

El Salvador's Misfortune in Gold: Mining, Murder, and Corporate Malfeasance

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On the wall of the office of San Isidro's mayor, José Bautista, hung a picture of Roberto d'Aubuisson, founder of the ARENA party and the death squads of the 1980s, bankrolled and trained by the US government. [1] Under the picture was the caption: "Leader of yesterday, today, and forever. There for the fatherland." The recent turmoil over the efforts of Pacific Rim, a Canadian corporation, to carry out a gold-mining project in El Salvador is a catalyst for reviving the deep-seated divisions that go back to the Central American country's bloody civil war from 1980 to 1992. Although El Salvador has lived in relative calm since the peace accords of 1992, it hasn't yet adequately addressed the conflicts that led to the civil war. Continuing violence and impunity now threaten the country's political stability.

Cabañas is a northern, mostly rural department of El Salvador and one of the country's poorest regions. I traveled there in February of this year on a fact-finding delegation with Voices on the Border [2] concerning murders, a forced disappearance, torture, numerous death threats, and kidnapping attempts that seem, at least in part, to be linked to the designs of Pacific Rim to mine gold in the region. The reason Voices on the Border organized the delegation was to counter what it saw as an attack on civil society in El Salvador.

"It's resource management," said Mayor Bautista. "We send notes to companies asking them to sponsor activities, and there are many activities in the cantons," he said. "I don't call that corruption," because there is no agreement on the part of the government to advance any interests of companies. When we visited Mayor Bautista of San Isidro, he also informed us that a local church had received donations from Pacific Rim for specific projects. [3] Father Oscar Antonio Granados, who has fought mining projects since 1995 in Costa Rica, Nicaragua, Honduras, and El Salvador, also expressed the suspicion that Pacific Rim had paid funds to a local priest in Cabañas.

Mayor Bautista stated that about 15 percent of the village of San Francisco El Dorado, where the company has sought to commence exploitation of a mine, opposed Pacific Rim's mining project. A member of our delegation mentioned to him a Central American University (UCA) survey which cited that two-thirds of the population in the affected regions of El Salvador is against mining. [4] He responded that, although he was not familiar with that poll, he nonetheless hoped the mining would not happen since for him "it would be one less headache" to deal with. Although local activists have accused the mayor of accepting bribes from Pacific Rim, he has come out publicly in opposition to mining in Cabañas since our visit with him.

Father Granados began his work in opposition to precious-metal mining in Costa Rica against Placer Dome (which formerly employed Pacific Rim's current CEO, Thomas C. Shrake, and Pacific Rim board member Paul B. Sweeney). He told us that in his experience these mining projects always happen the same way. They start out currying the favor of a select group within the respective community and thereby sowing divisions. They always promise to leave the flora and fauna intact upon termination of their operations and that no one will be harmed in any way.

In the end, the communities are rife with social conflict between those in favor and those against the mines, and the environment is poisoned. Vegetation is destroyed, water sources are dried up, livestock are poisoned, children are born with birth defects, and people die of cancer and other diseases from the contamination of the environment. Father Granados described the mining companies as "aggressors, oppressors, monsters...demons for the country."

The Birth of the Anti-Mining Movement

According to the director of the Association for Economic and Social Development (ADES), Antonio Pacheco, his organization had received complaints about mining exploration since 1998. It was not until 2004 that ADES began a campaign to raise awareness about Pacific Rim's mining. That was about when the Environmental Committee of Cabañas for the Defense of Water and Culture started its work.

Francisco Pineda, who has been active with the Committee from its beginnings, told the delegation how their struggle to ensure clean water soon led to a struggle against gold mining. In addition to water sources drying up, livestock were dying. Pacific Rim would use two tons of cyanide and 900,000 liters of water per day when it began full-scale mining operations – and they were polluting already. The company made the bogus claim that it had technology that would render water containing cyanide harmless. [5] “You could basically stick a cup in the water and drink it,” corporate spokesperson Barbara Henderson boasted to the *Miami Herald*. [6]

The Environmental Committee and ADES, along with a growing coalition of organizations, such as the Francisco Sánchez United Movement 1932 (MUFRA 1932), soon reached the conclusion that the contamination of local rivers would affect the whole country, as several activists told us. This is because all the local rivers feed into the Lempa River, which is the source of water for 60 percent of El Salvador's population, including part of capital city San Salvador. Moreover, the Lempa runs through Guatemala and Honduras, and the contamination could potentially spread there. [7]

Although much of El Salvador's surface waters are already polluted, precious-metal mining would turn a bad situation into a catastrophe. Pineda and other residents of La Trinidad told us how, when exploration at Cerro Limón commenced nearby, the residents of La Trinidad heard the noise 24 hours a day. According to Antonio Pacheco of ADES, the corporation promised a bonanza in new jobs, but these would not offset all the jobs lost, mainly in agriculture, because of environmental contamination.

