

# Undermining Mexico

By John  
Ross

For a great many Mexican nationalists, the United States has traditionally been Public Enemy Numero Uno. Uncle Sam is often depicted as a sort of demon vampire sucking the lifeblood from this distant neighbor's veins and gobbling up a hundred Mexicans for lunch. But in recent years, the focus of nationalist rage has moved a few degrees north to Washington's northern-most NAFTA trading partner Canada, land of glaciers and grizzlies and battered baby harp seals, maple leaves and hockey pucks. The behemoth of the frozen north has not been making a lot of friends here lately.

From Chihuahua to Chiapas, Canadian mining corporations are tearing up the land, contaminating water sources, blanketing whole bioregions in noxious dust, and infuriating farmers, environmentalists, and indigenous peoples at their callous disregard for the earth.

Of 1800 mining projects up and running in Mexico today, 813 are transnationally owned, an astounding 87% of them Canadian, according to the Camimex, the Mexican national mining chamber that oversees the industry. The Canadians are armed with revisions to Article 27 of the Mexican Constitution enacted during the run-up to the 1994 North American Free Trade Agreement that give them carte blanche to "buy, rent, or enter into association" with the nation's 2800 ejidos or farmers' rural collective production units. Prior to the revisions, Article 27 – which governs land use – barred non-Mexican investment in the mining sector.

One of the first of the Canadian outfits to jump into post-NAFTA Mexico was New Gold Limited based in Vancouver, as are Minefinders and Gold Corps, all big investors in Mexican mines. The three are associates of the TSX – the Toronto Ventures Exchange – the financial engine that drives investment in Canadian mining in Mexico and Latin America.

A decade ago, New Gold staked a claim on San Pedro Mountain just outside of San Luis Potosi, the capital of the prosperous northern state of the same name, where it has carved out a huge open pit ("tajo") mine and progressively reduced the mountain to rubble. New Gold Mina San Xavier is sifting through 70,000,000 tons of material for seams of gold and silver, moving about 80,000 tons of earth daily. Precarious slagheaps tower over the colonial state capital, chemical ponds curdle under the open sky, whole "colonias" or neighborhoods have been buried under the dirt, and cyanide-laced dust wafts over the metropolitan area of San Luis Potosi, the tenth most populated in the nation.

The Pro-San Luis Potosi Movement of Ecologists, a grassroots environmental organization, has repeatedly sought injunctions to halt the bludgeoning of the region but court decisions are studiously ignored by lawyers for New Gold Mina San Xavier.

With gold prices peaking near \$1000 an ounce, the Canadians' legal beagles can afford to ignore court orders to clean up the mess New Gold has made on San Pedro Mountain.

The gold boom is stark evidence of the lack of confidence in the global economy, a mindset that investors say will not dissipate any time soon despite the chirpy prognostications of U.S. President Barack Obama. New players are moving into Mexican mining in pursuit of gold virtually every week, according to the Camimex – Mexico is now the 14th gold producer on the planet, up from 18th in 2006.

According to a recent New York Times overview of the industry, many of the new ventures are formed by engineers and geologists who have struck out on their own after years of apprenticeships at giants like Denver Colorado's

Newmont Gold, the world's largest gold miner with operations on five continents. But because mining is a precarious venture dependent on global markets and local conditions, not all of the wildcatters will find their pot of gold.

Non-precious metal prices are falling fast – zinc is down 70% and lead and copper 60 plus – as industrial manufacturing grinds to a halt due to the worldwide downturn. Even gold for industrial use and jewelry is losing ground – but the market for gold as personal wealth to be hoarded as a hedge against an uncertain future has skyrocketed nearly 600% since Wall Street went into the tank.

According to Dominican priest Miguel Concha, who heads up the Fray Francisco de Vitoria Human Rights Center in Mexico City, New Gold's San Xavier mine operation conforms to a nefarious pattern of Canadian ventures throughout Mexico: illegal expropriation of ejido land, the complicity of federal and state authorities, and the super-exploitation and contamination of ecosystems. The process has provoked significant resistance, Father Concha warns. Throughout the country, ecologists, ejidatarios, indigenous peoples, human rights advocates, and miners and their families are confronting the Canadian ventures.

\*ITEM – Huizopa, Chihuahua where Mindfinders has sought to install two mines on 4000 hectares of ejido land, remains tense after a standoff between locals and the Vancouver-based corporation. Dissident members of the ejido complain that their leaders were hoodwinked into granting Minefinders a 16-year lease for a one-time 39 million peso (\$3.5 million USD) payout. When the Canadians refused to renegotiate, the ejido members sat in at the openings to the Dolores and Sol de Oro mines shutting down production. In May 2008, federal police were sent in to break up the “planton” (sit-in), an act of repression that ratcheted up the hard feelings.

