Oil, Gas and Beyond

I was waiting for the ship to come in. In fact, so was everyone else in Nicaragua. Gas lines stretched around the block. The supermarket shelves were nearly bare. Lights went out again and again, plunging the country into frequent darkness. Telex machines couldn’t work, and we reporters had to depend on the few places with generators to file our stories (for younger readers, this was pre-computer and smart phones). U.S. President Ronald Reagan had imposed a trade blockade on Nicaragua in May 1985. The Soviets were sending oil, dodging the blockade.

We reporters did what we always do: we reported on the ship’s arrival. But we also breathed a collective sigh of relief. The arrival of the Soviet ship meant hot showers and light to read by.

Energy is intensely political. It shapes nations and trade and fuels wars and blockades. Energy, I discovered then, is also intensely personal. It shapes our lives on a daily basis. It’s not only a matter of how we get around or whether we have enough food to eat; energy production affects the communities that receive it and those that produce it. It shapes attitudes toward gender and race and nationalism and identity. It pollutes the air and the rivers. It offers immense economic opportunities. Or it does both.

You might not think of Latin America and the Caribbean right away as a big energy producer or consumer. But Venezuela stands ninth in global oil production with gas reserves almost triple those of Canada. Three countries—Venezuela, Brazil, and Mexico—account for about 90 percent of the region’s oil production. And Latin America and the Caribbean also have the capability to provide abundant alternative and renewable energy sources: wind, solar, geothermal and biomass, among others.

Perhaps because of my experience in Nicaragua, I started to conceive this issue in terms of meta-politics. And there is certainly a lot of politics related to energy in the region: the political upheaval of Brazil as a result of corruption scandals in the national oil company; the turmoil in oil-rich Venezuela; the impact of the semi-privatization of Mexico’s oil industry; the targeting of Colombia’s energy installations by guerrilla forces in a show of strength in the context of the ongoing peace process.

But then I thought back on how the arrival of oil had been experienced on a very local and personal level. I began to hear stories about the production of energy: what it felt like to grow up in an oil camp, how energy production affects indigenous women in one particular region, how local communities involve themselves in deciding what is done with oil.

And just recently Alvaro Jiménez, Nieman Fellow at Harvard ’09, happened to mention to me that he was starting a website “Crudo Transparente,” a site that monitors the Colombian oil industry. Out of curiosity—and as a quick break from proofreading this issue—I took a peek.

Although the website deals with only one country—Colombia—it felt like an affirmation of the focus I had chosen for this wide-ranging topic. Energy is political. Energy is personal. Energy matters.
Beyond Dinosaurs and Oil Spills

Oil Development and Amazonian Indigenous Peoples

BY THEODORE MACDONALD

Ecuadorian Writer Jaime Galarraga’s Scathing Critique of International Oil Giants and Pliant Governments in Latin America

In his widely read book, El Festival del Petróleo (1974), helped to win him two human rights agreements and progressions with greater frequency and success. They are testing Ecuador’s international giants and includes national energy development for indigenous peoples and, later, Kichwa and Shuar indigenous peoples.

About 150 miles to the southeast, the cracking chatter of Occidental Oil workforces frequently overlapped with my daily, two-way radio, weather reports for local bush pilots, telling them whether or not the morning mist had lifted or shifted instead to heavy rain. Occidental Oil was preparing to drill along Peru’s Pastaza, Tigre, and Corrientes rivers, an area now known as Block 1-AB, and home to numerous Achuar, Kichwa and other indigenous peoples.

In mid-1976, two Arajuno Kichwa men, another American and I meandered slowly for about a week by dugout canoe—fishing and hunting and observing—from the headwaters of the Curaray River, through some Huararí settlements, to the junction of the Villano and Curaray rivers, the site of another Quichua village, Villano. There, suddenly and like some scene from Coppola’s Apocalypse Now, large planes were flying in heavy equipment and men, shattering the quiet as Arco Oil prepared to explore another old Shell site, then named Block 10. At the time, everyone thought all this was quite exciting. That changed.

Now each of these sites casts current oil development disputes into high relief, sometimes produces banner headlines, and draws considerable local anger. In Lago Agrio (Ecuador’s most productive region), a $1.8 billion suit against Texaco (now owned by Chevron) for pollution near there is world-famous. Those in Villano and their nearby kin-community of Sarayacu are, of course, concerned with pollution. No one wants to live in a polluted and dangerous place like Lago Agrio. Meanwhile, some Kichwa have ratcheted up the debate to engage, indeed challenge, the Ecuadorian government. They are testing Ecuador’s understanding of and compliance with international human rights and national legislation as it applies to oil and other natural resource development. These and other cases and issues were also the subject of multi-party (international oil companies, indigenous leaders, environmental organizations) Harvard Dialogues on Oil in Fragile Environments, which took place at the Weatherhead Center and in Latin America from 1996-2002.

Disputes over the mess created around Lago Agrio in Ecuador and other oil sites in Amazonian Latin America have been numerous. Pollution has been both massive and undeniable. The Texaco case is certainly the best known and currently controversial. In both Ecuador and the United States, numerous legal suits have bounced back and forth since the early 1990s. In 1996, Texaco paid out about $400 million to clean up more than 100 well sites and seven spills, a remediation that it was supposed to have satisfied with its national oil company partner, Petroecuador. Although the work, coordinated by Petroecuador, now the sole owner of the plots, won Texaco releases from communities and organizations, many areas remain severely polluted and unhealthy. Current efforts to revisit the case by suing the new owner of Texaco, Chevron, and truly remediating the sites and communities, when Petroecuador is the sole owner, remain quite contentious. In a high-level battle now characterized more by large egos than environmental or social concerns, the new, less angry, abandoned, and impoverished people in northern Ecuador. (See Paul M. Barrett’s excellent recent account, Law of the Jungle.)

