

January 17, 2005

GUATEMALA: MINING, REPRESSION & LOCAL DEVELOPMENT NEEDS

"We have to protect the investors". (Guatemalan President Oscar Berger)

BELOW:

- Rights Action Commentary
- CNN news report
- statement by Glamis Gold company, responding to violence
- letter from Canadian ambassador to Guatemala
- article by Madre Selva

SPEAKING TOUR: Rights Action is organizing an educational speaking tour concerning community development and global mining countries, for March 2005 in Canada and the U.S.. Contact Grahame for more information: 416-654-2074, info@rightsaction.org.

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RIGHTS ACTION Commentary:

- the "unconfirmed" loss of life, that Glamis Gold refers to below, is confirmed.
- the Indigenous communities, NGOs and individuals opposing the mining operation are not "anti-development activists", as Glamis argues below. At the heart of this dispute is a fundamental debate about what is "development". The "development" vision of the World Bank, governments of Canada, U.S. and Guatemala, and the Glamis Gold company is that "development" is linked to, in this case, the expansion and promotion of the interests of a private, global mining company. The beneficiaries of this "development" are company owners, investors and northern-based purchasers and consumers of the Glamis Gold product. The "development" vision of Indigenous communities, NGOs and anti-poverty activists is different in many ways from the dominant vision. In protesting against the interests of a Canadian/US mining company, the local communities and organizations

are
fighting for community-controlled and defined development.

- Glamis Gold accuses people in opposition to the transportation of mining equipment as having engaged in criminal activity. This is not only wrong, but it is threatening to people and organizations that engage in legal protest activities.

- Glamis Gold ends its statement, claiming it is "a premier intermediate gold producer with low-cost gold mines and development projects in Nevada, Mexico and Central America." This is an admission of some of the very problems that were destined to happen. Glamis prides itself on the "low-costs"! It is in part the exploitative and abusive nature of Glamis' investment that communities and organizations are protesting!

- the Canadian ambassador repeats the argument that enabling Canadian mining exploitation in Guatemala is good for the needs of Guatemala's poor. This argument has been fallacious since generations ago. We recommend reading the book "Open Veins of Latin America" by Eduardo Galeano. It is possible that mining could be good for development in Guatemala, but not a mining operation that is owned, invested in and beneficial to the Glamis Gold company and its investors, the World Bank, the Canadian government, etc.

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ONE DEAD IN GUATEMALA CLASH
(www.cnn.com/2005/WORLD/americas/01/11/guatemala.violence.ap/)
05-01-11

"We have to protect the investors"
-- Guatemalan President Oscar Berger

LOS ENCUENTROS, Guatemala (AP) -- At least one person was killed and 12 other peasants and police officers were injured Tuesday when protesters fired handguns, threw stones and erected barriers of burning tires to block a truck carrying equipment headed to a gold mine in northern

Guatemala.

More than 750 police officers and soldiers, many wearing riot gear and flanked by an armored vehicle fitted with a massive metal scoop to clear the highway, were escorting the truck after residents of the provincial capital of Solola vowed to refuse to let it pass through their city.

Local officials initially granted permission for the mining equipment to move through the community, but changed their minds when they learned a Solola pedestrian bridge that leads over the highway would have to be taken apart, then later reassembled in order to allow the truck and its cargo of a towering metal cylinder, to pass.

The pedestrian bridge, built by residents who donated their time, has become a source of civic pride for many in Solola city, as well as the surrounding province of the same name. Locals have also objected to a gold mine located 60 miles (100 kilometers) to the north where the equipment is headed, saying activities there may be damaging the environment.

The truck originally began its journey from Guatemala City to the mine 185 miles (300 kilometers) to the north on December 6, but was forced to pull off the two-lane transnational highway and wait for weeks while authorities negotiated its trip through Solola.

Shortly before dawn Tuesday, the truck began its northward push again. Facing threats of violence, police and soldiers were ordered by Guatemala's government to help it complete the journey. As the truck reached the town of Los Encuentros, located along an important interchange of highways 10 miles (15 kilometers) from Solola's outskirts, hundreds of protesters on either side of the highway pelted it with rocks and sticks and at least a few opened fire with guns, said Oscar Sanchez, a spokesman for the area's volunteer fire department.

Police ignited tear gas canisters and fired in the air to try and disperse the protesters. A 37-year-old farmer, Raul Castro, was killed and at least five other locals were injured, according to witnesses. Sanchez said seven police officers had been transported to a hospital in the city of Chimaltenango to be treated for injuries.

The caravan was making a slow trek up the mountain highway late Tuesday, but its path continued to be impeded by a number of makeshift, burning roadblocks, he said. Carlos Calju, a spokesman for the national police force, said authorities would continue to battle protesters until the mining equipment reached its destination.

"The order from the Interior Secretary is that the cylinder must move on," he said. Speaking to reporters in Guatemala City before the protest turned deadly, President Oscar Berger said his government "had to establish the rule of law." "We have to protect the investors," the president said. [From the Associated Press]

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GLAMIS GOLD COMMENTS ON TRANSPORT INCIDENT

January 13, 2005 – Reno, Nevada – Glamis Gold Ltd. (NYSE: GLG; TSX: GLG) today responded to reports of a protest related to the transportation of equipment for its Marlin project in Guatemala. Unconfirmed press reports cite the possibility of loss of life in connection with the protest.