The activists' first tactic was to acquire and disseminate information, said Pineda. Pacheco said ADES used its networks to pressure the national government. They inquired about mining in other parts of the hemisphere, such as Peru, Chile, Bolivia, Ecuador, Honduras, Nicaragua, and Guatemala. According to Pacheco, over a period of two years, some 150 community leaders from Cabañas went to visit the Siria Valley in Honduras, which had borne the brunt of full-scale precious-metal mining. There they witnessed the dried-up water sources and health damage including skin problems, Francisco Pineda told me. These contacts with other communities that had already been affected by mining “helped [them] to have a stronger basis for their resistance. Yet at that point,” he noted, “some in the Committee dropped out” of their struggle “because they said it was dangerous. “The company has money and power. They could have us killed.”

On June 27, 2005, the Committee joined a growing anti-mining campaign with regional organizations, such as ADES and Association of Friends of San Isidro, Cabañas (ASIC). Together with a gamut of social organizations across the country, they formed the Roundtable against Metallic Mining to stop what they saw as a “death project” for El Salvador. Their campaign included public education in forums and speaking events featuring testimonies of people exposed to the effects of mining, especially the Hondurans, as well as video presentations, informational brochures, and posters. They also held protests.

The communities began to read Salvadoran laws on mining, the environment, and the Salvadoran Constitution, Pineda said. They learned that the Salvadoran Environmental Act requires that they be “consulted and informed of the advantages and drawbacks of such projects before they take place.” They initially called Pacific Rim to their meetings to share information, but soon the company refused to meet with them, he said.

Pacific Rim's Campaign

Yet, with the price of gold tripling between 2001 and 2009, [8] Pacific Rim's incentive to exploit the mines has grown exponentially. According to Héctor Berríos, attorney, researcher, and coordinator of MUFRA

1932, Pacific Rim chose key people to influence public opinion about their project, including community leaders, politicians, and “people who were well suited to penetrate the community.” It sponsored municipal events, such as patron saint festivities. It funded eye exams and gave away free glasses in La Trinidad. But when the villagers from La Trinidad saw the Pacific Rim name displayed where the services were dispensed, many in the community refused. In fact, there was widespread rejection of Pacific Rim’s munificence, said Héctor Berríos. Pacific Rim seems to have miscalculated in expecting that its high-profile giving would endear it to the population of Cabañas.

Héctor Berríos also told me that the company paid residents of the communities in Cabañas to promote the mining projects. One such advocate was a woman who had raised awareness on health issues in the community for 10 years, according to Pineda and other members of the Committee. When she changed her mission, evidently induced by substantial remuneration from Pacific Rim, she was able to exploit her established credibility in the community to win favor for the company. Staff at Radio Victoria told us that Pacific Rim had offered the radio station \$8,000 to renovate their station. This amount would have been huge for the cash-strapped station, but they refused because Pacific Rim was asking for a commitment to promote the company in return, for which it offered additional funds. Radio Victoria has been one of the most outspoken critics of Pacific Rim.

The community was well organized and courageous. [9] Each one of the three times that Pacific Rim brought its equipment to the top of Cerro Limón hill, where the mine was to operate, members of the community forced them to bring the equipment back down. The activists were legally entitled to do so, according to Pineda. “Some of it was their private property,” he said.

Perhaps the first victim was Luisa Velasco, Pineda said. When Pacific Rim representatives came to her home in March 2006 and asked her if they could explore for gold on her property, she refused. They then said they would do it whether she liked it or not; their invasive stance may have contributed to a stroke she suffered from which she has never recovered.

