



Land Grabbing and Popular Resistance: Case Studies in the Peruvian Jungle

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Abstract

The article illustrates how the political dynamics around access, assignation, and control of natural resources allows understanding divisions in land-based social relations. A powerful Peruvian private firm has acquired land for palm plantation on each side of the frontier between the departments of San Martin and Loreto. Both investments involved land use changes, deforestation of virgin forest, and peasants' displacements. However, we show in one case, how a process of resistance took place while in the other case, increased land-based social divisions allowed the development of the monoculture agro-industry.

Context: Socio-geo-physical description

Geographical and social description

Geo-physical description

The case under study takes place in the jungle of the Northern part of Peru at the disputed frontier between the departments of San Martin and Loreto. Both palm-tree plantations are located in the disputed frontier. For practical reasons, we will follow the firm's and the department of Loreto's version of location of the frontier (we will come back to this issue below).

The area of interest is stuck between three rivers and two relatively important cities. First, it is located at the East of the 114-kilometer road that connects Tarapoto, the administrative capital city of the department of San Martin, with Arapaima³, the capital of the Province of Alta-Selva, one of the 7 Provinces of the Department of Loreto (see map 1). The Province of Alta-Selva has been long isolated

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³ Names of the villages, districts and firms have been changed for security and privacy reasons.

from the administrative presence of the state as public services and authorities are located in the departmental capital city, Iquitos, which is accessible only by plane or a 3-day boat trip. Geographical distance has created more links with Tarapoto in the department of San Martin including public services which have often been provided by institutions in San Martin. Second, the three main rivers that further delineate the potential extension of palm plantation are the Shanusi River at the west, the Caynarachi River at the South, and the Huallaga River at the East. This area extends over 50,000 hectares (Factory del Espino, June 2009, own translation).

Map 1: Location of the study area



Along the main road between Tarapoto and Arapaima and, particularly, from Bajo Cayanarachi to Arapaima, various crops are cultivated in areas already deforested. These crops include maize, bananas, yucca, rice, papaya, palm heart, camu-camu, and peanut. The rest of the landscape is primary forest that begins in the upper jungle, towards the basin of the Amazon region. The new crop, palm tree, is being cultivated mainly by deforesting the virgin forest. Palm tree is cultivated since 2006 both as a result of private firm investments and government-related initiatives⁴. Nonetheless the scale of the plantations is very different in both cases.

The government initiative covers an area of 1,500 hectares which started with the support of a United Nation program in 2000 to foster individual producers to grow palm trees. This public program also

⁴ In the area under study, palm trees are cultivated since 2006. However, the firm “Palma Factory” had had another palm plantation in the South of the Department of San Martin, in Tocache. This plantation dates back 1980.

financed a processing plant located in Bajo Cayanarachi. The private firm began its palm-tree operations with two adjudications of public lands granted by the Central State. The fact that the Central State adjudicated land to the firm is an important aspect of the conflict in one plantation. The decision-making process has been questioned by the department of San Martin. Only recently, and still in a partial manner, the Central State has transferred to the regional government the competencies related to the territorial planning, land demarcation, and titling. In the second plantation, in the department of Loreto, there is an apparent acceptance of the investment.

One area is called “Factory del Shanusi” covering 7,000 hectares in the Loreto side. The second one, “Factory Yacu”, is located in San Martin and covers 3,000 hectares. There is a third area, “Factory del Caynarachi”, covering 6,129 hectares in San Martin. This area, although solicited, was not granted to the firm. However, we include it in our study since it illustrates the impact of the mobilization against the land adjudication to the firm.

These agro-industrial projects take place in what is called “the Amazon region” which covers 60% (77,528,030 ha) of the Peruvian territory according to the ecological criteria (Biodamaz, 2001)⁵. Loreto represents 47.4% of the Amazon region and San Martin 6.5%. Although San Martin has high jungle (“selva alta”), between 500 and 1900 meters above sea level, the area under study is located at the edge of this high jungle, in the flatter jungle with an altitude of 90 to 500 meters above sea level (Biodamaz, 2004). The rainy season, with precipitations up to 5000 mm, runs from December to April causing the flood of fields close to rivers and streams. These fields are often badly drained (“Aguajales”). The Amazon region is a hot, humid, tropical jungle area with primary forest that hosts one of the greatest biodiversity of the world. Peru is part of the 12 most mega-diverse countries of the world and ranks in the first places in terms of variety of birds, fogs, mammals, butterflies, plants, and trees (Biodamaz, 2004). As we will see in the following sections, in the Peruvian Amazon the dependence on biological resources is critical for its inhabitants’ daily practices and livelihood strategies.

Socio-demographic patterns

The population under study is mainly composed by farmers. It is a society based on subsistence agricultural production. The majority of peasants need their land to ensure their daily consumption. Crucial products for the survival strategies of these communities are drinking water from rivers and underground sources, fishes, and animals hunted in the forest. They produce rice, maize, bananas, first for self-consumption, and second, for local markets. Only recently, from 1980 onwards, they began to plant new products oriented to agro-exportation initially rice and, after 2000, papaya and palm heart and agro-industry (oil palm). Cattle farming is also very common, mostly among the migrant population.

Land was not scarce until around 2005-2006. This abundance of land was a crucial factor fostering the internal migrations that shaped the composition of the population in the area under study. The

⁵ 61% of the territory corresponds to the Peruvian Amazon which corresponds to an amazon ecosystem. However, if ones take into account a hydrographical criteria, according to the territory related to the Amazon River, 75% of the territory defines the Peruvian Amazon. In this case, it includes Alto-Andean territory which is not the case if one follows the ecological criteria which only covers the jungle (Biodamaz, 2004).

construction of the road, recently asphalted⁶, connecting the coast to Tarapoto and, then, to Arapaima was decisive in attracting migrants. Migration was first fostered by the government in 1832 and 1859 with incentives given to anyone who would bring “colonos” into the jungle, nonetheless these government’s efforts failed. It was not until the rubber boom in the region of Iquitos, around 1900, that the area under study became a more promising destination due to the increased importance of the port of Arapaima (Haas & al., 1983: 117). This first wave of migration ended when the center of gravity for rubber production moved to South East Asia coinciding with the global crisis of 1913. Petroleum explorations, from 1928 onwards, revived the interest for the jungle, although these explorations were, and still are, located in the Northern part of the Amazon region. According to accepted estimates, between one-quarter to one-half of the population of each hamlet in the area under study is not native of the place and most of these villages were created at the end of the 80s. Often migrants came from Cajamarca, in particular the province of Jaen. First, they settled nearby Rioja, then close to Moyobamba, and finally between Bajo Caynarachi and Arapaima pushing the agricultural frontier eastwards into the jungle.

Additionally, new human settlements spurge rapidly around districts or larger villages as demand for land increases⁷. Demographic growth only explains this situation partially. Families’ need to move closer to educational services and to seek low-wages employment opportunities (“peones”) in ports, palm plantations, construction are other reasons. Human displacements triggered by large-scale investments also contribute to this situation.

These population movements, the dynamics of land invasions⁸, the presence of firms that capture large extensions of land inducing new population displacements, and therefore, new land invasions, render the socio-demographic context an exploded reality.

The area under study is also characterized by a high level of monetary poverty and low levels of education. The net salary per family is estimated at 109 soles (40 USD) in Tierra Bamba, and 249 soles (90 USD) in Arapaima (IDH, 2009) which ranks Tierra Bamba as one of the poorest districts in Peru. However, the most striking feature for the outsider is the lack of basic sanitary conditions.

This area made it to the national and international spotlight for two other reasons. First, it was one of the main headquarters of the MRTA (Movimiento Revolucionario Tupac Amaru) and second, it was involved in coca production and drug dealing activities.

⁶ A new road (950 kilometers) linking Arapaima – Tarapoto – Paita on the coast is under construction. However, the part Arapaima–Tarapoto is completed. This infrastructure is part of the project “Infrastructural South American Regional Integration” (IIRSA Norte) operationalized under a Brazilian concession.

⁷ Among these people who need lands there are also land dealers that participate in and/ or lead a land invasion in order to sell the piece of land a bit later at a better price.

⁸ In the urban setting a land invasion, is a group of people that joins to squat on lands close to cities, and then negotiate with the landowner to be able to set up there. However, dealers are mixed up with people who need land to work and to live. What will determine who stays and who leaves depends on the financial ability of the owner to pay the police for evacuating “invasors”. In rural areas, land invasion is characterized by a small group of dealers that take possession, fell down trees, and then sell the land to private investors or to migrants that need land.

The MRTA is an organization inspired by the leftist guerrillas that arose in several Latin American countries in the second half of the twentieth century. The MRTA is classified by the Peruvian authorities as a terrorist organization, however the European Parliament did not recognize them as a terrorist movement until 2009 after the success of the Peruvian lobby at reversing the 2008 EU decision. It was assumed that the MRTA was dismantled after the Japanese Embassy hostage crisis. In this operation, the MRTA took 600 hostages during a celebration in the Japanese Embassy in 1997. President Fujimori, who several years later escaped the country and became a Japanese citizen, personally organized the raid of the Peruvian Special Forces. All MRTA members were killed⁹. Nowadays, civil society organizations mention that not only ex-MRTA members, but also ex-Shining Path members, are working for the firm's security.

