PERU – The Grim Future of La Oroya

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June 18th 2014 – Considered one of the most contaminated cities in the world, La Oroya depends on the mineral exploitation that has left grave effects on the population's health.

It all began one hundred years ago in 1922 when the La Oroya mine began to be exploited on a large scale. Since then this city has experienced a long history of contamination, fraud, indifference and manipulation. In 2012 Doe Run Peru (DRP), a US company owning the mind since 1997, opened its doors after three years of silence and again began to operate in the zinc market with more than five hundred employees. Nonetheless, the future of these workers, the city, and the very mining plant still isn't clear.

In the beginning, the mine only dug for lead, followed by zinc, silver and gold with the secondary effect of depriving the city of all types of metals and contaminant acid. It was also the only multi-metal foundry in Peru, which means that it processed all types of metals, including foreign ones.

It's said that some countries process their highly contaminant metals in La Oroya because it's illegal in their own countries due to environmental policies. The metal market, first in hands of a US company, which was later nationalized, was acquired by DRP in 1997, during the office of Alberto Fujimori (1990-2000), after being privatized at a sub-par rate with the objective of attracting foreign investment to Peru. The company began to exploit the mine under the conditions of accepting the Environmental Adequacy and Management Program (PAMA) that demanded that DRP have less contamination and attain new and sustainable machinery. However the PAMA never got around to being implemented. DRP asked the Peruvian government three times to postpone the implementation of the program and officially declared bankruptcy in 2009, leaving the industry, which the entire city depended on, in smithereens.

Even so, DRP took it a step further and demanded $800 million USD from the Peruvian government based on the Free Trade Agreement that Peru signed with the US, in force since 2009. This treaty placed the economy's well being upon all other policies and by it Peru could be denounced on the grounds that the US companies should be allowed to operate freely without any restraint; and PAMA was a restriction and one of the reasons for which DRP hit bankruptcy, at least according to the company's statement. Experts affirm that it is very possible that DRP wins that case.

Workers defend the company

In December of 2013, the situation had calmed down and there was no more confrontations in the streets of the city, but a few years back the case was very different. Instead of implementing PAMA, DRP invested in public relations. The communities received presents such seeds and sheep that turned out to be unusable. The animals died in the following years due to the Andes climate that was inappropriate for them and the crops could not survive the acid rain caused by the company's mining activities. Children received Christmas gifts and workshops were organized about how to have success in business or the steps to create a business, only that there was no possibility of business in La Oroya save it were the mine. All these gifts, however, had the effect that DRP hoped for. When the problems began with the government and PAMA had not been implemented, the majority of the population took up arms and defended the company with general strikes and assemblies that frequently became violent against environmentalists and non-governmental organizations.

According to a citizen that asked to remain anonymous, "it was like tricking a kid—I'll give you candy and you'll stay quiet (…) The philosophy of DRP is the violation. In recent years it conditioned the population,

preparing it for the moment in which they would ask for help. When DRP needed them to confront the government, everybody played a part and everyone came to support DRP. The workers, their wives, everyone came."

It wasn't a secret that due to mining activities, the children of employees and the very workers themselves developed serious sicknesses, including cancer. After all, there wasn't just lead in the air. Other carcinogenic agents like arsenic were found in 99% of the blood of adults and children in the area. Many people developed illnesses in the lungs and liver without having alcoholic influence. Nothing in the region grew and the mountains were covered with a white power contaminant. But for the workers, the priority wasn't to find an environmental or healthy solution but rather having a job to support their families and for this they stood up for the company, forgetting about nature and their health. The protests were so intense that those of Non-Governmental Organizations (NGOs) didn't leave their homes for fear of getting injured or even dying. One time, during a march, a neutral bystander spoke up against the violence, not even against the actual mine, but still was dragged across the bridge by his hair and almost died had a city religious leader appeared and saved him. The demonstrations increased especially after DRP was closed due to the supposed bankruptcy in 2009 and the NGO and environmentalist workers found themselves in permanent danger. Attacks, insults and intimidations were made against authorities in public office. Soon after all these years of total support, many workers realized that DRP isn't sustainable, not only environmentally but economically as well, and because PAMA wasn't implemented, bankruptcy was declared and they demanded the government bail them out, they were in reality contributing to their own workforce instability when they defended the company.

Maximization of profit

Even so, those who worked for the NGOs were scarred for life, they can't obtain any official or unofficial position. The only response that they receive when they solicit employment is "you worked for a NGO, that's why you can't here."

In December 2013, the city of La Oroya doesn't seem so bad. A great part of the environment has recuperated. Four years of silence has had a positive impact on it. Plants and trees have started to grow again and the air isn't as thick as before, as the inhabitants of La Oroya point out. Even then, an irritation is still felt in the throat after two short hours in the city. It could be from the smoke that exits at night from the highest chimneys in Latin America, when it's too dark to see it. Those interviewed, who wish to remain anonymous, aren't very optimistic. One interviewee is sure that PAMA never will be implemented now that DRP has regained its investment and wants to forsake the plant. The obsolete technology in its majority comes from the 70's and little was upgraded. Only a small improvement in the copper wiring was made but DRP only completed 57% of it, showing that it wouldn't finish because the government hasn't fulfilled its part of the contract. The requirement was to clean the soil, but according to Peruvian authorities this could never occur because DRP kept contaminating it.

Another interviewee wasn't only deceived by DRP because "this is the way that mining companies work in Peru," but also felt deceived by the government. According to him, sustainable mining is possible but not in the midst of corruption, favoritism and absolute negligence in respect to all the social and environmental principles in favor of maximum profit. He added that DRP probably will try to sell the plant and make its exit, while the government will try once again to attract a ruthless company, likely foreign, to La Oroya, but it will only arrive under the condition of not implementing any environmental policy to save money. This company will suck the blood of the city and its workers and will abandon the operation when it is no longer profitable. Leaving La Oroya as a ghost town, with the mining industry gone its citizens will have to move their families elsewhere. Maybe La Oroya could still exist as a contamination museum.

Source (Spanish): [Noticias Aliadas]

http://www.noticiasaliadas.org/articles.asp?art=7032

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Note: After declaring bankruptcy, DRP currently finds itself in liquidation. In April of 2014 the board of creditors suggested that between 500 and 600 workers, out of a total 2800, should enroll in a voluntary retirement plan to reduce costs. On the 9th of June the plan to sell the company's assets was approved and it was foreseen that by December of this year the metallurgical complex of La Oroya and its copper mine will have new owners.