The Rise of Violence against Anti-Mining Activists in Cabañas

The first personal threats were made against staff at Radio Victoria and arose during the 2006 mayoral and city council elections when local activists registered irregularities. But by late 2007, Pacific Rim’s mining project was mentioned in the threats. It is worth noting that the Salvadoran Minister of the Environment, Hugo Barrera, under pressure from the burgeoning anti-mining movement, declared in 2006 that he would not grant Pacific Rim a permit to operate its mine at El Dorado. With no revenue from mining and dim prospects for receiving the permits, all the corporation’s operations finally ceased in July 2008.

In December 2007 and January 2008, Neftaly Ruiz, a reporter for Radio Victoria, received threats telling him to “keep out of Pacific Rim’s way.” In April 2008, Oscar Menjívar chased Nelson Ventura, a member of ADES, with a machete. Nelson was able to escape, but in a subsequent similar attack against Santos Rodríguez, Oscar Menjívar cut his victim’s fingers, which then had to be amputated, according to Héctor Berríos.

Héctor himself was threatened and his house was ransacked and robbed, he told me, whereby all of his equipment and documentation containing evidence about Pacific Rim’s bribery and the election fraud was stolen, but his money was not. Many of the staff at the radio station have been threatened in a sustained campaign of intimidation. Two attempts to kidnap Father Luis Quintanilla, who had a program at the radio station, also occurred. A complete list of the threats, which unfortunately continue to occur, is beyond the scope of this article.

On April 9, 2009, Oscar Menjívar’s father, Horacio Menjívar, who was a supporter of the mines, was killed. Just as in the case of the subsequent crimes against anti-mining activists, the police and the prosecutor’s office have not disclosed information about the investigation of this crime. The online version of *El Diario de Hoy* states that Horacio Menjívar was shot to death and that Santos Balmore Guerra Pérez was arrested as the alleged hit man. The publication, which is notorious for attacking the left, maintains

that the spate of assassinations does not have to do with mining but interfamilial feuds. [10]

Police Chief Domingo Bográn Acosta told us that Oscar Menjívar blamed Ramiro Rivera, a community leader in La Trinidad who actively participated in the anti-mining movement, for his father's death. Francisco Pineda commented to us that Horacio Menjívar had many enemies and was involved in organized crime. Héctor Berríos and others we spoke with mentioned that Horacio Menjívar was involved in livestock theft and was known to be violent.

On June 18, 2009, Marcelo Rivera, one of Cabañas' most prominent environmentalists, was last seen getting off a bus at around 5 or 6 PM at the El Molino turnoff near Ilobasco, Cabañas, en route from San Isidro, Cabañas to San Salvador. Margarita, Marcelo's sister-in-law, received an anonymous phone call 12 days later saying there was a body in an abandoned well. A cadaver was found in a 30-meter-deep dry well near an abandoned house with Marcelo's clothes and keys nearby.

The corpse showed signs of torture and strangulation, and latex gloves and two ski masks were found at the scene of the crime, according to Alirio Hernández and Héctor Berríos, who were both present when the body was discovered. The Salvadoran police sometimes wear ski masks to protect themselves from retaliation. According to Alirio, there was a person in the house near the well who members of the community knew to be affiliated with the Mara Salvatrucha, the Salvadoran gang implicated in the dramatic surge of organized crime in the country. The police would not demand that this individual come out and identify himself.

Rodolfo Delgado, a lead prosecutor of the national Public Prosecutor's Office, stated that four suspects had been arrested, and a fifth that was already in jail had been notified that he was also a suspect. They were all gang members. The prosecutor stated that Marcelo had been drinking and had got into a fight. Reference was made to homosexual behavior in an apparent attempt to defame and blame the victim. A government forensic investigator stated that the body was Marcelo's based on results of DNA tests. According to the coroner's office, Marcelo died of asphyxiation, while the public prosecutor stated that he died from blows to the head with a hammer. Marcelo's family asked to claim the body, but the police said that it had already been buried.

On August 7, 2009, Oscar Menjívar attacked Ramiro Rivera (no relation to Marcelo Rivera) in La Trinidad. Oscar shot Ramiro eight times in the back while the latter was going out to milk his cow. Ramiro recognized Oscar Menjívar as the person who attacked him. Ramiro was able to escape and find help to get him to a hospital. Oscar Menjívar was jailed for attacking Ramiro Rivera, but acquitted in March 2010. According to Alirio Hernández, Oscar Menjívar recruited employees for the mine in La Trinidad and promoted the mining projects in different communities. Pacific Rim has denied this claim.