This area is also known for narco-traffic, as the old road between Tarapoto and Arapaima, in Loro, was the landing strip for planes from and to Colombia. However, medium-size coca plantations seem to be located more in the South of San Martin while in the region under study, families have very small (from 0.5 to 1.5 hectares) plots of coca. Following the advice of local leaders, we did not investigate this matter any further for security reasons. However some interviewees sometimes referred spontaneously to the issue. It is also worth saying that the presence of coca growers and narco-trafficking has become a popular argument to justify the presence of the Army and to further the agenda of the firm. First, the presence of the Peruvian military forces in the plantations was denounced by local communities in San Martin. Second, palm plantations have been presented as the best alternative crop to coca.

The study was undertaken following the methodology of a multiple case study research design. The case study is composed of two cases: the first case deals with the area of influence of the palm plantation located in Loreto. The second case concerns the area of influence of the palm plantation in San Martin as well as the adjacent area that was not adjudicated to the firm. We spent 5 months collecting evidence, including more than one hundred interviews conducted at the regional and local levels. Additional interviews at the national level were also undertaken, together with the participation in seminars and congresses.

The data collection is based on a qualitative approach. Our choice of cases is determined by their representativeness of the ongoing situation lived by mixed populations in the Peruvian Jungle affected by large-scale investments. Despite being representative at the national level, at the community level, diversity prevails. This diversity stems from people's adaptation and responses to the changes they face. This is why, within case studies, diversity was the main criteria guiding the selection of communities for interview purposes (see annex 1). We sought to have two communities located in the main road, one in San Martin (Platainchi, 1,000 inhabitants¹⁰), and the other in Loreto (Loro, 1,979 inhabitants). In San

⁹ Autopsies were only conducted in the Police Hospital (rather than in the Institute of Forensic Medicine as required by law) and, then, the corpses were secretly buried in several cemeteries through Lima.

¹⁰ Figures for Platainchi, Cocha Negra, Nueva Lima, and Belen were provided in interviews. The former two communities do not appear in the last census of the National Institute of Statistics (INEI Tarapoto) and were registered as "scattered population", INEI, 2007. Figures for Loro, Sachatorre, and Huanca are from the local census carried out by the Ministry of Health, 2010. Figures for Tierra Bamba and Orquidea are from the National Institute of Statistics (INEI Tarapoto), 2007.

Martin, we choose two small communities which were said to be in favour of the social protest (Nueva Lima, 150 inhabitants and Belen, 162 inhabitants) and two large communities (Tierra Bamba, 1,087 inhabitants and Orquidea, 759 inhabitants). Tierra Bamba is partially in favour of the social protest, while Orquidea does not support the struggle. In Loreto, we selected one small community (Sachatorre, 182 inhabitants) and one large community (Huanca, 401 inhabitants). Furthermore, still in the Loreto side, we have chosen an additional community based on its particular interest, Cocha Negra (160 inhabitants). This community includes a local association of 48 peasants which provides a unique perspective on the different stages of interaction with the firm. Interviews were also conducted in Tarapoto, as some regional authorities and associations are located there, Moyobamba, the center for the regional government of San Martin, and Arapaima, capital of the Province of Alta-Selva and where the sub-regional government of Loreto is located.

We do not pretend to portray each community's dynamic of rural social differentiation, but rather aim to explore large-scale investments' underlying socio-political processes and their impact on land-based relations. This objective requires a unit of analysis determined by the area under the direct influence of the firm, since much of the socio-political dynamic exceeds communities' borders. This area corresponds to the selected communities and the districts of Arapaima and Tierra Bamba and also includes regional authorities. As a result, the analysis is carried out at the meso level.

Socio-political context around large scale investments

Vision of development and “el perro del hortelano”

After being elected in 2007, Peruvian President Garcia gave his vision of development through an article in the main national newspaper. Its title, from a classical Spanish theatre play, was “El perro del Hortelano que ni come ni deje comer” (The dog in the manger, it does not eat, nor let others eat). In short, the President pinpointed the 5 main resources of the country: The Amazon region, land, mining resources, the sea, and its workers. He argued, in a convincing way, that the unique road to development consists in having large scale investments in order to create value from resources that are not fully used. For this logic to work, land must be securely and privately owned. According to the President, the opponent to this logic is the “old communist, anti-capitalist of the XIX century who disguises himself as the protectionist of the XX century and again changes his mind to be the environmentalist of the century XXI” (translated from El Comercio, 28/10/2007). They are those in favour of the deceitful philosophy of the “dog in the manger” “who do not want to get out of their intellectual poverty, nor do they want that Peruvians get out of their material and educational poverty” (El Comercio, 02/03/08).

This neo-classical economic discourse prepared the country for an accelerated and aggressive opening to transnational and national investments. The vision materialized through changes in the legal framework, both to promote the development of biofuels, as well as to facilitate land acquisitions. As a result, social conflicts rapidly increased. By the end of 2006, 97 conflicts of which 13 were classified as active, 83 as latent and 1 resolved¹¹, were reported (Defensoria del Pueblo, 2006). Four years later, the number of active conflicts had increased twelve-fold to 164, while another 82 were classified as latent, bringing the total number of registered conflicts to 246 (Defensoria del Pueblo, 2010). One of these conflicts was a hard opposition from indigenous and civil society organizations of the Amazon region to 10 decrees that threatened their land rights as we will explain below¹².

Decrees for the Free Trade Agreement and Bagua

In December 2007, the Peruvian Congress granted approval to the Executive to draft new legislation in accordance with the Free Trade Agreement with the United States. The Executive issued 99 decrees, of which “26 were related to agriculture, the use of water, forest resources, as well as peasant and native communities” (Cepes, 2008). Ten decrees¹³, denominated the “Jungle Law” (Ley de la Selva), were particularly criticized by all parties. First, although legal changes had to be specific to the Treaty, the “Jungle Law” was deemed to have a generic character. Second, natives and peasant communities saw in these decrees the end of their effective control of land and natural resources. The entire Amazon region, mainly indigenous communities, with the support of the civil society stood up to require the abolition of these decrees. Mobilization was organized in four areas of the region: Bagua, Tarapoto, Arapaima, and

¹¹ The next month in January 2007 an additional 25 cases were resolved (Report 35 of the Office of People Ombudsman).

¹² Today, there is a huge debate and pressures to derogate two decrees (Emergency Decree 001 and 002) that would further facilitate investments without they comply with the basic environmental impact studies while compromising the state for the next 30 years.

¹³ The 10 decrees are: 1015; 1073; 994; 1020; 1064; 1089; 1090; 840; 1770; 1992.

in the South of San Martin. In Tarapoto, support was provided by the government of San Martin, the People's Ombudsman Office, and some NGOs. The regional government along with the indigenous movement collected signatures and conducted talks with the Central State in order to derogate the decrees. This strategy had to be repeated in the four demonstration spots. On June 5th of 2009, and despite the fact that meetings were already planned and authorized, the police and indigenous protesters along with some civil society members, entered in a bloody confrontation. There is no consensus about the deaths it provoked since some people disappeared, but figures run from 25 to 50 deaths that included both policemen and civilians. However, after the initial shock, the protests continued in the remaining cities until two decrees were annulled (1015 y 1073) on September 21st of 2008.

The derogation of these decrees was qualified by the Peruvian President as an "historical error". As a result of the events, in December 2010, five former leaders of the social protest "pueblos Amazonicos" were condemned to 5 years of house arrest¹⁴. The Public Ministry already appealed this decision requiring 25 years of imprisonment. Ironically, as civil organizations received information that the police would intervene, leaders of the movement called upon reservists of the region, trained by the state and 80% of them belonging to native communities. Therefore, the response to the police was more brutal than initially expected. Bagua's events marked the materialization of the criminalization of social protests that characterizes the context thereafter.

Social conflict under study: summary of the case

In this section we first discuss the similarities shared by the three areas under study before dealing briefly with the specificities of each location.

First, it seems there is a consensus regarding the forms of land appropriation. In all cases the land was adjudicated by the Central State. Decisions were made ignoring that these areas were inhabited, locally governed, or already owned formally or informally. It is a fact in the region under study that many of the villages are not recognized at all by either civil registries or in official maps. The last 2007 Census in Tierra Bamba took into account 9 villages including the district of Tierra Bamba, out of 23. The remaining 14, which represent nearly 40% of the total population of the district, were classified as "dispersed population". In the same way, after 15 years of land administration and formalization efforts, the results are very limited and there are no updated land registries. Furthermore, institutions dealing with land titling and registries are plagued by corruption.

A second issue is related to the absence of consultation of local populations. Some local authorities negotiated privately with the firm but without consulting with local population. For the majority of communities, the presence of the firm was a sudden event.

¹⁴ Civil society organizations and Indigenous movements decided to gather under the movement "pueblos Amazonicos" to increase their strength and represents both native communities and peasant communities. Five ex-leaders were condemned, some of the Front of Defense of Interests of Alta-Selva (FREDAS), and indigenous leaders.