Huizopa is a farming and ranching community in the municipality of Ciudad Madera, a northern Chihuahua mountain enclave where in 1965, rural school teacher Arturo Gamiz and 12 comrades took up arms against a local military garrison, an attack modeled on Fidel Castro's attempted takeover of the Moncada Barracks that ignited the Cuban revolution. Similarly, Gamiz's bold and ultimately failed uprising (all 13 guerillas were killed) set off ten years of guerrilla warfare throughout Mexico.

Although a tentative agreement was eventually worked out between Minefinders and the Huizopa ejido, the recent arrest of farmers' leader Enrique Torres on federal charges related to the mine blockade threatens to torpedo the pact.

\*ITEM – “Zacatecas Minero Y El Pueblo Sin Dinero!” (“Zacatecas is a miner but the people have no money”) campesinos chanted outside Gold Corp's huge Penasquito mine in the mountainous north of that central Mexican state this past May 25th. The Penasquito is thought to be one of the richest veins in Mexico holding over 17 million potential ounces of gold and a billion of silver.

Members of three ejidos shut down the mine idling 4,000 “Gambosinos” (poorly paid gold miners) after Gold Corp purportedly reneged on paying out 7% of daily revenues to the communities whose land they are exploiting. The Penasquito is estimated to generate 18 million pesos daily.

\*ITEM – Driven by gold fever, the mining boom is taking a toll on indigenous lands. This April, Nahuas in the state of Jalisco paralyzed production at the Los Juanes mine in Ayotitlan after effluvia from the dig contaminated the nearby Marias River. The mine is reportedly operated by Mexican “prestanombres” (“name-lenders”) for Chinese investors.

In heavily indigenous Chiapas where 560,000 hectares in 29 communities have been leased to Canadian miners, resistance is building. Outfits like Blackfire, Radius Gold, and Linear Gold are ripping up Indian land along the Guatemalan border and in the Sierra that bisects this southern state, regions in which both the guerrilla Zapatista Army of National Liberation (EZLN) and the Popular Revolutionary Army (EPR) have sizeable bases.

This past March 8th, International Womens' Day, women from affected communities marched through the state capital of Tuxtla Gutierrez to protest the disruption of communal life, the destruction of the environment, and starvation-wage, backbreaking jobs in the mines. Chiapas anti-mining crusaders have established an alliance with

similar efforts in Guatemala and with human rights organizations in Canada in an effort to push that northern NAFTA nation's Parliament into curtailing predatory mining by Canadian corporations in Mexico and Latin America.

"This is really Canada's problem and we Canadians are committed to dealing with it," declared Marie Dominik Lauglois of the Montreal-based Human Rights Committee for Latin America after on-site visits to Canadian mines in Mexico last summer.

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Cananea, the world's eight largest copper pit an hour's drive south from the Arizona border, is owned by Grupo Industrial Mexico, one of three Mexican mining transnationals – Grupo Mexico has interests as far south as Peru. 103 years ago this June 1st, the miners of Cananea rose up against the then-American owner Col. William Green and shut down the pit. An Arizona militia, the Arizona Rangers, was summoned by Green to quash the rebellion and 22 miners were cut down, a massacre that became one of a constellation of events that eventually triggered the 1910 Mexican Revolution.

Although Cananea is cherished as the birthplace of the Mexican labor movement, this year's commemoration of that landmark bloodletting at the huge copper mine in 1906 was necessarily low key. The National Revolutionary Mine and Metal Workers Union of Mexico (SNTMMSRM) has been on strike for the past 18 months and workers are down to boiling their belts to feed their families although they continue to hold out despite a fierce government offensive to force them back to work.

Four times in the past year and a half, the so-called Arbitration & Conciliation Commission of the Mexican Secretariat of Labor has declared the Cananea strike "inexistent" i.e. illegal, at one point sending in the military to protect scabs that owner German Larrea had contracted to break the walk-out. Larrea's father, Jorge Larrea, the founder of Grupo Industrial Mexico, was gifted with the great copper pit for a few pennies during a paroxysm of privatization by the much-reviled Carlos Salinas de Gortari in 1989. Just as in 2009, the military was deployed to neutralize striking miners.

German Larrea, a Forbes Magazine billionaire list perennial, is as well-served by Mexican president Felipe Calderon as his progenitor was by Salinas – indeed Fernando Gomez Mont, Calderon's powerful Interior Secretary, is Grupo Industrial Mexico's attorney of record.

