

# Under Siege

## Peaceful Resistance to Tahoe Resources and Militarization in Guatemala

Summary of a report by Luis Solano

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Almost from the moment Canadian-US mining company Tahoe Resources acquired the Escobal silver project from Goldcorp over five years ago, the company and the Guatemalan government have used repression, criminalization, and, ultimately, militarization to try to silence peaceful resistance to mining activities in the area. Instead of treating local residents as people peacefully defending their lands from the negative impacts of mining on their health, water and agriculture, Tahoe Resources' militarized security strategy seemed designed to face an insurgency.

In 2011, Tahoe Resources hired a US security and defence contractor, International Security and Defense Management, LLC (ISDM), which boasts experience with corporations working in war zones such as Iraq and Afghanistan, to develop its security strategy. With ISDM's help, Tahoe Resources hired the Golan Group and Alberto Rotondo, now under arrest for his role in a shooting attack on peaceful protestors in April 2013 when he was Tahoe's head of security. Tahoe Resources itself is now being sued for negligence and battery in British Columbia courts in connection with this attack. (For more information see [tahoetrials.net](http://tahoetrials.net).)

For five years, agricultural communities affected by Tahoe Resources' Escobal mine, both Indigenous and non-Indigenous, have been peacefully defending their lands and livelihoods. Far from being treated with respect as defenders of the environment, community leaders and peaceful protestors have been labelled as terrorists and targeted by counter-insurgency tactics aimed at silencing and quashing their opposition to mining activities.

Throughout the south-eastern departments of Jalapa and Santa Rosa, local organizers have carried out multiple plebiscites in which roughly 55,000 people in seven municipalities have voted against the silver mine and proposed expansion plans. More than 200 complaints were also submitted in opposition to Tahoe Resources' final permit for mineral extraction. All of these were dismissed without consideration on the same day that the Guatemalan government announced approval of the final mining permit, giving rise to more protests. Despite the communities' clear message, the company and the Guatemalan government have continued to force the project on the communities, making use of both private and public security forces. This imposition culminated in a May 2013 state of siege in municipalities surrounding the mine, since which time the military presence has continued in the region through the installation of two new army posts and an inter-institutional pilot project developed by Guatemala's National Security Commission.

The following is a summary of an investigation undertaken by Guatemalan investigative journalist Luis Solano and commissioned by the International Platform Against Impunity in Central America and MiningWatch Canada. The research was carried out with assistance from the Network in Solidarity with the People of Guatemala (NISGUA) and local residents in Santa Rosa and Jalapa whose names will remain confidential.

### **The Escobal Project: More than an underground silver mine**

Tahoe Resources built its underground silver mine on the 19.99 km<sup>2</sup> Escobal mining concession, an area

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equivalent to about one-fifth of the territory of the municipality of San Rafael Las Flores in the department of Santa Rosa, which has a total area of 85 km<sup>2</sup>. The Ministry of Energy and Mines granted the final permit for mineral extraction at the Escobal mine on April 3, 2013. Tahoe Resources announced that it put the mine into commercial operation in January 2014. The company estimates that mine operations will last approximately 18 years, however this could be extended if the project expands.

The Escobal mine forms part of a much larger project that includes over twenty mining concessions that have been requested and that are in different stages of development from exploration to extraction, located in the departments of Guatemala, Jalapa, Santa Rosa, and Jutiapa. The total area of these concessions is approximately 1290 km<sup>2</sup>.

### **Tahoe Resources' Elite Connections: Local, national and international**

Locally, Tahoe Resources' close connections with the Crowe family were important to initiate mineral exploration and extraction in the municipality of San Rafael Las Flores. The Crowe family had historic links to mining activities that took place in the area in the 1920s and owned lands in this area until 2013. From 2007 onward, landowner Carlos Crowe Santis served as Manager of Community Relations for Tahoe Resources. Previously, he worked for Goldcorp's Guatemalan subsidiary Montana Exploradora, which operates the controversial Marlin mine in the north-western highlands.