Third, the unresolved conflict regarding the border between the departments of Loreto and San Martin (pink line in the map according to Loreto, black line according to San Martin) allowed the firm to work in San Martin while pretending this area was part of the Loreto department, which had approved the land adjudication. The resolution of this issue is pending in the Presidency of the Council of Ministries.

Below we summarize the different scenarios at play in the two regions at stake, Loreto and San Martin:

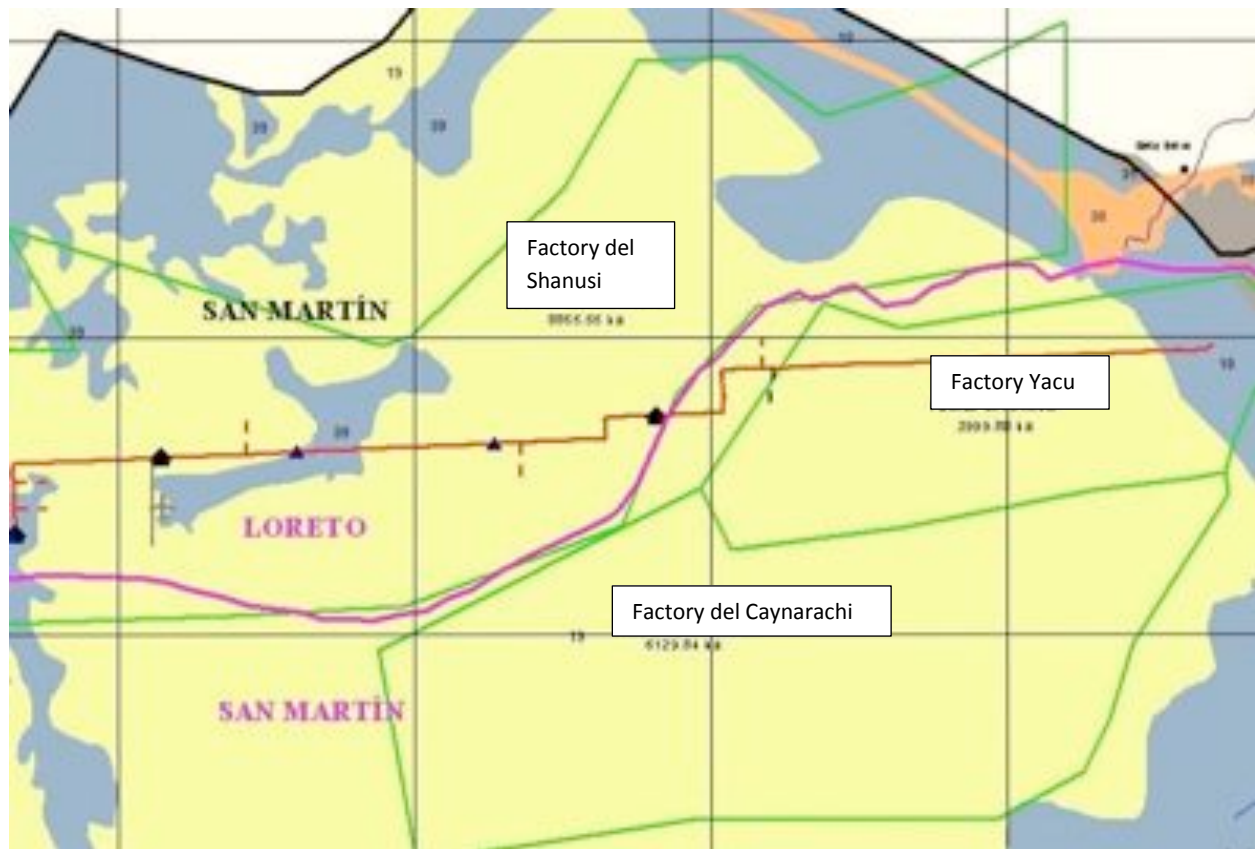
- In the department of Loreto, the regional government approved the adjudication of 7,000 has of virgin forest to “Factory del Shanusi”, one of the firms of the Palma Factory. Local opposition to the investment was rapidly silenced. Peasants’ resistance to maintain their rights appear to be fragmented, disempowered, and disabled. As the firm extended beyond the area adjudicated by the state, a variety of mechanisms were used in order to displace peasants out of their lands. These mechanisms included coercion and threats, negotiations, and fair-price sales when peasants had a title.
- In the department of San Martin, the regional government, in power since 2006, did not approve the adjudications of land by the central government¹⁵. However, the regional government only recently received the competencies related to the physical and legal cleaning up. Local claims and local rights’ abuses were gathered at the district level. A “struggle committee” (Comite de Lucha) was set up to deal with the claims at upper levels and to start a long legal battle. At the field level, mobilization got organized and peasants expressed their opposition in a variety of ways. More structural protests were also organized at the district and upper levels. Initially, the firm “Factory Yacu” of the Palma Factory was allocated an area of 3,000 hectares in March 2007. Despite some legal victories, the regional and local opposition only postponed the deforestation of the area until January 2010. The firm under another name “Factory del Caynarachi”¹⁶ requested an adjacent area of 6,129 hectares¹⁷ which, up to now, has not been allotted due to the local opposition supported by the regional government. The regional government had partially acquired new competencies in the framework of the decentralization process. However, this area is still under dispute today and was a key determinant of the results of the last local elections which began to generate some divisions in the locally organized “struggle committee”.

Map: Departmental borders and Factory del Shanusi; Factory Yacu, and Factory del Caynarachi

¹⁵ As we mention in the next section, a letter from his predecessor was considered as the regional approval.

¹⁶ Firms’ names in that area have changed according to its development strategies.

¹⁷ This area was first requested by another firm, but under an unknown process its solicitude was retrieved without they asked for it, so that the area could be adjudicated to the second applicant, the Palma Factory.



Source: Ecological Economical Zonification, Regional government of San Martin

Land based social relations

In this section, we explore the changes in land-based social relations. We follow the concept of a “bundle of powers” (Ribot and Peluso, 2003) to describe the abilities of peasants to effectively control natural resources. Following this, we look at the processes of land adjudication and accumulation. We provide illustration of the firm’s ability versus peasants’ abilities to influence authorities regarding the land acquisition and accumulation in San Martin and Loreto.

Land based relations: initial arrangements

- Community membership

In the Caynarachi and Shanusi Valley, land relations are based on community membership. Whether people are born in the community or elsewhere is not a problematic issue. Migrants can easily acquire the status of “morador”, become a community member, and get access to land and local natural resources to meet their basic needs. In some communities, a “right” has to be purchased, while in others, there is no price to pay. Still in other community, land can be rented in exchange for a share of the crops handed to the owner. Newcomers have to consult both local authorities and adjacent owners in order to be granted land that is “free”, i.e. without owner.

- De facto individual possession

Having this membership gives access to the pool of natural resources associated with the community. Additionally, the majority of peasants cultivate land they possess individually. In these private lands only a portion of the area is actually planted while the remaining is kept as virgin forest. Part of these forested lands will be used for agriculture in the following years. Peasants, who cultivate maize, each year abandon their original plots and deforest between 0.5 to 1.5 hectares in adjacent areas or further into the mountain (virgin forest). Therefore, possession can be permanent or temporary according to the crops that are cultivated. When land is used on a temporary basis, others can take possession on it again.

Possession is recognized locally, by holding community membership, by working the land, and through a document, the “certificate of possession”. This recognition also extends at the district level and to all the communities of both valleys. At upper levels the Agrarian Agency of the Ministry of Agriculture also recognizes possession and delivers a document, the “Constancia de Posession”, which is usually required in the titling process. However, the titling varies according to the social position, financial capacity, vested interests, and politico-economic circumstances. Moreover, in the few cases where peasants hold a title, this title only covers the area which is being cultivated. The remaining area, covered by virgin forest, is left out of the title despite the fact that in the future the peasant most likely will not cultivate the titled area, but the virgin part.

Despite the limited security provided by both the title and the “certificate of possession”, peasants are willing to have their land titled. Since titles, when peasants are under pressure to sell, are useful tools in the negotiation for better prices¹⁸. Obtaining a title has become more difficult over the last decade. For

¹⁸ Social positions seem to be also a determinant factor to negotiate a better price for the land.

instance, most of the titles of the peasants we interviewed actually date back to the Fujimori government (1990-2000). Titled lands are often located closest to the community center and the main river.

- Commonly owned resource and open access

In Loreto, the community limits are roughly known by local authorities. In this region a system of *de facto* rights (possession) coexists with open access to resources, forests, and water. Below we describe the use of these resources by local communities. This use is the same in both valleys. However in San Martin, the forest is governed under a communal property regime.

In the communities under study in San Martin, authorities have been working on the territorial planning since 2004. As a result, local authorities know the limits of each community more precisely. Local authorities also govern common property resources as they identify environmental services provided by these resources within the border of the district. The forest, a commonly owned resource, is governed by the district authorities together with the community that has the resource in its boundaries. The community is responsible for taking care and maintaining the boundaries of the resource. However, all the communities in the district can make the same uses of the resource, which primarily consist in hunting animals¹⁹ and birds to eat, taking liana and plants for traditional medicine, and gathering wood for cooking, and housing.