Domingo Miranda Portillo, also a resident of La Trinidad, stated to us that in mid-2009, he was threatened with an M-16. In September 2009, according to Francisco Pineda, the door of Santos Rodríguez's house in La Trinidad was broken down, and Santos was fired upon in a second attempt on his life. "The authorities came the next day to collect the evidence, but we didn't hear any more about it after that," said Francisco Pineda.

In October 2009, Oscar Menjívar's mother, Esperanza Velasco, was also murdered. According to the online version of *El Diario de Hoy*, she was shot by "several men" early one morning while she was on her way to tend to her cows. The article goes on to say that "nobody saw anything, so the authorities don't even have suspects for that crime." [11]

We were unable to obtain details of this murder from the police, the mayor, the human rights ombudsman, or the community. Both Manuel Fuentes of FESPAD and Alirio Hernández of ASIC pointed out to us that the Roundtable against Metallic Mining has demanded clarification of the murders of Oscar's parents, among other reasons, so they are not used to weaken the other cases. None of the activists with whom I spoke seemed to believe that the murders of Oscar's parents are related to the mining issue.

On December 20, 2009, Ramiro Rivera was shot to death along with his neighbor Felícita Echeverría,

whom he was giving a ride, as they ascended the road to La Trinidad by car. The two bodyguards who were with them and had been assigned to protect Ramiro by the Program for the Protection of Victims and Witnesses were left unharmed. The chief of police of Cabañas, Domingo Bográn Acosta, told our delegation during our interview with him that this murder was executed in expert fashion. The snipers shot at their victims from the sides of the road, catching them by surprise. When we visited La Trinidad and passed the site of the crime, it was clear that our vehicle could only ascend this road at a reduced speed, less than 5 mph at the spot of the assassination.

As if this prelude to the Christmas season had not been tragic enough, another resident of La Trinidad, the wife of Santos Rodríguez, Dora Alicia Recinos Sorto, was murdered on December 26, 2009 while returning from washing her clothes in a nearby stream. Residents of La Trinidad told us that they found her dead body and could perceive the baby in her belly moving as they died. Her two-year-old son, whom she had been carrying upon being shot, was wounded in the foot but survived. Members of their community told us that the police, who by this time were permanently on guard, acted completely passively and came to the scene of the crime only upon instigation by Dora's terrified and grief-stricken neighbors. The Ombudsman for Cabañas, Carlos Enrique Rodríguez, pointed out to us that, by the time Dora Alicia was murdered, the police had hermetically sealed the area surrounding La Trinidad on a 24-hour basis. The perpetrator ought not to have been able to escape.

Impunity

Police and public prosecutors claim that investigations are ongoing, but have brought no information to light about the masterminds of the sustained wave of violence. However, it is hard to ignore the fact that it has arisen in the context of dueling campaigns to promote and thwart Pacific Rim's project in Cabañas. Otherwise, Cabañas has been the second safest department in the country, as the chief of police himself proudly pointed out to us.

Chief of Police Domingo Bográn Acosta explained to us that just after Marcelo's death the investigations were transferred to the Specialized Division against Organized Crime in San Salvador. The police chief commenced his tenure in August 2009, just after Ramiro was attacked for the first time. He therefore had very limited knowledge of the circumstances of the attempted murder of Ramiro Rivera or the disappearance and murder of Marcelo Rivera. When our conversation shifted to the murders of Ramiro Rivera and Dora Alicia Recinos, which had occurred in late December 2009 under his watch, he pointed out that from the outset those investigations had been handled by the national public prosecutor and the Organized Crime Division in San Salvador.

He did put forward a theory about a person coming to El Salvador from the United States and paying \$2,000 for the execution of Ramiro. The police chief further stated that this person soon left the country and eluded further identification. Héctor Berríos told me that it was on the insistence of community activists and the attorneys who supported them that Marcelo's case was transferred to the Organized Crime Division and the national public prosecutor, but there have been no further developments in the case.

