generated (in workdays per ha) at territorial and national levels by crop systems in the Polochic areas. 2008



Source: Alonso-Fradejas & Dürr (2009).

Households involved with peasant agriculture generate more employment (for family members and third parties) since the *Total Annual Expenditure on Contracted Daily Wages*, as well as the *Total Value of Annual Family Daily Wages* employed in the agrarian productive system are greater than households where the male head works for an OPA.

An interesting indicator of household food insecurity vulnerability, and in general of the resilience and sustainability regarding practiced livelihoods, can be obtained by comparing the *Total Annual Net Rent* (TANR) with the costs of the *Basic Food Basket* (BFB) and the *Basic Vital Basket* (BVB)[27]. It gives us an idea of the accumulation capacity of the household in the discussion on agrarian and social differentiation. Although none of the types of households are able to cover an average equivalent to 12 months of the costs of the BVB with their TANR , the ones where the male head-of-household does not work for an oil palm agribusiness have an average TANR valued in superior BFB and BVB costs. This also means that these households can cover on average 6.23 months of BVB costs, while those where the household´s male head works for an OPA have an average coverage of just 5.15 months.

Only a fourth of the NLL households are involved in non agrarian jobs. The work in non-agrarian activities is more frequent in households where peasant economies at municipality level are more mature. It is also more frequent in those households in which the male head does not work for an OPA.

The relative importance of other activities of the productive-reproductive systems that constitute the household´s *Total Annual Net Rent* is in general small. More than half of the households of municipalities where the Mayor supports the government party receive public conditional transfers; but the households where the male head works for an OPA receive them in a greater proportion. On the contrary, the households in which the male head does not work for an OPA receive greater support from NGOs.

As for access to credit, less than half of the NLL households had valid credits in 2010. 28% of the households in which the head does not work for an OPA had valid credit, compared to 42.5% of the households where the head works for an OPA. The average amounts are similar in both types of households, at approximately US$900. All the households assign more than 60% of their credit to the agrarian production.

Regarding the orientation of their expenses, the households in which the head works for an OPA have greater monetary income than those where the head does not work for an OPA, but they also have superior total annual expenses. When observing the expense breakdown,

[27] The use of the monthly costs of BFB & BVB is more appropriate than the official monthly minimum wage, since in 2010 the latter only covered 84% of BFB costs and 50% of those of the BVB.

the households that are more dependent on palm spend relatively more than the rest on "food", "clothes and shoes" and "electric energy".

iii. Labor implications and changes in the social relations of production and reproduction.

"*First we were instruments of the coffee plantations, then of the cotton plantations, and now of oil palm. We already know what they are coming to offer*". These were Don Pedro's words, an 81 year old Q´eqchi´ man from the Polochic Sierra area, when asked his opinion about the oil palm agribusinesses four years ago.

Don Pedro was right in that, at heart, the oil palm agribusinesses sought "the same" thing traditional landlords who have hoarded land in the area did. However, what Don Pedro did not expect (nor anyone else) was the "ways" in which the oil palm agribusinesses were going to work. The Polochic population, as well as from other areas in the NLL, was thrown into a historic three-hundred year time warp, when they saw how the traditional relations of production characterized by authoritarian-paternalism and semi-slavish work became post-modern flexible relations of production as the oil palm agribusinesses advanced.

The OPAs, hand in hand with the flexibilization of the modes of production, also make social relations of production flexible. In this way, they are able to organize the control and hyper-exploitation of labor through outsourcing and sub-contracts; the subordination to flexible work conditions regarding hiring, firing, daily work hours and geographic location; the move toward piecework wages; and the cancellation of social security systems.

These flexible relations of production are not only experienced by those working on the plantations, but re-configure the relations of production in the NLL in a general fashion:

The renewed agro-industrial interest has been reinforcing the expulsion of *colonos* or bondage laborer families from many estates formerly dedicated to coffee or cattle to make room for the "cleansing" and sale of the properties to the OPAs[28]. These former tenant families find themselves once again at the mercy of the labor regime, except now within the neoliberal particularities of the flexible accumulation process of the agribusinesses.

[28] Many former bondage laborers negotiated payment of their labor benefits in the form of plots, providing barely enough for the urban centers of their new villages. To obtain land for crops, beginning in 2000-2001 many initiated negotiations in the Land Fund (*FONTIERRAS)* for the purchase of agricultural plots. After four or five years of protracted negotiations, many of these processes reached a dead end when the OPAs increased competition for the same lands, by offering payment in cash and in US dollars to the landlords, who then withdrew their voluntary participation in the Market Led Agrarian Reform -voluntary- mechanism.

Furthermore, the aforementioned limitations of the traditional swidden agriculture system make traditional moral economy relations more difficult among indigenous-peasants. The growing pressure on time and resources also leads to the monetization of production relations among small producers.

Beyond material differentiation elements (that also exist, see *supra*), differentiation inside the Q´eqchi´ villages of the NLL is expressed through different symbolic elements. For example, the palm foreman (or some other trustworthy employee of the OPA) who does not necessarily have a higher *Total Annual Net Rent* than that of his neighbor who works in peasant agriculture, but often, he and his closest parties will use *symbolic power* with other groups of the village by making their voices heard through their power to decide who to hire (or fire), as well as in their role as informants to "third parties" on community plans (or on the plans of certain groups within the community).