Nationally, one key actor is Guatemalan lawyer Jorge Asencio Aguirre. Asencio Aguirre registered Tahoe Resources' Guatemalan subsidiary, Minera San Rafael, S.A. (MSR), in 2010 and continues to act as one of its legal representatives. Asencio Aguirre also represents subsidiaries of Goldcorp and Kappes, Cassidy & Associates in Guatemala, whose mine projects are also focal points of enduring and at times violent conflicts. As he once stated on the television program *'Libre Encuentro'*, Asencio Aguirre helped develop Guatemala's 1997 Mining Law.

National Director of Mining, Fernando Castellanos Barquín, is responsible for awarding Tahoe's mineral extraction licence in April 2013, at which time he dismissed without consideration over 200 complaints that local residents had filed given worries over potential mine impacts on water and health. Before taking up his government post in 2012, Castellanos Barquín worked for Kluane Guatemala, S.A. This drilling company did contract work for MSR between 2007-2010. His controversial decision to dismiss the residents' complaints has been subject to an ongoing series of legal appeals that residents feel should have suspended mining operations.

Internationally, top executives of Canadian mining companies, Glamis Gold and Goldcorp, founded Tahoe Resources in 2009. Registered in Vancouver, with offices in Vancouver and Nevada, Tahoe acquired the Escobal project for US\$505 million from Goldcorp in 2010. Goldcorp was the top shareholder in Tahoe until June 2015, when it sold all of its shares for approximately CAD\$1 billion. To date, four of eight board members have current or past experience with Goldcorp or its predecessor Glamis Gold. Tahoe Resources CEO Kevin McArthur was once president of Glamis Gold and of Goldcorp, and currently advises Goldcorp's CEO.

### **Criminalization and Militarization of Community Leaders and Peaceful Protest**

As soon as peaceful resistance began in late 2011, the Guatemalan government and MSR's private security forces start to criminalize, stigmatize and defame local Catholic priests, leaders of the Committee in Defence of Life and Peace in San Rafael Las Flores, organized residents from the municipality of Mataquescuintla, members of the Diocesan Commission for the Defence of Nature (CODIDENA) and leaders of the Parliament of the Xinca People of Guatemala (PAPXIGUA).

A very important characteristic in this process is that all but one of the more than one hundred cases of

criminalization against local residents and community leaders have been dismissed for lack of evidence or for including false evidence and/or statements. In the one case that went to trial, the accused community leader was eventually acquitted. In some cases, numerous charges were made against the same movement leader over a period of years and while no one remains in prison, several people spent days or months in preventative prison while their situation was clarified.

Despite police repression of their protests and the large number of cases of criminalization, local organizations continued to hold local plebiscites. Between 2011 and 2013, twelve municipal and community level plebiscites were held in San Rafael Las Flores and surrounding municipalities in which tens of thousands of people voted against Tahoe's Escobal project and any mining activities on their lands. Another two municipal consultations and one community consultation have been held since then.

The company and the Guatemalan Chamber of Commerce unsuccessfully filed several injunctions against these processes between 2011-2013. The consultation processes were ultimately held up by a Constitutional Court decision, which ruled them legitimate and vital to local decision-making.

When the state granted Tahoe Resources its final mineral extraction permit in April 2013, protests intensified. Four community plebiscites were held in the municipality of San Rafael Las Flores that same month and almost daily demonstrations took place. Police repressed peaceful protesters on April 6, wrongfully detaining 26 people for four days without warrants signed by a judge. On April 27, private security guards fired on a peaceful protest in front of the mine site, injuring seven men.

On April 30, 2013, the Public Prosecutor captured Tahoe Resources' then security manager, Alberto Rotondo, at La Aurora International Airport and indicted him on May 7, 2013 on charges of causing grave and minor injuries and obstruction of justice. His case is set to go to trial in January 2016. The seven men injured in this attack are also suing Tahoe Resources for negligence and battery in British Columbia.