Wood is also the basis for the construction of public services, such as schools or bridges. This is the only instance where logging is authorized and only after a consultation with the authorities at the district level. This authority decides after assessing the benefits of the project requested.

Open access to water resources is also granted for drinking, washing clothes, showering, leisure, irrigation, and fishing²⁰.

In the communities of the Caynarachi Valley, San Martin, a system of individual land rights (possession) coexists with a communal property regime for the forest and an open access to water resources.

Regarding the use of commons in both valleys, for the poorest group of peasants, access is permanent since their families depend on these resources to meet their basic needs. The rest of the community uses these resources sporadically in order to retain them as a buffer against socio-economic shocks. This is consistent with the behaviour documented by Platteau (2006) for several African communities. Therefore rural groups' livelihood strategies critically depend on their ability to benefit from natural resources, which they in turn acquire through membership of the community.

¹⁹ Usually, peasants hunt the following wild animals: the majaz, tapir (sacha vaca), deer, armadillo, aguti (anuje), peccary (saino).

²⁰ The most common fishes are: paiche (arapaima), gamitara, palometa, and also a variety of small fishes: carachama, pasacos (cabeza de colebre, burcurquis)

Land acquisition and accumulation

We saw that individual use rights coexist with open access and communal property resource. In this section, we explore the transition between this de facto institutional arrangement, based on community membership, to the new institutional arrangement, based on access to authorities, capital, and social relations.

First, we discuss the process of land adjudication to the firm in San Martin. We point out a few irregularities in this process raised by the regional government whose power was constrained by a complex decentralization process. We suggest that mobilized rural groups' access to authorities ended undermining the firm's power to accumulate additional land. Second, we focus on the case of Loreto. In this region, we illustrate the asymmetrical power relationship between the firm and rural social groups.

At the national level, the areas under study were registered as public lands. The Central State has adjudicated two areas, 3,000 hectares in San Martin and 7,000 hectares in Loreto, based on a decree on the promotion of investments in the agrarian sector²¹. This decree states that if an investment project is of regional and national interest, up to 10,000 hectares of land can be allocated.

In San Martin, several irregularities were raised by the legal advisors of the regional government. These irregularities, which make the process of land adjudication at best questionable, include: First, the Palma Factory operates several subsidiary firms which together exceed the 10,000 hectares of land allowed by the decree²². Second, the Regional Council was never consulted to assess the regional interest of the project²³. Third, one of the institutions conditioned its approval to an Environmental Impact Study (EIS) which was only provided by the firm more than one year after the land adjudication. Fourth, the regional government was also concerned with the price established in the Ministerial Resolution²⁴ which adjudicates the 3,000 hectares of land to the firm. This price, 450,000 soles (140,625 USD), amounts to 150 soles (46 USD) per hectare or 0.015 soles (0.0046 USD) per m². Finally, the regional government also questions the price of the deforestation rights (These are established by the central government in the authorization for the land use changes²⁵ and its Administrative Resolution²⁶). The firm was authorized to clear an area of 1,051 hectares in the first year. However, technical inspections reported that the firm deforested 2,100 hectares in less than 4 months. This was done without neither respecting the administrative authorization nor its own EIS. Additionally, the prohibition

²¹ Decree-law number 653 from 1991. See annex 2 for details on the requirements stipulated in the decree.

²² Decree 653 from 1991.

²³ A letter of interest signed by the former regional president in 2005 is taken as the official approval. Additionally, the approval of PROAMAZONIA, another institution whose approval was required by the decree, was reached in 24 hours raising doubts about the reviewing work of the technical documents of the project.

²⁴ The Ministerial Resolution Number 255-2007-AG of the 20/03/2007. This Resolution also authorizes the regional Director of the Ministry of Agriculture to sign the buying/selling contract which was signed despite opposite orders from the Regional President.

²⁵ See the authorization for the land use changes number 22-SAM/CAU-A-003-08 of the 29/08/2008.

²⁶ See the Administrative Resolution of the authorization for the land use changes number 208-2008 INRENA-IFFS-ATFFS-San Martin of the 29/08/2008.

to deforest close (50 meters) to the banks of rivers was not respected²⁷. Moreover, the firm did not acquire permits to make use of a quarry for their infrastructures, for the construction of roads, or for their land strip.

In our view, this suggests the ability of the firm to influence national authorities and to bend the rules in its favour.

As an additional illustration of the power of the firm, one month after the Ministerial Resolution adjudicating 3,000 hectares to the firm, peasants began to protest. The Ministry of Agriculture came and signed an agreement with the local authorities and peasants of the district of Tierra Bamba to halt the process of adjudication until around 100 families, threatened to be expelled out of the area, would have received their land titles. These families had already asked for their titles without success since their lands were qualified as “Permanent Production Forest” (PPF)²⁸ implying that no title could be granted. However, through the argument that there were already human settlements in the area, the firm asked for the exemption of the 3,000 hectares out of this category. Pointing to the firm’s leverage influence at the national level, all the areas were excluded as PPF. The firm was the first to be informed of the news, and was thus, also the first to apply for the title. When peasants asked for titling as agreed during the Ministerial visit, the titling agency (COFOPRI) stated that they had no right since the firm had already applied for the title. This decision ignited the conflict.

Peasants’ ability to mobilize the regional government slowed down the activities of the firm. However, the regional government’s power to control the firm was undermined by its ability to influence the national authorities during a highly muddling bureaucratic process. This is illustrated by the following example.

After the deforestation of 2,100 hectares of virgin forest in less than 4 months, the regional government required the Ministry of Agriculture in Lima to declare the automatic expiration of the land adjudication as it did not comply with the terms of the initial authorization and the EIS. A Ministerial Resolution²⁹ transferred the competencies allowing the regional government to do so, together with an official notification³⁰ which authorized the regional government to declare the expiration. However, two months later, another ministerial resolution³¹ was issued cancelling the official notification. As a result, the ability to declare the expiration of the adjudication returned to Lima.

²⁷ The wild fauna and forest law 27308 establishes the specific rules that must be respected in lands of the jungle suitable for agricultural use. Particularly, deforestation is prohibited on the banks of rivers in a distance of 50 meters (Article 26).

²⁸ The area classified as Permanent Production Forest covered 1,501,291 hectares in San Martin. Four additional Ministerial Resolutions and two technical reports were issued in order to reduce the areas of the Permanent Forest Production to 1,125,256 hectares.

²⁹ Ministerial Resolution number 034-2010 of the 30/04/2010.

³⁰ Official notification (oficio) number 0982 of the 03/06/2010.

³¹ Ministerial Resolution number 0476-2010-AG of the 26/07/2010.

However, local mobilizations together with the newly acquired competencies of the regional government of San Martín forced the withdrawal of the firm's application for an additional plot of 6,129 hectares. Moreover, this successfully legitimized both peasants' land claims and social protests.

In Loreto, the Central State allocated 7,000 hectares of land to Factory del Shanusi. This adjudication was unanimously approved by the regional government and Council. This unanimity is surprising given the price established in the Ministerial Resolution³² of 17.99 soles (5.62 USD) per hectare or 0.0017 soles (0.0005 USD) per m². The authorization for the land use changes³³ which fixes the amount of the deforestation rights also seems to be symbolic. Regarding the procedures of deforestation (these are established in the Administrative Resolution and the Wild Fauna and Forest law³⁴), no monitoring from regional authorities has been undertaken. As one official of the Agrarian Agency of the region explained us: *"We cannot quantify the environmental impact, we just know there is deforestation. Nobody that I know is working on that issue, nobody is paying attention to the water contamination, biodiversity, etc...The Ministry of Agriculture is in charge of doing that and from January 2011, it will be a regional competency but in the majority of cases, adjudication and concessions are given in Lima and we comply with Lima's orders. The government is not interested in these issues and if they were, there are no resources available"* (interview 77, 15/12/2010, Shanusi valley). The permissive stand from key sub-regional authorities towards the modes of operation of the firm enhanced the firm's power and opened up the way for additional accumulation of land as the next case illustrates.

In 2000, an association of 48 peasants occupied an area of 1,728 hectares of virgin forest. They initiated the titling process in 2004, however only 6 members succeeded to get their land titles. In 2006 the state adjudicated lands that included half of the land worked by the association of the firm. The association had no choice but to negotiate. The association, the firm and sub-regional authorities³⁵ signed an agreement on June 12th, 2006 that included the following:

- The land titling of the plots which were not in the area adjudicated by the state.
- The recognition of the investments made by the association including the paths and boundaries that they created and took care of.
- The resettlement of those members who were in the area requested by the firm in areas of "free availability". If the re-settlement areas are part of the Permanent Production Forest, the firm "Factory del Shanusi" will manage the exclusion of these areas out of this category.
- In the same way, those members that find themselves in areas juxtaposed with titled areas, but outside the area required by the firm, will also be resettled.
- Association members ("parcelero") assume the responsibility of paralyzing all their activities and leaving the area requested by the firm "Factory del Shanusi".

