Improving Natural Resource Management in Cajamarca, Peru



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The pleasant colonial town of Cajamarca, in the high-altitude sierra of the Peruvian Andes, is located in a temperate, fertile valley dotted with cattle and eucalyptus groves. Cajamarca is rich dairy country, famous for its cheeses. Its quiet, narrow, colonial streets, healthy climate, and nearby thermal springs, make it a popular destination for *costeños*, tourists from the hot, overcrowded cities of Peru's Pacific coast.

But Cajamarca and the surrounding countryside are suffering from the effects of centuries of mismanagement and misuse of the fragile natural environment. Once covered with forest and rich topsoil, the hillsides surrounding Cajamarca formed part of an important watershed on which the whole region depended. But cattle farmers seeking to expand their pastures have chopped down forests and encroached on marginal lands. Native trees have all but disappeared, along with a wealth of biodiversity, leaving behind soil prone to erosion during heavy rains. Except for some eucalyptus trees imported from Australia, these eroded hillsides are now largely scrub and bedrock, in which local youth have scratched huge logos of their schools and soccer teams.

Gold fever

In 1532, the last Inca ruler, Atahualpa, was captured in Cajamarca by the army of the conquistador Pizarro, held for a huge ransom of gold and silver, and finally executed. In recent years, gold fever has returned to Cajamarca. In its first week of operation, the nearby Yanacocha gold mine yielded over a ton of gold — more than the entire ransom paid for Atahualpa. The gold boom has brought foreign investment and jobs, but also its own set of problems including inflation, uncontrolled urban expansion caused by a flood of job-seekers, environmental contamination, and related health problems.

In response to its resource management problems, the municipality of Cajamarca, which has jurisdiction over the surrounding region, launched in 1992 a formal mechanism for interinstitutional coordination related to resource allocation and use. The key instrument for coordinated planning are the *mesas de concertación*. These bring together different levels of government, district mayors, non-governmental organizations (NGO's), the local mining company, and other business interests to discuss development priorities and negotiate a sustainable development plan, which is submitted to the mayor for approval.

Unique working model

Cajamarca presents a unique working model of a more participatory and open approach to planning, one which defines sustainability and equity as central objectives. An IDRC research team devoted to poverty alleviation and improved resource management in rural areas of Latin America recently visited the city to observe the *mesas de concertación*. Among the visitors was <u>Stephen Owen</u>, Professor of Law and Public Policy at Canada's <u>University of Victoria</u>, a specialist in multiparty negotiations, round-tables, and related mechanisms for resolving conflict over natural resources.

"One of the objectives of this IDRC initiative is to assess the effectiveness of shared decision-making in creating social justice and environmental integrity," said Professor Owen. "The shared decision-making approach is being used to deal with conflict worldwide, but it requires a democratic climate. In Latin America and in other new democracies, people tend to be less fixed in their ideas and more willing to experiment with new forms of democratic participation."

Corporate involvement

According to Owen, corporate interests are easily persuaded to participate in multi-party negotiations. One of the reasons for their involvement is to reduce uncertainty. For example, to ensure shareholder confidence, a logging company would rather have guaranteed access to 50 hectares of land than push for access to 100 hectares in an uncertain way, "running the risk of lawsuits and protests," he explained.

This applies particularly to transnationals operating in countries with few regulatory restrictions. "There's a saying: You can go faster with brakes," he added. "Brakes, in regulatory terms, [help corporations] establish the rule of law, enforce contracts, and establish property rights. But the rule of law has to be democratically created for there to be long term stability."

Major challenge

A major challenge is to ensure that multi-party negotiations are truly transparent, democratic, and representative. Often, those who are most directly affected by natural resource decisions — aboriginal peoples and the rural poor — are excluded from the entire process, or represented by NGO's or government ministries, who serve as self-appointed intermediaries. During the IDRC team meeting, Yianna Lambrou, a specialist in gender issues, spoke of the acute power imbalances that routinely exclude women, especially rural women, from decision-making processes that claim to be equitable.

"Men speak for women, but I think it's more important that women speak for themselves. When they do, we often find that they have a completely different perspective on a range of issues, including natural resource management," she said. Therefore, "we have to make sure that whatever is suggested by policy makers to improve natural resource management is based on a real understanding of the respective roles of men and women."

Katherine Morrow is a Canadian writer who worked in Cajamarca earlier this year.

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