Under Calderon and his predecessor Vicente Fox, Grupo Mexico has been granted 600 new mining concessions, according to Carlos Pavon, external secretary for the SNTMMSRM who was jailed last year by the Calderon regime, ostensibly for complicity with union president Napoleon Gomez Urrutia with whom he has since broken.

Urrutia, dubbed "Napito", is the son of the late miners' union czar Napoleon Gomez Sada who ran the organization with an iron fist for decades amidst accusations of wholesale thievery.

Napito himself fled to Vancouver, hometown of Canadian mining titans like Mindfinders and New Gold, in 2006 after Labor Secretary Javier Lozano charged him with skimming \$55 million USD from the union's pension fund. The Calderon government subsequently withdrew recognition of Napito as the president of the SNTMMSRM and sought to install a dissident miner in his place and later arrested Pavon – Napito's key operator in Mexico, and petitioned Canada for Urrutia's extradition.

Until recently, the runaway union president seems to have maintained his grip on the SNTMMSRM even from afar – Napito stays in frequent touch with the union rank and file through weekly teleconferences from Vancouver and he has won support from U.S. and Canadian steelworkers unions. Some Mexican labor observers venture that the government campaign has strengthened Napito's standing with important labor federations like the National Workers Union (UNT) and the old-line Congress of Labor in which his father was once a powerful mover and shaker.

Nonetheless, Napito's hold may at last be faltering – on June 7th, Pavon's home local in Monclova Coahuila and

eight other sections announced they were breaking with the exiled union boss. Although Pavon is reluctant to talk to reporters, Urrutia stalwarts accuse him of accepting a \$10 million dollar bribe from Larrea. Labor Secretary Lozano has purportedly guaranteed Pavon control of the SNTMMSRM.

Despite Urrutia's travails, the miners' union has won impressive contracts so far this year with up to 9% wage increases from Canadian gold miners in Mexico who seek to avoid long and costly strikes at a moment when gold is climbing for \$1000 an ounce. But for miners working other metals, 2009 when 85% of the SNTMMSRM's contracts will come due, could prove to be a rough year. At this writing, several thousand union miners are on strike at mines in Sombrerete Zacatecas and Taxco Guerrero in addition to Cananea.

For every ounce of gold and other precious metals the transnationals glean from Mexican soil, they extract a pound of miners' flesh. Indigenous peoples are losing their forests and farmers their growing land and the miners their lives. In February 2006, 65 miners were buried alive at Pasta del Conchos after a methane explosion at a Larrea-owned mine in the coalfields of Coahuila, a state honeycombed with small family operations known as "positos" where hardscrabble miners die in cave-ins and other preventable accidents at the rate of two a month.

Despite pleas from their survivors, Larrea refused to bring the corpses of the miners entombed 150 meters below to the surface and sealed up the mine, claiming that retrieving the dead would be too costly for Grupo Industrial Mexico. While the miners were still alive, they didn't cost the billionaire much – workers were paid 100 pesos a day, about ten dollars Americano. Coahuila Bishop Raul Vera, a liberation theologian, argues that German Larrea should be charged with industrial homicide.

Despite Larrea's cruel indifference, a group of volunteer miners operating under the rubric of "La Otra Minera" ("The Other Mining") and affiliated with the Zapatista Army of National Liberation's "Other Campaign", have begun digging for the remains of those killed at Pasta del Conchos.

The miners' families collect coins from motorists on surrounding highways to offset the cost of the dig.

The bad gas lingers at Pasta del Conchos. In late May, when new owners (ex-Coahuila governor Rogelio Montemayor is reportedly an investor) showed up to take possession of a coal-washing facility at Pasta del Conchos, the miners' families pelted them with rocks and ran them out of town.

The bad gas is hardly limited to Coahuila. Miners and mining communities are taking up cudgels to confront the corporations that are undermining Mexico. As the 100th anniversary of the Mexican revolution looms just ahead in 2010, many remember those killed at Cananea and buried alive at Pasta del Conchos. "Todos Somos Cananea!" ("We Are All Cananea!") tens of thousands of workers thundered this June 1st at a celebration of International Workers Day that had been postponed for a month due to the swine flu panic, as they marched as one great fist into Mexico City's great Zocalo plaza.

JOHN ROSS has returned to Mexico after having won round one against liver cancer. His "El Monstruo – Dread & Redemption in Mexico City" will be published by Nation Books in the fall. A second volume, "Iraqigirl – the Diary of An Iraqi Teenager" (Haymarket), which Ross assembled and edited, will be in bookstores next spring.