³² See Ministerial Resolution number 0684-2006-AG of the 16/07/2006.

³³ Authorization for the land use changes number 001-CAU-2006-INRENA-IFFS-ATFFS-Arapaima of the 03/08/2006 with its Administrative Resolution number 062-2006-INRENA-ATFFS-Arapaima of the 03/08/2006.

³⁴ See Wild fauna and forest law (Ley forestal y de fauna Silvestre): Law 27308. Its article 26 establishes the specific rules for lands in the jungle suitable for agricultural use.

³⁵ Tiling agency director, the directors of the Agrarian Agency, and district authorities.

Those peasants in the area adjudicated by the state received a monetary compensation. The firm also informed the association they had paid for the field work required for the titling process and that they managed with the corresponding authority (INRENA) the exclusion of an additional area out of the qualification of Permanent Production Forest³⁶. However, affected association members were neither resettled nor they received land titles. Some associations' members, whose plots were not in the area initially claimed by the firm, decided to redistribute their share with those affected by the firm.

This case illustrates the asymmetrical power relationship between the firm and rural social groups. This asymmetry is only exacerbated when public institutions, most likely to balance this relationship, collude with the firm. As a result, a picture arises where rural social groups are excluded from the effective control over their land and natural resources.

As the firm continued accumulating land, some association members decided to sell their plots. Strangely enough, the only 6 association members who held a title were the first to sell. Then someone appeared with a land title which supposedly covers the remaining area of the association (roughly 650 hectares). This person offered 10,000 soles (3,620 USD) to the "invasors" (association members) if they would give up the land. As internal divisions in the association grew, the last 6 members most strongly opposed to sell their land met with the firm. They realized that they no longer had a choice and they had to accept the deal.

A massive sale of lands is at play in that area of the department of Loreto. We estimate that the firm bought a minimum of 3,500 hectares from individual peasants cultivating lands around the initial adjudication. Furthermore, our interviews indicate that around 200 to 300 peasants had possession within the area adjudicated by the state (in Loreto). This suggests that the enclosure of public lands triggered a process of land concentration transferring rural social groups' land based power to the hands of one single firm. Exclusion of rural social groups in the allocation, exploitation, and control of natural resources is the underlying process of these land based property relations.

³⁶ The exclusion of an additional area from the Permanent Forest Production was issued through the Resolution number 136-2006 INRENA according to the letter sent by the firm administrator to the association.

Power relationships: Resistance and fragmentation

Actors and power in Loreto and San Martin

In this section, we identify the various stakeholders involved in the large scale investment in both areas under study.

The Ministry of Agriculture in Lima, along with the president of the Peruvian Republic, Alan Garcia Perez play a decisive role in the land adjudication to the firm. As mentioned above large scale investments are viewed by them as the most effective mean to ensure economic growth and to reduce rural poverty. Their support to the firm is materialized by the directives in favour of the firm given to the regional government and ministries alike. This support aims at creating the necessary conditions required by the investment. The president of the Peruvian Republic belongs to the political party APRA, whose political campaign was partially financed by the “Palma Factory”. As Francisco Durand (2010) states, the intervention of powerful economic groups in politics is worrying.

The private firm, “Palma Factory”, is a powerful economic private group headed by a Peruvian family. The firm began its activities around 1890 and since then has extended its scope to various sectors of the economy³⁷.

In the agro-industry, the firm produces bio-ethanol from sugar cane through its subsidiary “Agricola del Chira S.A. Caña Brava”. Most of the 250,000 liters produced daily are exported to Europe through The Netherlands. The plants are located in the Chira Valley in Piura, the Northern coastal region of Peru. The firm owns 10,531 hectares, of which, 3,200 hectares were allocated by the state and 7,331 hectares were bought to individual owners (Sustainability Annual Report 2009, Caña Brava).

Additionally, the firm cultivates palm trees. A first investment started three decades ago in the south of the department of San Martin, Province of Tocache. The operations, which devote an extension of 15,000 hectares to palm plantations, are conducted by a subsidiary firm “Factory del Espino”. Palm fruits are processed by another subsidiary, “Industrias de Palma”, which is an extractive and refining industrial plant for oil and industrial products. A processing plant for biodiesel was also set up.

More recently, the social conflict under study emerged when the Palma Factory was adjudicated two land areas of lands in the Shanusi valley in Loreto and in the Caynarachi valley in San Martin through its

³⁷ These sectors include: food distribution and commercialization (ALICORP present in 16 countries; MINKA), oil and basic grains production (Industrias del Aceite S.A.), hydro-fuel (PRIMAX), textil (Textil Piura S.A., Universal Textil), transport and logistics (RANSA, ALPASUR, LQS), services in consulting, audits and legal assessment (Corporacion General de Servicios S.A. – COGESA), fishing industry (Pesquera Giulana), telecommunications (SITEL S.A.), banking (Banco de Credito del Peru), and, port management and operations (Holding Portuario, Trabajos maritimos S.A.- TRAMARSA port operations, TISUR Terminal International of the South, JPQ-Terminal Bayovar, and CNP). Recently, the Group get the operation of the port of Ancon (40 kilometres North of Lima) but a socio-environmental conflict is arising there too.

firms “Factory del Shanusi” and “Factory Yacu” respectively. A processing plant is under construction there too.

Locally, the firm hires 800 workers coming from various part of the country. Initially, workers were from the mountain areas (mainly Cajamarca). Recently people from the jungle have been hired as well. Very few peasants from surrounding villages are working as low-wage worker (“peones”) in the plantations. On paper, the firm has a well-developed social responsibility policy. The firm has contributed to a few activities and services in the villages of the Shanusi Valley (Activity for children before Christmas, computers in one school, roof for a public health center). In the Caynarachi valley, communities do not let the firm enter in their villages anymore, and some donations of the firm have been rejected.

Civil organizations based at the district level, are the “Defense Front of Interests of San Martin” (FREDES) in San Martin and the “Defense Front of Interests of Alta-Selva” in Loreto (FREDAS). Their aim is not only to raise awareness about popular issues voicing up local claims but also to monitor the provision of public services. The FREDES has been supporting social protests organized by the “struggle committee” of Tierra Bamba, in San Martin. Regarding the FREDAS in Loreto, the organization gathers 120 civil organizations. The main topic of FREDAS’ political agenda is related to land issues in native and mixed communities. They consider land as being the source of many other social problems.

At the local level, the “Ronda Campesina” is an association whose strength varies from place to place and through time. However, they are present in the whole country with an organizational structure from the local up to the national level. “Rondas” deal with security issues. In each village there is a council to coordinate the ‘communal justice’ in order to rehabilitate an individual who commits an infraction. When the infraction is serious, the culprit has to pass by each villages (“cadena de Rondas”) to receive the sanction that goes from communal works or advices to physical sanctions. It is assumed that these sanctions will regenerate the guilty party. For cases of violations and crimes, the person is given to the police. Coordination takes place, not only at the village level, but also among all the villages in each valley under study. In Tierra Bamba, “Rondas” were reactivated in the last 6 months by a group of women after an increase of delinquency acts becoming a mixed organization again.

Regarding land issues, the “Ronda” has had a different role in Loreto than in San Martin. In Loreto, in the Shanusi Valley, raising awareness on the massive sales of land has been carried out in some villages. Worries are increasing as the firm is getting closer to the villages located on the bank of the Shanusi River. The massive purchase of land by the firm is behind the reduction in population in some villages. As a result, the few public services provided at the village level are in danger of being dismantled. The “Rondas Campesinas” can also act at upper levels, mainly supporting local leaders when they are threatened by the official justice, the state, or other outside powers. In the Caynarachi Valley, we found some “Rondas” which have played an active role in the “everyday resistance” in some communities while also participating in protests at the district level. In other communities “Rondas” were less active. In one community, the “Ronda” was not in favour of the social protest and used to work for the firm that was interested in acquiring an additional 6,129 hectares of land in the same district of Tierra Bamba. Nonetheless, recently, under a legal notice that threatens some of the community members to be displaced, this same “Ronda” called upon the district organization to avoid dispossession.

The Catholic Church plays an important role in the political arenas around land issues. At the national level, the CEAS (Episcopal Conference for Social Action) defines the strategy of social action in Peru. A conservative discourse dominates in all regions of the country except in the Amazon area. In that region, bishops exhibit another stand and their decisions have to be respected at upper levels of the hierarchy despite their minority. The CEAS is supporting local resistance in Tierra Bamba by providing legal assessors³⁸ to the key actors constantly denounced by the firm. Arapaima' bishop Jurisdiction comprises both valleys under study despite of the fact that they belong to different departments. At the district level of Arapaima, capital of the Province of Alta-Selva (Loreto), several services are under the bishop's command. Particularly a radio, "Radio Oriente", as well as an office named "Land defense office" (Oficina de defensa de tierra). This office is providing technical-legal services to help communities to first, get an official recognition as villages, second, to make their territorial planning (including land demarcation), and third, to ease the titling process. Awareness and training activities are also undertaken on the importance to defend ones' land (titling, resist pressure to sell). However, since January 2011, only the training area is operational.