By contrast, in Peru, after a series of similar complaints regarding that country’s largest production area, the government declared Lot 1-AB to be an “environmental disaster,” complicating current disputes between the occupying Peruvian original single operator, Occidental, has worked to repair environmental damages, reaching an “out-of-court” settlement to provide funds to local communities. Nevertheless, Block 1-AB—now a patchwork of operators including Occidental, Pluspetrol, “Enron,” plus several more—remains contentious. National and other—recently suffered a large rupture in its 39-year old pipeline,
and a large area awaits cleanup.

None of this is new, or surprising. In addition to breaks and spillage along pipeline routes, toxic waste, which, by law even in the “old days” should have been reinjected into the well, was dumped into unlined pits. Flowing into rivers during heavy rains or simply escaped when the dirt walls eroded. And in Ecuador, crede oil was even thrown onto the roads in dry weather to keep down the dust.

All of this early work produced ugly landscapes—large sections of denuded tropical rain forest, severely polluted rivers—large sections of denuded landscapes—large sections of denuded territories. The company followed the model of an offshore rig, where equipment and men are ferried in by air, and pipelines are laid by helicopters hovering atop narrow cuts in the forest. This mini-mized damage to the forest and avoided the sorts of invasive roads that easily and quickly become troublesome vectors for colonization, logging and other incursions into indigenous territories. The same sorts of technologies are being used in Peru’s huge Camisea Gas project and many other rainforest sites.

In reviewing this innovative project at the Harvard Oil Dialogues in 1997, the general manager of ARCO-Ecuador commented to NRDC and The Nature Conservancy: “What will you guys say when we can get oil out of the ground by osmosis?” Many smiled and nodded their heads. However, for the indigenous participants at the Dialogues, talking social and political questions, and the neglected responsibilities of the government, outweighed the model of an offshore rig, where equipment and men are ferried in by air, and pipelines are laid by helicopters hovering atop narrow cuts in the forest. This mini-mized damage to the forest and avoided the sorts of invasive roads that easily and quickly become troublesome vectors for colonization, logging and other incursions into indigenous territories. The same sorts of technologies are being used in Peru’s huge Camisea Gas project and many other rainforest sites.

In reviewing this innovative project at the Harvard Oil Dialogues in 1997, the general manager of ARCO-Ecuador commented to NRDC and The Nature Conservancy: “What will you guys say when we can get oil out of the ground by osmosis?” Many smiled and nodded their heads. However, for the indigenous participants at the Dialogues, talking social and political questions, and the neglected responsibilities of the government, outweighed the model of an offshore rig, where equipment and men are ferried in by air, and pipelines are laid by helicopters hovering atop narrow cuts in the forest. This mini-mized damage to the forest and avoided the sorts of invasive roads that easily and quickly become troublesome vectors for colonization, logging and other incursions into indigenous territories. The same sorts of technologies are being used in Peru’s huge Camisea Gas project and many other rainforest sites.

In reviewing this innovative project at the Harvard Oil Dialogues in 1997, the general manager of ARCO-Ecuador commented to NRDC and The Nature Conservancy: “What will you guys say when we can get oil out of the ground by osmosis?” Many smiled and nodded their heads. However, for the indigenous participants at the Dialogues, talking social and political questions, and the neglected responsibilities of the government, outweighed the model of an offshore rig, where equipment and men are ferried in by air, and pipelines are laid by helicopters hovering atop narrow cuts in the forest. This mini-mized damage to the forest and avoided the sorts of invasive roads that easily and quickly become troublesome vectors for colonization, logging and other incursions into indigenous territories. The same sorts of technologies are being used in Peru’s huge Camisea Gas project and many other rainforest sites.

In reviewing this innovative project at the Harvard Oil Dialogues in 1997, the general manager of ARCO-Ecuador commented to NRDC and The Nature Conservancy: “What will you guys say when we can get oil out of the ground by osmosis?” Many smiled and nodded their heads. However, for the indigenous participants at the Dialogues, talking social and political questions, and the neglected responsibilities of the government, outweighed the model of an offshore rig, where equipment and men are ferried in by air, and pipelines are laid by helicopters hovering atop narrow cuts in the forest. This mini-mized damage to the forest and avoided the sorts of invasive roads that easily and quickly become troublesome vectors for colonization, logging and other incursions into indigenous territories. The same sorts of technologies are being used in Peru’s huge Camisea Gas project and many other rainforest sites.
one point, sparked a short-term kidnapping
of a public prosecutor. Several years later, at
the Harvard Dialogues, both ARCO
and OPIP representatives expressed frus-
tration with the absence of the govern-
ment in areas where, they argued, policy
decisions and provision of basic services
were its responsibility. OPIP interestingly
added that earlier governments consis-
tently relied on foreign missionaries to
provide basic health and education to
isolated indigenous communities. Now it
was oil companies.

OPIP continued to draw national and
international supporters for its legitimate
demands. This led to OPIP’s inclusion in a
mutually agreed community agreements
and spontaneous


decisions and provision of basis services
were its responsibility. OPIP interestingly
added that earlier governments consis-
tently relied on foreign missionaries to
provide basic health and education to
isolated indigenous communities. Now it
was oil companies.

OPIP continued to draw national and
international supporters for its legitimate
demands. This led to OPIP’s inclusion in a
mutually agreed community agreements
and spontaneous

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía

energía