

OIL COMPANIES TAKE OVER THE ECUADORIAN AMAZON

photo by Niels Ole Sørensen



Decades of petroleum exploitation in the Ecuadorian Amazon have had a devastating impact on the region's environment and its inhabitants. Among the Indigenous communities directly affected, Quichua, Cofan, Siona, Secoya, Huaorani, and more recently, Shuar, Achuar and Shiwiar, a growing movement to organize against the exploitation of oil conglomerates is steadily gaining momentum. Complex and volatile, the situation in the region is changing and growing more critical as the Ecuadorian government seeks to expand the concessions given to petro-chemical corporations and the privatization of Petroecuador through the reform of the hydrocarbons law. These policies will, on the one hand, lead to an increased role for private companies in the Ecuadorian Amazon while on the other, reduce the State's control over the exploitation of a delicate ecosystem.

TEXACO

For twenty years, Texaco's operations have decimated one of the world's most biologically diverse regions, wreaking havoc on the environment and the 300,000 Indigenous

people that live there. In 1992, after extracting over one billion barrels of crude oil, Texaco fled the country leaving behind 2,500,000 acres of barren rainforests, abandoned toxic materials, 17 million gallons of spilled petroleum and 20 million gallons of toxic spillage in the Amazon's rivers.

The ecological damage has had a profound effect upon the Indigenous communities. Aside from the disruption of traditional lifestyles and massive displacement, it has caused severe health problems. According to different studies done by Acción Ecológica (Ecological Action), an Ecuadorian environmental organization, and The Institute for Economic and Social Rights (IESR), skin diseases, digestive and respiratory problems, malnutrition, chronic headaches and cancer run rampant throughout the communities. A separate study by the Canadian company HBT Agra, assessing the environmental impact of Texaco's activities is to be presented to both the Ecuadorian government and Texaco. The report will not be published, however, and both Indigenous and environmental groups are questioning its validity as it neglects to mention the indelible impact of Texaco's actions upon the region's inhabitants.

In response to the extensive damage Texaco has caused, a campaign to hold Texaco accountable has been launched on an international scale. Presently, there is a world-wide boycott of its products with campaigns taking place in Denmark, Holland, and England. In addition, two lawsuits in the United States have been filed and articles in The New York Times, Reuters News Agency, and New Yorker Magazine attest to the fact that this conflict has finally caught the eye of the international press.

MAXUS

While the campaign against Texaco intensifies, the North American petro-chemical company, Maxus, continues to expand exploration of Block 16 which includes part of Yasuni National Park and Huaorani territories. Even before beginning extraction, Maxus had already caused a 900 barrel oil spill when a pipeline belonging to the Occidental Company was accidentally perforated by a Maxus work crew. Even though the spill was, for the most part, contained, oil did manage to reach the estuaries of the Napo River.

Moreover, the road that Maxus built to

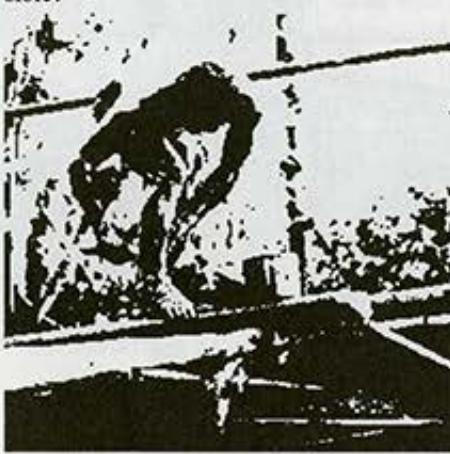
support its oil extraction in Block 16 has led to the colonization of the Tiputini River area. Through the purchase of wood for its encampments and extraction towers, it is promoting massive deforestation of the southern portion of the Cuyabeno Reserve which was recently declared one of most biologically diverse regions in the world. The company is also responsible for several chemical spills in this zone.