The role of key actors at the local level is very different from one Valley to the other. In the Loreto side, there is much less coordination and communication between communities and the district of Arapaima. One of the villages, where the firm has set up its offices, is claiming the status of district. If approved, this new district would cover the majority of communities of the Shanusi Valley. In the meantime, opportunistic local authorities have been taking decisions in an uncoordinated way. As we will indicate in the next section, evidence suggests that this fragmentation has been triggered by the modes of operation of the firm that exploit the chronic levels of corruption in key institutions.

In the following paragraphs, we pay attention to local actors and politics in the district of Tierra Bamba, Caynarachi valley (department of San Martin). In this valley, authorities of the district of Tierra Bamba are communicating and coordinating with the 23 communities on a regular basis.

The "Table of the Coordination for the Struggle Against Poverty" (MCLCP³⁹), coordinated by a Sister⁴⁰, is a leading organization in Tierra Bamba. This table coordinates all local development initiatives. "Tables" have splurged in most parts of the country a decade ago. According to interviewees, each month the table invites the 23 community leaders to participate in the definition and execution of the local agenda. One of the projects they undertook dealt with environmental awareness and territorial planning. Territorial planning included the demarcation of communities and districts as well as communal areas (see initial property arrangement). However, they did not succeed to formalize their work before the firm intervened in what these communities consider their territory (see below).

In Tierra Bamba, an Italian Father, has been leading the local activities of the church for the last 30 years. He owns a radio "Voice del Caynarachi" which is operational in the 23 communities of the district. Along with other local actors he supported the opposition against the firms' land acquisition. He was also representing "peasant communities" in the social protests that took place in Arapaima in 2009

³⁸ These legal assessors were employed directly by the local father.

³⁹ Mesa de Concertacion para la Lucha Contra la Pobreza, MCLCP. (<http://www.mesadeconcertacion.org.pe/>)

⁴⁰ The Sister was first a local teacher during two decades.

against the decrees issued by the executive (see above). He was trialed for his pro-active role in this social protest along with ex-directives of FREDAS, and was acquitted. The firm perceives him as the person responsible of the ongoing social conflict for his opposition to “the development of the region” and as the key manipulator of the population. The firm’s discourse was successfully broadcasted by newspapers and several NGOs at the national level (ACSC and SPDA, 2009:20).

The municipal leader (“agente municipal”), the state representative (“teniente gobernador”) and the local judge are local authorities. In Tierra Bamba, the municipal leader who governed from 2002-2006 did not complete his mandate as he flew away after negotiating with the firm without consulting the village. The 2006-2010 municipal leader has dedicated part of his mandate to the land struggle. He belongs to the same political party, Nueva Amazonia, as the re-elected president of the San Martin regional government which is oriented towards environmental conservation and inclusive investments. This municipal leader was denounced several times by the firm and recently by the newly elected municipal leader that replaced him in January 2011.

Key local actors formed the “Struggle Committee” in response to what they consider a land invasion in their territory. The “Struggle committee”, the Italian Father, and the coordinator of the MCLCP along with local authorities have demonstrated an organized opposition, not against the investment, but rather, against the modes of operation of the firm in their district. According to interviews, the “Struggle Committee” is in charge of coordinating the legal measures with all authorities concerned and informing on the progress and initiatives taken at the legal level. The “Struggle Committee” also dissuaded affected peasants and some “Rondas” members to act in a violent way. As mentioned above, some of the “Rondas” perceived themselves as being in charge of the “field resistance”.

During the political campaign in Tierra Bamba (October 2010), the president of the “Struggle Committee” supported a candidate from the opposition. This political move has shaken the unity of the local key actors in Tierra Bamba. Despite their track of success in challenging the firm, this recent political developments have decreased the strength of the “struggle committee”. We will come back to this issue in the section related to resistance in San Martin but before we deal with the processes that divide or unify rural groups in their land struggle.

Scaling down resistance and fragmentation in Loreto

As mentioned above, local opposition in Loreto has rapidly been silenced and peasants' resistance fragmented, disempowered, and disabled. In this section we explore the mechanisms that are used to divide rural social groups in their struggle to maintain their land rights.

- Control of key civil society organization and unions

Interviews indicate that the local, regional, and national government intervenes in civil society organizations to control its leaders in order to silence topics of corruption and irregularities. As this interviewee pinpoints: *"there have been processes by which those who govern, at the national, regional and local levels, "buy" the leader. We say, "buy", in the sense that, you need to maintain the people doped, and make that the people do not stand up for such topics."* In exchange, a job offer in public institutions is offered. The interviewee goes on explaining that: *"when they cannot control the leader, they go at the basis of civil society organizations; they create parallel government-sponsored organizations within the basis organizations. As a result those who are legally the union, no longer receive support. This creates internal conflicts disorganizing union activities"* (Civil society leader, interview 88, 17/01/2011 and 18/01/2011, Arapaima.)

In one of the key civil society organizations, a former regional government employee was appointed as president. This resulted in 4 years of silence about the issues of the province. Cases like this are numerous.

The same happens at the local level, where intermediaries offered to the president of a local association, a remunerated task for the firm that would provide some work for members of the association. Advantages are offered to the president when members do not protest.

- Division within local peasant associations

Peasants' associations can also be divided by the sudden appearance of someone having a title on the lands owned by the association's members. The appearance of a title is a mechanism at play to acquire more lands as we already explained above. However, monetary offers to accept the negotiation with the title owner create internal division between those who want to defend their land and those who want to negotiate. When associations are composed by peasants and farmers living in urban areas, they tend to resist a bit longer as more connections give them access to private legal assessment. However, once Ministerial Institutions rally with the title owner, no legal hope is left for them. In a case in Loreto, from 48 members of the association, 24 were opposed to sell their land, then 12, and finally the 6 remaining explained they had no choice but to negotiate for their land. A monetary compensation was promised directly by the firm, but one month later they only received 1,000 soles (360 USD) before Christmas (1/10 of the amount agreed). After a few days, the firm acquired the area.

- Division between peasants communities

Community leaders negotiate on a one-by-one basis with the firm to receive some punctual supports. However, when the firm decides to bring something for the community (computers for the school despite they have no permanent electricity, or kerosene for the generator,...), the firm requires a written approval from other communities. As a result, the firm triggers a competition for symbolic donations among communities leading to tensions between them. It also postpones key claims related to the water contamination in these communities adjacent to the plantations.

It is also quite clear from interviews that donations are conditioned to the communities exhibiting indulgence and “good behaviour”. If claims are made public, no donation will be carried out.

- Control of local government officials

When the firm arrived in 2006, local leaders (mayor, state representative, and peace judge) were all invited to the two-decade old plantation (“Factory del Espino”) of the firm “Palma Factory” located in the South of the region of San Martin (Uchiza, Tocache). This trip was designed to show the advantages of the coming projects. One ex-leader explains: *“all of us went to Uchiza together and the next day we came back all separated”* (Local authority leader, interview 64, 10/12/12). Another says: *“they went with their hands empty, and they came back with their pockets full, I contrasted the payments with several people: Mayor: 20,000 soles (7,246 USD) and 30,000 (10,870 USD) for a project; Municipal agent: 10,000 soles (3,625 USD); Peace judge: 8,000 soles (2,900 USD); Popular leader: 3,000 soles (1,090 USD)”* (Civil society ex-leader, interview 65, 12/12/2010, Shanusi valley).

- Intimidation campaigns

Intimidation has been repeatedly mentioned by interviewees⁴¹. Psychological pressures and threats were common to force peasants out of their land if they had no documents. One peasant explained: *“When the plantation was adjacent to my field, one engineer told me the land was theirs because it was of the state and he asked me: “do you have a land title?” “No”. “An ownership certificate?”, “I said no”. “and he told me: with what are you going to defend yourself, if you have nothing to defend yourself”. “We give you 20 days to have a document, if no, we invade your field”. “I came back to the village and my family and friends told me: “you have to leave, otherwise they can kill you... don’t go back to the field anymore”. “I went there after a few weeks; they had torn down all my field except the harvest, and gave me 300 soles (108 USD) as I had no documents”* (Farmer, interview 62, 10/12/2010, Shanusi Valley).

Death threats to individuals and, more commonly, threats to the security of their family were an effective strategy to calm down popular leaders. Legal denunciations against popular leaders are also very common. Finally, defamation campaigns in newspaper to undermine the credibility of popular leaders have been effective as well.

- Partial control of the media

⁴¹ However, some people also mentioned that they sold their land because they were willing to sell, the field was too far, and they were not able to take out all the harvest. Others say they sold their land because they were advised to do so by community members.

In Arapaima, one practice employed broadly in various institutional sectors (health, agriculture, education) is to give journalists valuable contracts to represent the “institutional image”. The remuneration associated with these contracts keeps journalists quiet on sensitive issues, often corruption related matters. The journalist commits himself to avoid these subjects. A similar strategy has been followed by the firm that hired a well-known journalist in Arapaima for the same purpose. Today, this person is one of the leaders of the most important civil organization.