On May 2, 2013, the Guatemalan government declared a state of siege for 30 days in four municipalities around the mine site. This was downgraded to a "state of prevention" 8 days later. During this time the homes of community leaders active in the anti-mining resistance were raided and five people were jailed for months. Two military outposts have remained in the area ever since.

Key to the escalation of local conflict was the National Security Commission (CNS)'s decision to categorize Escobal mining project as a 'strategic natural resources', characterizing those opposed to it as a threat to national security. This led to the establishment of a pilot project in the municipality of San Rafael Las Flores: 'the Inter-Institutional Commission for Integrated Development'. The Governmental Accord to create this project was never officially published.

The stated purpose of this project was to "[develop] policies, strategies, projects and recommendations that would enable the Committee to holistically address security and development issues toward the betterment of the quality of life of the population and to ensure environmental protection." It was justified based on "attacks and kidnappings of members of the National Police, and robbery of explosive material and munitions belonging to the mining company and the National Police" that had taken place months prior and were blamed on members of the resistance to the mining project.

According to residents, the real aim was to silence social protest against MSR and interrupt municipal and community plebiscites underway. Local plebiscites effectively came to a halt for six months once the state of siege was declared and have only gradually resumed since late 2013.

Tahoe Resources directly assisted in establishing this office, as reported in its 2013 Annual Information Form and recorded by the National Security Commission. The Inter-Institutional Group includes participation from the Ministry of Energy and Mines (the lead institution); the Ministry of the Environment

and Natural Resources; the Ministry of the Interior; the Technical Secretary of the National Security Commission; the Secretary for Strategic State Intelligence; the National Commission for Protected Areas; and the Presidential Committee of the National Dialogue System.

The creation of this Inter-Institutional Commission demonstrates the influence of military security and intelligence in the area. Still in operation in San Rafael Las Flores, it is believed to still be carrying out intelligence gathering activities.

### **Revelations About Tahoe Resources' Quasi-Military Security Strategy**

Filings in the case against Tahoe Resources in British Columbia include important revelations about the company's militarized security strategy, beginning in 2011 with the hiring of a major US security contractor and Alberto Rotondo.

The sworn testimony of Donald Paul Gray, Vice President of Tahoe Resources, demonstrates links between a conglomerate of companies and individuals tied to military and intelligence services, contracts with private security companies with large military projects, and companies with mining and construction operations in Guatemala.

According to Gray, in 2011, MSR "engaged International Security and Defense Management, LLC ("ISDM"), a company founded by veterans of the US armed forces and based in California, "to assess its security needs and requirements during the construction phase of the Escobal project." ISDM is listed amongst the most important private military companies in the world, and boasts experience providing security operations for corporations working in warzones including Iraq and Afghanistan.

Through ISDM, "MSR came to contract with [the Golan Group], formally called Alfa Uno, and retained it to develop and implement MSR's security plan." Golan Group is an Israeli private security company founded in 1983 by members of the Israeli Special Armed Forces. Notably, between 2005 and 2009, the Golan Group provided security services to Glamis Gold and Hudbay Minerals at their Marlin and Fénix mining projects, respectively. The Golan Group has also worked for Kappes, Cassidy & Associates at its conflict-ridden El Tambor project near Guatemala City. It provided security services for MSR before, during, and after the incidents of April 27, 2013.

Also through ISDM, Alberto Rotondo was contracted as head of security and came to manage the contract with the Golan Group. Rotondo claims on his LinkedIn page that he has military training in counter-insurgency. He graduated in 1974 from the Peruvian Naval Academy and, between 1980 and 1981, received training at the United States Naval Special War Command (US NSWC), headquartered in Coronado, California. Between 1985 and 1986, he received training in psychological operations, civil affairs and low-intensity terrorism at the John F. Kennedy Special Warfare Center and School in Fort Bragg, North Carolina, which is where the US Army Center and School for Psychological Operations is located. According to community members interviewed, from 2011 until the state of siege, Rotondo designed and oversaw plans for criminalization. Rotondo worked for Tahoe Resources until shortly after the shooting on April 27, 2013.

