

Chile, Upper Biobío:

Hydroelectric Power Plant Threatens Environment and Pehuenche Communities

The construction of the Ralco power plant on the Upper Biobío river, Chile, threatens to topple the river's fragile ecology and cut off vital access to water for nearby Pehuenche communities. A campaign led by the Pehuenche to stop the project is underway, but faces powerful opponents such as national energy corporations and international funding agencies.

Since ENDESA, Chile's biggest and most powerful electrical company, began to design a series of six interdependent hydroelectric power plants on the Biobío River in the 1960s, the Ralco power plant has been considered the "key component" of this ambitious hydroelectric project.

When the campaign to save the Biobío River began, ENDESA and the CNE (The National Energy Commission) denied that they were planning several short-term projects along the Biobío River. For example, they presented an earlier project, the Pangué power plant, as an independent project, completely divorced from Ralco or any others. An accomplice to this tactic was the IFC (The International Financial Corporation), an entity affiliated with the World Bank. The IFC provided \$100,000,000 in funds for the construction of Pangué. ENDESA and CNE deceived the public about the real number of proposed plants as a tactic to minimize the public's fear of negative effects from the power plants in the region. Considered independently of each other, the harmful effects of the power plants appeared to be less severe.

Independent investigations reveal that if Ralco becomes a reality, it would have detrimental social and environmental effects on the Upper Biobío region. With the dev-

astation of 5,597 hectares of land, at least two Pehuenche communities (Quepuca Ralco and Ralco Lepoy) with a combined total of about 650 families will have to be evacuated from their territory. ENDESA has promised to give them land for resettlement and jobs in the construction project. However, the Pehuenche communities have



The proposed Ralco Hydropower project raises serious questions of ecocide for the Biobío watershed and the Pehuenche

rejected these offers to preserve their communities. The Pehuenche derive their income from subsistence farming and the sale of cattle and crafts. The proposal offers them little more than temporary labor as unskilled workers in the power plant's construction.

Pangué, S.A. (the company in charge of Pangué through its Pehuen Foundation) has also instituted a system of credit (i.e. debt peonage) by which members of the Pehuenche communities of

Quepuca Ralco and Ralco Lepoy may buy items needed for their home, such as stoves, pots, and other items. However, to acquire these items, the members of the communities must register their names with the company. The Pehuenches rejected this program because of fear that their signatures will be used by Pangué, S.A. as proof that the Pehuenche communities acquiesce to the building of the hydroelectric plant.

The environmental effects of the Ralco hydroelectric plant will be devastating. Estimates indicate that about 3,400 hectares of native forest would be flooded, affecting about 45% of the fauna and 60% of the flora. The creation of an artificial lake would endanger about 8 species of fish, 9 species of reptiles, 10 species of amphibians and 27 species of mammals. Humidity in the area would increase, affecting crop production and altering the region's micro flora and micro fauna. The humidity would also help increase soil erosion. The effects of toxic gas emission and toxic sediments are still to be determined. But given the magnitude of the project, they would undoubtedly be environmentally and economically catastrophic.

Because of Ralco's negative impact on the Pehuenche communities and the environment, it would seem that Chile's Indigenous Law and the Environmental Bases Law should be able to stop its construction. The Indigenous Law (No. 19,253) establishes norms for the protection, promotion and development of ethnic communities. It states that Indigenous land cannot be "annexed, mortgaged, levied or repossessed except for Indigenous communities or persons..." (Art. 13).

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Amazon Forum II

The future of the Amazon depends on its Indigenous peoples and the state of their environment. The Coalition in Support of Amazonian Peoples and Their Environment held its second international forum in Washington, DC, at the Smithsonian's Museum of American History on May 10-12.

The meeting brought together North American non-governmental organizations with representatives from the Amazon Basin to coordinate long-term efforts on behalf of Indigenous and forest-dependent peoples. Secretary-General of the Organization of American States, Cesar Gaviria, and Assistant Secretary for Indian Affairs at the U.S. Department of the Interior, Ada Deer, gave keynote addresses at a reception welcoming participants on the evening of May 9th.

For more information on the Amazon Forum, contact: Melina Selverston, Amazon Coalition, 1511 K. Street, NW, #1044, Washington, DC 20005, Tel: (202) 637- 9718, Fax: (202) 637-9719, e-mail: amazoncoal@igc.apc.org.

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bar (page 7) for extracts from the declaration) to guarantee the integrity and respect for Indigenous peoples.

With all of these declarations, Indigenous leaders reiterate the importance that Indigenous participation should have in peace talks. They rightly point out that a meaningful and lasting peace will not be reached as long as the Indigenous peoples who live in the disputed territories continue to be ignored. Still, the governments of Ecuador and Peru are not listening. The government of Peru, for example, has proposed a plan to strengthen

its borders by giving away Indigenous land to colonizers from different areas of the country.

But peace will not come through the further colonization of Indigenous people. On the contrary, peace will only be achieved when Indigenous land is rightly and justly protected, and the Indigenous way of life secured. A joint declaration from AIDESEP and CONFENIAE states:

"Nowadays, it is in vogue to speak of integration. However, we have lived for thousands of years in peaceful communion with our Indigenous neighbors on both sides of the border. Furthermore, borders that the white people created have divided communities like the Shuar, Quichua and Cofán. But we continue to feel as though we were part of one Indian continental nation: the ancient Abya Yala." ☺

Additional declarations and information from Indigenous organizations on this border conflict are in SAIIC's PeaceNet conference saic.indio as well as on the Internet at: http://ukanaix.cc.ukans.edu/~marc/geography/latinam/ecuador/border_main.html.

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However, because of a lack of resources and interest, this law is not always enforced and large companies such as ENDESA can circumvent the law by, for example, buying land and building houses in other areas, trying to persuade native communities to "sell."

The purpose of the Environmental Bases Law (No. 19,300) is "to regulate all activities that in one way or another affect the environment." However, because the law still lacks specific and definitive legislative language, it is easy for large corporations to act in defiance of the spirit such laws.

As of now, it is apparent that the CNE will recommend the construction of the Ralco power plant without objectively re-evaluating its inevitable effects. In December 1994, the CNE recommended the construction of the plant's gas pipelines. Ralco already has utilization rights on the Biobío River's non-drinkable water, the provisional electrical concession, and engineering studies in their final stages of completion.

Even though the CNE did not include the Ralco power plant in its latest plan of works, the government is about to consent to its construction. If the government does give ENDESA the permission to build Ralco, it will close the possibility for a real environmental evaluation to be conducted. Ralco, like Pangué, will become an example of how the Chilean government allows big corporations to undertake socially and environmentally risky ventures despite the existence of laws that prohibit such projects. A similar multi-dam project during the 1970s, Antuco County on the Laja River, did not make good on its promise. Antuco is today one of poorest counties of Chile.

Public outcry has been massive. Different environmental organizations like GABB (Action Group in Defense of the Biobío), Indigenous rights groups, student activists and other outraged citizens have joined forces to stop the construction of Ralco. In a public declaration, GABB called for a complete halt to any other project along the Biobío River, the enforcement of the Environmental and Indigenous Laws, respect for the Pehuenche communities, their land and culture, and the creation of an effective energy policy that would prioritize the social and ecological sustainability of the country. ☺