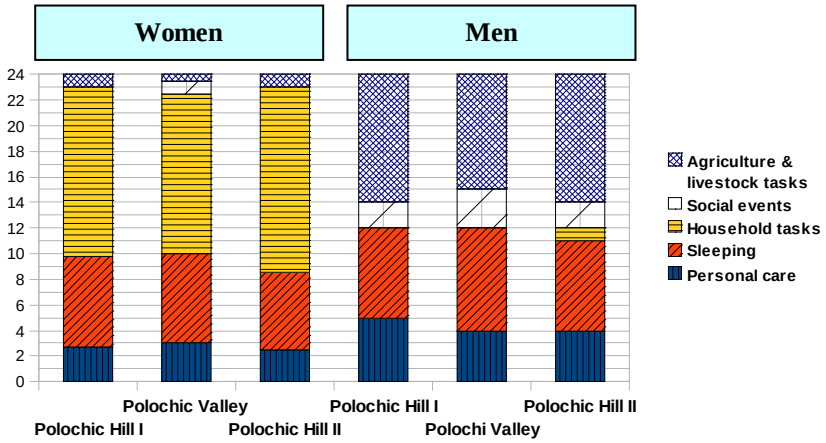
As for plantation laborers, OPAs usually prefer young men for work "because they are better equipped to deal with the work and are less complicated" (literal words of an OPA engineer). The women are only hired for work in the tree nurseries. In 75.5% of cases, those who work or have worked for an OPA were called by contractors, who gave instructions, supervised and paid them. This way of hiring avoids formal labor bonds between day-workers and the OPAs. In addition, most job positions are temporary, and rarely exceed two months in a row.

It is worth pointing out that of those who worked for an OPA but no longer do, 37.5% were fired, while up to 62.5% quit their jobs. The reasons for quitting range from not being paid the minimum salary, to not having the time to attend to their own plots, or to being mistreated by foremen in the OPAs. In many cases, the decision to quit has been in groups (and even communities) because of the lack of compliance with the diverse promises made on behalf of the OPA. As to firing, again, the reasons are varied, but multiple cases have been known in which OPAs fire workers without a reason or just cause and without the corresponding payment or legal benefits. This illegal process rarely goes to court for fear of reprisals.

Finally it is worth commenting on the gender division of labor among peasant households, expressed in the time use differences between men and women in a case study of the Polochic Hill & Valley areas (Alonso-Fradejas & Mingorría 2010). While men openly recognize that there are certain months throughout the year when their tasks and responsibilities are lessened because of the lower workload, women had a hard time identifying a "low workload period" in the year. Most of them chose just Sundays as relatively lower workload days since they consider attending mass as leisure time.

Women generally spend a higher proportion of their time on household reproductive tasks than on their personal care tasks in comparison to men. In fact they spend between 10% and 15% less time in meeting their physiological needs than men in their communities (see Figure 10). On the other side, men spend relatively more time at social and religious events where women´s participation is almost insignificant. In addition, women not only participate in some of the main agricultural activities that are supposedly exclusively male, but also very often take care of the plot while the men are working for an OPA or migrating.

Figure 10: Average time use by men and women during the plowing season in Polochic Valley & Hill villages (hours in a day).



Source: Alonso-Fradejas, Mingorría & Gamboa 2010. The villages of "Concepción II" and "Tierra Linda" are in the "Polochic Hill Area" while "La Esperanza" is in Polochic Valley.

Notwithstanding the fact that women spend less time in social events does not mean that they consider them of less importance. We saw how communal governance institutions are also considered to be of great relevance by women. The problem lies in the fact that when they manage to be directly involved in these institutions (frequently through women's groups) they are powerless to reduce accordingly their other productive and reproductive tasks and responsibilities. Therefore, it costs Q´eqchi´ women a *triple* workday to exercise their public representation role, and this is so for all types of households in the NLL.

Thus, I argue that Q´eqchi´ women are the backbone at both household and community levels, and their productive and life sustaining roles a *sine qua non* condition for indigenous-peasant reproductive economies in the outlined milieu. Nonetheless, due to the patriarchal arrangements among men from diverse class and ethnic origins, the outstanding roles that Q´eqchi´ women play are neither generally understood nor recognized within

different social spheres ranging from the private (household) to the public (the village, the social networks, or the state[29], among others).

VI. Preliminary conclusions

I will not try to summarize here the main results and issues presented in this working paper. Needless to say there are still several issues for further analysis regarding the practiced livelihoods as well as the agrarian differentiation dynamics. However according to the preliminary results outlined in this paper, the political economy and ecology of the flexible model of agrarian capitalism brought about by the oil palm agribusiness plantation systems negatively impacts the different central components of livelihoods of the Q´eqchi´ households and villages in the Guatemalan Northern Lowlands.

These harmful impacts contribute to diminishing the resilience and sustainability of the practiced livelihoods and thus catalyze a wide range of new coping strategies. Meanwhile Guatemalan bureaucratic machinery focuses on securing post-colonial privileges for the land-concentrating creole-elite, and on endorsing them to the oil palm agribusinesses too.

If on top of the impacts to their livelihoods, we add the current aforementioned structural and milieu trends that exclude the indigenous-peasantry, we could well conclude, preliminarily, that the current territorial re-structuring processes associated with the deployment of a flexible regime of agrarian capitalism through the oil palm agribusiness plantations are effectively *fuelling* a new cycle of agrarian accumulation, social vulnerability and territorial dominance through material and cultural dispossession in Guatemala.

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[29] Guatemala´s Labor Law considers women to be "*complementary to the tasks performed by the male head of the family peasant laborer*" (article 139).

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