A dispute began in December in the community of Los Encuentros, approximately 150 kilometers from the Marlin project, on the Pan American highway between the mine site and Puerto Quetzal. Local residents objected to the temporary dismantling of a footbridge over the highway, necessary for the ball mill bound for the site to pass, despite all required permits having been obtained in advance by the transportation contractor. At that time, Glamis instructed the contractor to move the equipment away from

the
community and await resolution of the dispute.

Following consultation with local representatives, government officials,
determined that the lawful flow of commerce in Guatemala must continue, and instructed police to escort the truck through the community. Unfortunately, anti-development activists had succeeded in arousing the local population by spreading misinformation as to the intended location and use of the equipment. A confrontation between police and villagers resulted, with unconfirmed reports of injuries. Glamis is saddened that this criminal activity may have resulted in injury and loss of life.

Glamis noted that its Marlin project continues to be strongly supported by local residents as well as municipal and federal government officials. At this time, the truck and ball mill have proceeded more than 100 kilometers from Los Encuentros without incident, and are expected to arrive at the Marlin site today. The ball mill is the last large piece of equipment to be delivered for project construction. No delay or other impact is expected at the Marlin project, which remains on schedule for the commencement of gold production later this year. Glamis Gold Ltd. is a premier intermediate gold producer with low-cost gold mines and development projects in Nevada, Mexico and Central America. The Company remains 100 percent unhedged. Glamis' plan and budget reflects a near tripling of annual gold production to more than 700,000 ounces by 2007 at a total cash cost below \$150 per ounce.

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LETTER FROM CANADIAN AMBASSADOR:

Wednesday, January 12, 2005

Thank you for your electronic message of January 11 regarding the roadblocks imposed on traffic including machinery for a mining operation in San Marcos,

Guatemala.

Canada has over many years worked strenuously in the promotion of human rights, while at the same time assisting Guatemala to improve the living conditions of its population whether through cooperation in health, education and rural and economic development.

As a country which draws immense economic benefit from the development of its natural resources, Canada believes that responsible development natural resources is a viable option for improved economic development in Guatemala. Through responsible natural resources development, Canada's most remote, rural and isolated communities experienced economic and social development where few other opportunities existed. With the Guatemalan government's decision to include development of its natural resources as development options, Canada has sought to share its experience in this regard.

I would like to assure you that the Embassy of Canada has played an active role in ensuring that Canadian mining companies operating in this country are made fully aware of the political, economic, and cultural context in which they operate and to ensure that they fully respect their social and environmental responsibilities as good corporate citizen beyond that which is the usual norm in the country. Also, the Embassy continues to work with the Guatemalan authorities in helping to build information and capacity in order that they may be in a position to meet their obligations for the protection of the environment and equitable development for the benefit of their citizens.

In the case of the machinery held up in Los Encuentros, I understand that there have been repeated attempts to explain to the individuals concerned the use of the machinery and the fact that it is destined to an area where

exploitation permits have been granted according to national and international regulations. This said, we will continue to provide information and promote dialogue as a means of helping Guatemalans make informed decision about their development options.

Thank you for writing.

Yours sincerely,

James M. Lambert
Ambassador

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FULL STEAM AHEAD FOR METAL MINING, Prensa Libre, by Magalí Rey Rosa (MadreSelva Collective)

What do the Guatemalan people have to do to convince the public servants of this country that we do not want metal mining on our lands? For the last year, we have been publicly expressing our concern about the serious risks and dangers of open pit metal mining and the social problems it can cause.

We wish to open a dialogue with a large number of public servants, such as President Berger, as well as with other leaders, men and women of Guatemala who are interested in the well-being of our country, in particular, with respect to problems of the environment and of water.

In MadreSelva, we believe that the real cost of metal mining exploitation is too high for Guatemala. We believe that it is the right of the people to resist and we wish to avoid extreme situations such as the events that occurred in Los Encuentros.

We have never supported, suggested or approved of the use of violence, of any kind, by anyone. Our struggle has been peaceful and pacifist. But we are concerned about the strong message the government authorities are sending to the population: the rights of the mining transnationals are more important

than human life.

They give themselves the luxury of spending large amounts of money on helicopters and mobilization of security forces while ignoring the rights and demands of the Guatemalan people.

Since last Thursday, Domina Viquez, the indigenous mayor (through María Eugenia Morales of the PDH), has been trying to send a request to open a dialogue with the Ministry of Government and the Vice-President. What do the Guatemalan people have to do to convince the public servants of this country that we do not want metal mining on our lands? The law is only followed when it serves the interests of the most powerful.

It is difficult to believe in the promises made by the Government: the official commitment to an information process and consultation with communities before concessions are granted (one of the conclusions stated at the National Mining Forum) was violated when Eximbal was granted an exploration concession.

Since last November, we have been hoping that President Berger will set up a high level commission to look into the issues raised by Monseñor Quezada Toruño.

In the meantime, the mining is going full steam ahead, a gigantic engine with full support from the Government. This is also happening with the so-called "disinterested" help of Guatemalans who, like the person who wrote the editorial in El Periódico, demand that force be used to clear the road for the transnational mining companies.

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RIGHTS ACTION, with its main office in Guatemala, is tax-charitable NGO that supports community development work in Chiapas, Guatemala, Honduras and Haiti, as well as Peru, Nicaragua and Costa Rica, and engages in north-south education and work related to global development and human rights

issues.

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