Also revealing is wiretap evidence, authorized by the Lower Court Penal Judge for Narcotrafficking Activities and Crimes against the Environment of Guatemala against Rotondo and that was translated and submitted to the BC Supreme Court as part of the legal proceedings against Tahoe Resources.

In the wiretaps, Rotondo orders guards to open fire against protesters during the events of April 27, 2013, using criminal and racist language. These recordings include conversations between Rotondo and Juan Pablo Oliva Trejo. Oliva Trejo was taken into police custody on May 4, 2013. He is legal representative of Counter Risk, S.A., a company contracted by Tahoe Resources to carry out risk consultancy and to track

media coverage. Oliva Trejo's father is retired cornel Juan Guillermo Oliva Carrera, president and director of the Association of Military Politics Studies (AEPM). Oliva Carrera was prosecuted for being one of the supposed intellectual authors of the high profile assassination of anthropologist Myrna Mack in 1990. AEPM houses Counter Risk, S.A. and Supervivencia Urbana, S.A., a shooting range. Oliva Carrera is director of political risk analysis for Supervivencia Urbana, S.A. and Oliva Trejo a shooting instructor. General Alfredo Augusto Rabbé Tejada also works for Supervivencia Urbana, S.A., and is an associate of Mayaquímicos, S.A. (MAQUISA). MAQUISA is in charge of the explosives MSR uses for its mining operations, some of which were stolen in November 2012, which was believed to be a set-up used to criminalize community leaders opposed to the Escobal mine and used to justify the state of siege in May 2013.

Tahoe Resources has now changed security firms. It hired a relatively new company, Centurion Security, S.A., which received its licence to operate as a private security company in early 2014. Centurion's roots began with another security firm originally founded by British soldiers in 2006 and with past experience providing security in Guatemala's oil sector where its services included "comprehensive advice on every aspect of security – from corporate operations, commercial risk and foreign investment to counter-terrorism and espionage and support to regional governments."

## **Conclusions**

As long as Tahoe Resources and the Guatemalan government continue to treat communities affected by the Escobal project – or any other mine project in the country – as insurgents instead of people peacefully standing up for their land, water, and in defence of their existing ways of life, the kind of conflict and violence observed to date can be expected to continue.

If these conditions persist, the anti-mining resistance will continue to be rated on a scale ranging from "a controllable threat" to a "terrorist threat." These categorizations have already led to a counterinsurgency-style response with the aim of dismantling the resistance movement. The ongoing militarization of communities and militarized security detail in Santa Rosa and Jalapa, thanks to the installation of the Inter-Institutional Commission in San Rafael Las Flores and two military outposts in the region is troubling evidence of this.

The effect in recent years has been the creation of a state of terror through military and police persecution, criminalization and persecution of leaders, as well as the capture of leaders based on false accusations and massive raids on the homes of key people within the opposition movement. The processes to criminalize and persecute dozens of community members were never based on any real evidence. Not a single accusation for which people involved in the peaceful resistance to mining in Santa Rosa and Japala were detained was ever proven. These arbitrary detentions were more punitive in nature with the purpose of demobilizing anti-mining protests. Furthermore, since 2013, two leaders in the local resistance, including 16-year old Topacio Reynoso and Telésforo Pivaral have been murdered, while others have been shot and wounded, including Topacio's father Edwin Alexander Reynoso who has been shot twice and survived. Those responsible for these murders and attacks have still not been brought to justice.

Despite its lower profile under these conditions, the struggle of local communities continues. Municipal plebiscites on mining continue and there was strong electoral support for several mayors in San Rafael Las Flores and surrounding areas who campaigned on an anti-mining platform.

It is time for the company and the Guatemalan government to stop the resource wars and respect the clear message that the local population has been sending to stop mining and to protect their land and water from the mining harms they are already suffering.

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