As unbelievable as it may seem in the face of its disruptive practices, Maxus is attempting to present itself as "protector" of the environment by promoting the establishment of an environmental investigation station and sponsoring an archeological project to "preserve the cultures that have been occupying the region for thousands of years."

ARCO

Another petro-chemical corporation is ARCO, which has used divisive tactics among Indigenous communities in Block 10 of the Pastaza province. During a meeting with leaders of the Organization of Indigenous Peoples of Pastaza (OPIP), in Berkeley, California, during the month of October, 1992, ARCO agreed: 1) to respect the political and cultural integrity of Indigenous peoples in Pastaza; 2) not enter into divisive negotiations through the buying off of local individuals; 3) to desist from creating tensions which may lead to the militarization of the region; 4) to keep all meeting attendees abreast of present and future exploratory activity. Nevertheless, ARCO has forgone this accord and launched a campaign to politically debilitate OPIP. Through manipulation and bribery, ARCO has created a parallel and independent organization, DICIP, and is unwilling to continue the dialogue unless DICIP participates equally. Needless to say, DICIP unconditionally supports ARCO's activities. In a recent letter to ARCO's CEO, John Middleton, Hector Villamil, president of OPIP states: "To date, ARCO has neglected to comply with (the above) guarantees and has actively pursued a strategy which systematically and insidiously undermines the political integrity of OPIP. During the past months, ARCO has reinstated an un-called for hostility toward the Indig-

enous peoples of Pastaza, created social instability, and divisively manipulated and corrupted local individuals. Need I affirm that we find this tactic unethical and reprehensible?"



PETROECUADOR AND THE PENDING HYDROCARBONS LAW REFORM

The future privatization of Petroecuador has potentially devastating implications. If passed, the World Bank sponsored privatization and reform of the Ecuadorian hydrocarbons law will sever the state's ability to control and sanction oil corporations. The new law would open up the region to increased exploration and exploitation as well as grant new concessions to multinational corporations, accelerating the pace of destruction even more.

In response to the impending reforms, a campaign has been launched which seeks to minimize the impact on the region. The "Amazonia for Life" campaign is currently pressuring the World Bank to consider its loan to the Ecuadorian government as a "Type A" loan, calling for environmental and cultural impact reports prior to any further exploration in the region, as well as establishing a process of public participation that would include the affected Indigenous communities and representative organizations.

COFANS CONFRONT PETROECUADOR

On October 28, 40 Cofans took over a Petroecuador oil well located inside the

Cuyabeno Reserve in Cofan territory, forcing the corporation to negotiate with the Cofan community. The Cofans demanded active participation in Petroecuador's activities on their territory and the financing of solar panels for their villages. A provisional accord was turned down by the corporate executives in Quito who only agreed to the purchase of the solar panels valued at \$10,000. The Cofans unanimously rejected the offer and stated that unless someone with sufficient authority agreed to their demands, they would be forced once again to shut down Petroecuador's exploration activities.

This conflict was temporarily resolved when Petroecuador announced that no oil had been found in Paujil. Nevertheless, there is evidence that suggests that Petroecuador plans to perforate a few miles outside the reserve.

BLOCK 22 EXCLUDED FROM 1994 CONCESSIONS

In November, 1993, it was confirmed that Block 22, inside Yasuni National Park, would not be included in the concessions being offered for 1994. This is undoubtedly due, at least in part, to pressures from the international and Ecuadorian environmental communities. However, the right of Indigenous peoples to control oil development on their lands still needs to be addressed.

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The prolonged petroleum extraction activities in the Ecuadorian Amazon has taken place without environmental or social impacts being taken into account. Important decisions have been made without consulting with the Indigenous communities who inevitably suffer the brunt of these deleterious activities. National parks, reserves and Indigenous territories which had supposedly been permanently designated as cultural and environmental reserves have not been spared. It is within this context, that the Public Enterprise Reform, ID #6ECUPA103 in Category A, calling for an all-inclusive study of social, environmental and cultural impacts of petroleum activities, is being advocated by various international and national Indigenous, environmental and social justice organizations.

Source: Rainforest Action Network