- Corruption to disempower

We already mentioned part of the corruption related to monetary offers to local authorities. Additionally, at the district level in the Loreto department, allocation of budgets for basic social services is often conditional on the district mayor’s cooperation on corruption related issues.

We also referred to the sudden appearance of land titles issued by the titling agency (COFOPRI or PETT before it). As indicated by interviewees, including local authorities, the titling agency as well as the Agrarian Agency does not seem to be neutral obstructing the efforts of local peasants to secure their lands and favouring the firm. Despite the titling process is in theory free, public officials do not leave their offices to do the fieldwork required for titling unless someone pays for it. In response to one letter from a peasants’ association which was claiming the fulfilment of an agreement with the firm which included the resettlement of half of its members in exchange for legal titles for all members. The firm answered that *“we have paid the fees of public officials of the PETT for them to realize the field inspections as a clear demonstration of our support. We have to add that the resettlement and titling are competencies of the Agrarian Agency and the PETT, and therefore the firm cannot be blamed for its lack of accomplishment”* (Administrator of the firm, 27/04/2007).

The strategy of the firm aims at a twofold objective. On the one side it enhances the opportunities of public servants to behave in their own, selfish, interest corrupting the apparatus of the state. On the other side it disempowers those who work the land (rural but also urban people with farms), by institutionalizing a constant discrimination in their access to social basic services, land security, and justice.

Resistance in San Martin: Build up and current threats

In this section, we first explore the elements at the basis of the successful resistance in San Martin, during more than 4 years. Then, we raise some issues related to those aspects that contributed to undermine it recently (see also section on actors).

Successful resistance

- Awareness and training

Community leaders in Tierra Bamba have been active in several training workshops in various issues organized by the “Table of the Coordination for the Struggle Against Poverty” (MCLCP). Furthermore community members quickly began their territorial planning process including their titling process. Some of the interviewees also participated in debates on the concept of development: “Which Tierra Bamba do we want?” Environmental issues were also discussed regularly, and in some cases, rules were

defined to change detrimental environmental practices. Discussions on the issue of deforestation were common.

Overall in this area, most local leaders and some peasants are aware of the environmental damages, abuses of rights, and ideas of development they want. Therefore, as we illustrate below, their perception of the firm is more clearly defined. This perception is built around the answers to the following questions:

- What the firm should have done at the start?
- What is legal?
- What are the direct consequences of the deforestation?
- What are the strategies used by the firm?

The majority claims that the firm had to consult them at the very beginning, in order to explain what “their development model” was. An ex-member of the “Ronda campesina” said that *“when the firm arrived the proper thing would have been that they call an assembly in our district to state the issue in clear terms: I (the firm) have the money, you (the communities) have the land, we can make a ‘socio-economic’ project. Despite our initial reluctance, we would have accepted if the firm had explained that they needed 1,000 hectares to ensure the investments”*. He goes on explaining that *“when the firm goes in the villages of Loreto, not here, we don’t let them enter here anymore, but in Loreto, they go to the villagers and speak about the money that can be made out of palm trees, and everything is money. But they do not tell them that they (the firm) destroy 7,000 hectares of virgin forest, they destroy the rivers, water sources, and animals. If they would have informed them, the peasants would not have accepted. But as they give some presents here and there, there are a lot of communities so isolated, even from their district, that, they hope to receive something and they accept everything. So these people sell their land, the firm said they would pay, but they paid 140 soles (50 USD) the hectare, arguing it’s the law,... can you figure out what they say to people without knowledge?”* (Interview 100, 24/01/2011, Caynarachi valley).

In the same way, communities of San Martin have been informed about the legal issues underlying the land adjudication and the irregularities of the process. As a result, those affected and the rest of the community know they have some rights that they want to defend. Meanwhile in the communities of Loreto, the law and the central state are constantly used to organize and justify abuses. In Loreto, as one member of the “Ronda” says “power is truth”. Conversely, in San Martin, one interviewee argues that “the 3,000 hectares were titled to the firm, but in a corrupt way, and therefore it is not legal” (Civil society leader and farmer, interview 107, 25/01/2011, Caynarachi Valley).

Their perception of the deforestation is related to its impact on peasants’ livelihood strategies. First, they use the forest for hunting. Second, there is a problem with the deforestation close to headwaters. Third, deforestation affects climate patterns and contamination. Fourth, some of the deforestation takes place in communal areas owned by the communities. Fifth, communities regard the forest as a safety valve for their security. One peasant told us that *“the mountain (virgin forest), this communal forest, is our livelihood, it is like a market, you want drugs, you go, you do not have food, you could hunt*

an animal, nowadays whether you are successful at hunting is a matter of luck” (Interview 101, 25/01/2011, Caynarachi valley). Other peasant complains that “in less than 2 months, the firm cut down more than 2,000 hectares, there was a radical change in the climate, now we reach 50 degrees under the shadow. We have lost the rains. The rivers almost dried up and water temperature increased. This is the water that we drink in two communities” (Interview 107, 25/01/2011, Caynarachi valley).

Strategies used by the firm to increase its popularity also raise concerns. As one peasant argues *“the objective of the firm is always to trap more people into growing palm trees, the firm promises a title, credit against the title, and when the peasant is not able to pay, the firm takes away his land, because of that, I don’t want to know anything about the firm, I prefer to be poor” (Interview 102, 25/01/2011, Caynarachi Valley). An ex-member of the “struggle committee” explains that “the firm wanted to put computers in the school. The teachers had already accepted and we met with the teachers and together decided to refuse the computers. We refuse all bribes from the firm.” The same interviewee adds that “the firm only takes care of its own interests, in its statement of purpose the firm says proudly that they work for social inclusions, but where is that work?”⁴²(Interview 107, 25/01/2011, Caynarachi valley).*

- Presence of legitimated actors, leadership, and popular support

The Father and the coordinator of the MCLCP are local actors working in the community for almost three decades. They gained respect and legitimacy as moral actors. They are also recognized as fervourous defenders of peasants’ interests whether during social protests against the “Jungle Law” (see section on decrees and Bagua) or for their stark stand since the firm came in. Sometimes interviewees in the Loreto department pinpoint that, conversely to San Martin where the Father took the leadership to defend peasants, they had nobody who led the struggle to defend their land rights.

One of the key factors behind the moral leadership of these actors, mainly the Father but also the ex-Mayor of Tierra Bamba (2006-2010), seems to be their capacity to assume personal risks. The ex-Mayor, in a press conference to thank the Regional Government of San Martin for a successful legal initiative aiming at paralyzing the deforestation, summarizes his views: “I want to say to all authorities not to be afraid”.

Legitimated popular actors from the Church, along with political and civil society actors formed a stable front against the firm’s land acquisition in their district. This front was founded around affected peasants’ claims and with the support of those sensitive to the issue. Most interviewees refer to 80% of the population of the district struggling for the defense of their land rights. In 1 or 2 communities out of 23, peasants did accomplished tasks for the firm (deforestation, security, and information). They were

⁴² However no consensus exists among communities regarding the firm. In some communities, among those who were not directly affected, a minority argues they still don’t know what the objectives of the firm are: “We are not against them, nor in favour, and neither are we against the social protest, nor in favour, until now we don’t know, because nor the firm, nor the so-called “defenders of the land” explains their objective” (Interview 97, 24/01/2011).

used to de-motivate other communities in their actions against the firm⁴³. However as the Director of the People Ombudsman office states: *“We know that Tierra Bamba and the Mayor (2006-2010) will exhaust all the legal possibilities. From the start they have been accompanied by civil actors, it’s their strength, always together with a group who represents the district. They have been organized for a long time. Before the firm arrived, they were already working on their territorial planning”* (Interview 18, 20/10/2010, Tarapoto).

Overall, the presence of a stable front was essential to coordinate local actions but also voice up local claims and play the interface between affected peasants and the regional government of San Martin as we explain below.

- Legal support, regional governmental support, and actions.

As we already mentioned, since the start the CEAS (Episcopal Conference for Social Action) provided legal assessment for the Father and the MCLCP. The office of the People Ombudsman also intervened for punctual support to the “struggle committee” in order to channel their claims, to ease the social dialog, and to report the ongoing conflict at the national level. The director of the office comments that *“Tierra Bamba has always been accompanied by advocates, they receive legal assessment, and we have provided guidance when we were consulted and mediated when we were asked to. The legal aspect is seen by the advocate of CEAS directly, and the environmental issues are under a judicial process lead by the regional government”* (Interview 18, 20/10/2010, Tarapoto).

According to interviews, peasants did not always feel enough support from the regional government, particularly at the start of the process. However, when the regional government received partial competences that allowed it to deal with the case legally, legal actions were taken at various instances. The legal struggle is led by the regional government whose stand in the affair is quite clear: inclusive business and environmental conservation. But as some members of the government told us, regarding the land adjudicated by the Central State, *“as a regional government you cannot pursue the Central State”* (Interview 4, 13/09/2010, Tarapoto). Nonetheless, the government’s legal team deems the environmental legal battle is the best option to oppose the firm. A Resolution from the Ministry of Agriculture at the regional level is still pending. This resolution, if passed, would revert to the state the 3,000 hectares adjudicated to the firm in San Martin. However, some recent developments are challenging Tierra Bamba’s resistance. We will discuss them in the next section.

Challenging resistance

Some recent events are challenging the cohesion around the “struggle committee” to defend peasants’ land rights. As in Loreto, in San Martin the firm also aimed at dividing local opposition through various means. We first review briefly these mechanisms before turning to more recent events.

- Permanent legal denunciations

⁴³ Recently, when members of these two communities were threatened to be dispossessed of their land, their views about the firm changed. As in Loreto, a third party appeared with a title willing to sell the land to the firm (See also section on Actors: “Rondas Campesinas”).

Since the very start of the conflict actors who opposed the investment have been denounced directly by the firm, through intermediaries, or by the state. The ex-mayor (2006-2010) is currently on trial for having delayed the transition of power to his successor. Other local leaders have been also denounced.

- Infiltration in communities

As was explained in the case of Loreto, payment to local authorities during the visit to the older plantation in Uchiza also took place. The ex-Mayor (2002-2006) after having reached a private agreement with the firm, resigned from his position. As indicated by local peasants, communities which had communal areas adjacent to the plantations were “sold” to the firm.

Additionally, peasants were “hired” to perform several tasks for the firm. Usually peasants working for the firm were used to limit the social protest convincing other peasants of the advantages created by the firm. Sporadically, other peasants were acting as informants for the firm. They assisted to the assembly of the community and when actions were decided against the firm, peasants had to inform the firm. *“We had 3 people out of 40 working for the firm, 2 of them are not working anymore and the last one works there but we have destituted him. He no longer has our acknowledgement as community member (“morador”), he is not part of the village anymore. Each end of the month, we organize an assembly in which we decided a lot of things against the firm, and he was reporting everything about our decisions. This was the main reason for his destitution” (Interview 102, 25/01/2011, Caynarachi valley).*

In other instances it was more difficult for the community to control intrusions. This is particularly true in the largest communities, although this problem also happened in smaller communities as we will illustrate.

In the two largest communities, some peasants formed an association with the support of the firm. As an interviewee explains:

“They were not helping the struggle, because sometimes they have their palms already sowed, and they told us not to join the struggle, that we won’t be able to take anything out of it, that the firm is the landlord. They formed the association through the firm, to unify people from the two largest communities with one president and 150 members which were against the struggle. Today I don’t know if they still receive support from the firm as before but they have just entered again in the area called “Factory del Caynarachi” (third area in dispute). They invaded again, they have made a new path very recently, and they are taking care of this path” (Interview 101, 25/01/2011, Caynarachi valley).

As we already mentioned, the firm was not adjudicated this third area. However, it is still an area under dispute due to the short term character of both land security and land struggles’ success. As one interviewee indicates:

“Nowadays it is more quiet, part of the land has been returned (third area) but constant clashes between groups have been created. It has created divisions in the society in the way that some peasants get together, take possession of lands, once they have taken possession, they ask for

the title and they negotiate with the firm. This problem has created new confrontations, not between the population and powerful groups, but among peasants themselves” (Interview 84, 15/01/2011, Tarapoto).

In a smaller community, an outsider asked for the adjudication of 100 hectares of land for cattle farming. According to interviews, he succeeded to get the adjudication with the intervention of the firm that paid the corresponding fees. This land was never used for raising cattle as it contained a quarry with raw materials that have been used by the firm to build its roads and installations. All this can be read in inspection reports from the regional government. However, now this field belongs to the firm. The community has denounced this but no action has been taken yet.

- Discourse of environment versus land issues.

As mentioned in the section on “Actors and local politics” in San Martin, the decision to issue a Municipal Ordinance to protect the third area called “Palmas de Caynarachi” raised a number of concerns. First, according to experts in territorial planning of the regional government of San Martin, this decision had to be taken when the Ecological Economical Zonification of San Martin was carried out back in 2006. Based on that tool, the municipality had already the means to stop the advance of the firm. However, the decision to issue the municipal ordinance was taken only a few months before the 2010 elections. Second, this decision undermined the “struggle committee” for the defence of land, as its president, after the ordinance was issued, decided to support a candidate different from the incumbent in the elections to the municipality. Third, and most importantly, this decision to issue a municipal ordinance did not represent the interests of peasants living in this area as they claimed on the radio: *“Where is the result of the struggles that we carried out?... Today, with a municipal ordinance, they keep us out of our lands, out of all our lands”* (Interview 97, 24/01/2011, Caynarachi valley). The Mayor argued, without success, that this ordinance was issued to stop the advance of the firm, but that in practice, peasant could still work the land. This political failure also reflects the divergence of the discourse of different actors.

Environmental issues have been an effective way to make a legal case at the regional level. At first, environmental issues have served peasants’ resistance but then, like a boomerang, these issues became a source of division between the social protest leaders and those they pretend to be representing. It debilitated the cohesion that previously characterized, so that confusion was introduced in the struggle to defend peasants’ lands. Not all peasants interpreted the ordinance in the same way. Here again, those concerned by the area under protection did not understand this decision, while others accepted that this ordinance was a rightful step to stop the firm. However, this decision was used by the new mayor and the firm.

Some raised the question about the infiltration of the firm, in some way or another, in the decision to declare the third area under dispute as a protected area. However, those claiming that this decision reflected the intrusion of the firm had vested interests in creating a divide between peasants and with the incumbent Mayor (2006-2010) since they were running for another political party. A minority also questioned the interests of the Father, along with the coordinator of the MCLCP, and more generally

speaking, the interests of the Church in this decision. It can also be that, by turning the environmental discourse into a political project, local leaders moved away from peasants' prime interests to work the land and maintain their right on it.

The discourse on land struggles have been substituted by an environmental discourse and the "Struggle committee" for land replaced by an "Environmental committee". Obviously this is serving better the firm' interests. The firm has developed a sophisticated environmental discourse and can pay for any environmental program. In one part of the area they acquired, they had already begun a reforestation program. Moreover, it is the easiest path for the firm to make its reputation internationally and to apply for funds through the Clean Development Mechanism. The firm has promised some of these funds to the communities conditional on their support, as they did in the older plantation. Environmental damages are rapidly hidden or distorted despite their important impact on peasants' livelihoods. In turn, the issue of peasants' land rights is put aside while the effective control of their land is still the only safety net to prevent poverty and food insecurity.

Conclusion

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Annex

Annex 1: List of communities and their population

Valley/ community	Region	Population –Census
Caynarachi Valley		
Tierra Bamba (all district)	San Martin	5,285 (INEI, 2007)
Tierra Bamba	San Martin	1,087 (INEI, 2007)
Orquidea	San Martin	759 (INEI, 2007)
Nueva Lima	San Martin	Scattered population according to INEI 2007-150 people according to interviews
Belen	San Martin	Scattered population according to INEI 2007-162 people according to interviews
Platainchi	San Martin	1,000 (interviews)
Shanusi Valley		
Huanca	Loreto	401 (MINSa, 2010)
Sachatorre	Loreto	182 (MINSa, 2010)
Cocha Negra	Loreto	160 (interviews)
Loro	Loreto	1,979 (MINSa, 2010)
Arapaima (all district)	Loreto	63,345 (INEI, 2007)

Annex 2: Specific requirements of the decree 653

1. To declare a project of regional interest, the official approvals of the regional government, the INADE, and PROAMAZONIA are required.
2. Once the formal approval is guaranteed, the Ministry of Agriculture issues a Ministerial Resolution that concedes the adjudication of land to the applicant.
3. Following the Ministerial Resolution, a buying/selling contract is signed.
4. An authorization for the “land use changes in lands suitable for agricultural use with wooded coverage” is issued by the INRENA (National Institute of Natural Resources) of the Ministry of Agriculture. An Administrative Resolution goes with this authorization and establishes the environmental rules that must be respected. The authorization concerns only part of the area adjudicated and has a validity of one year. Afterwards, a new authorization has to be asked for.

Annex 3: Abbreviations

MRTA: Revolutionary Movement Tupac Amaru (Movimiento Revolucionario Tupac Amaru).

IIRSA: Infrastructural South American Regional Integration

FREDAS: Defense Front of Interests of Alta-Selva (Frente de Defensa de los Intereses de Alta-Selva).

FREDES: Defense Front of Interests of San Martin (Frente de Defensa de los Intereses de San Martin).

MCLCP: Table of the Coordination for the Struggle Against Poverty (Mesa de Concertacion para la Lucha Contra la Pobreza).

CEAS: Episcopal Conference for Social Action (Conferencia Episcopal de Acción Social)

COFOPRI: Informal Property Formalization Organization (Organismo de Formalización de la Propiedad Informal)

PETT: Special Land Titling Program (Programa Especial de Titulación de tierra)

EIS: Environmental Impact Study

PPF: Permanent Production Forest

INRENA: National Institute of Natural Resources (Instituto Nacional de Recursos Naturales)