Threats have reached beyond Cabañas to the head ombudsman, Oscar Luna of the Human Rights Ombudsperson's Office in San Salvador, evidently in part because of his stance on metallic mining. The office is a constitutionally mandated government agency that is designed and empowered to hold other governmental and non-governmental institutions accountable. When we visited the office, Assistant Human Rights Ombudsman Salvador Menéndez Leal affirmed that his organization opposes metallic mining in El Salvador, in particular because of the limited availability of water and the high population density.

He also said that the violence against environmental activists "reflects that in the department of Cabañas there are death squad structures in operation." A fellow member of our delegation, who is Salvadoran, pointed out to me that, when the death squads operated in the 1980s, they routinely rounded up 20 or more people a night to subsequently torture and kill them, which is completely out of proportion with the current situation.

However, Gustavo Pineda of FESPAD affirmed to us that the last Salvadoran government still operated with a “counterinsurgent mentality,” deploying an imposing military contingent during elections in San Isidro. Another community leader with whom we spoke, who did not wish to be identified for safety reasons, told us that “there is a mafia in Cabañas” that involves “mayors, members of congress, and rich people. They are involved in drug-trafficking and money laundering,” among other things, he said. Gustavo Pineda stated that “the links between institutions and organized crime need to be investigated” to halt the impunity in Cabañas. Ombudsman Menéndez Leal echoed the activists’ position that “no line of investigation should be excluded” into the series of murders, including any political motives and that “Salvadoran society’s chronic and structural problem continues to be impunity.”

In response to the petition lawyers from FESPAD submitted to the Inter-American Commission, the Program for the Protection of Victims and Witnesses has provided protection for several anti-mining activists, including Francisco Pineda and staff at Radio Victoria. But staff at Radio Victoria told us that they often feel that the guards assigned to them are investigating them more than protecting them. When they were able to review logs which the guards kept on them, they discovered that the reports scrutinized their behavior in alarming detail. According to local Ombudsman Carlos Enrique Rodríguez, the bodyguards would often not allow victims who were local sustenance farmers to harvest their own crops. As Yanira Cortez, the Ombudswoman for the Environment in San Salvador, told us, “The children [in the protected households] are afraid. They can’t grow up normally.”

Héctor Berríos gave up his protective accompaniment because the bodyguards had a “hostile attitude” and treated him and others “like criminals.” In some cases, the authorities would lift the protection without any apparent justification and without the requisite permission of the Inter-American Commission, which is responsible for overseeing the program. There is also reason to question the competence and professionalism of the security details. While the delegation was at the house of Ramiro Rivera’s widow in La Trinidad, for instance, one of the guards accidentally shot himself in the finger, causing great alarm, not least of all to our group of visitors.

On the Political Front

Activists Héctor Berríos and Alirio Hernández both told me that, in addition to overtly collaborating with Pacific Rim, San Isidro Mayor José Bautista carried out a vicious campaign to discredit Marcelo Rivera, who was a member of the Cabañas departmental board of the FMLN (the current president’s political party that was formerly the guerrilla movement in the civil war). Marcelo was also director of ASIC and founder and director of the San Isidro Cultural Center. According to Héctor and Alirio, Marcelo and other local activists were able to stop the 2009 elections because of major irregularities such as the participation of a large number of persons in the local elections who were not residents of the community, including many Hondurans.

According to Antonio Pacheco, the Anti-Mining Roundtable lobbied for a bill to outlaw metallic mining in El Salvador, which was submitted to the Salvadoran National Assembly in December 2007. The rationale was that the country has a population density of 350 persons per square kilometer and that the country’s water supply has already deteriorated from pollution. Mining companies would further contaminate El Salvador’s water reserves by releasing tons of cyanide and other poisons into the aquifer.

According to Pacheco, Pacific Rim authored its own bill in December of the next year via the law firm of Dr. Chávez Mena and lawmaker Orlando Arévalo of the rightwing PCN party. This statute would have put the awarding of mining permits into the hands of a professional association and made acquisition of an operations concession automatic after a prospecting permit has already been granted. The latter bill would also increase government duties on the respective company’s profits from 2 percent to 3 percent. Neither of the bills passed.

In a nod to anti-mining activists, Salvadoran President Mauricio Funes told a crowd in Cabañas this past January, “My government won’t authorize any mining extraction projects.” When asked by protestors for relevant anti-mining legislation, the President demanded that they “take him on his word.” According to Father Oscar Antonio Granados this is “childish policy.” “El Salvador isn’t a monarchy,” said Luis

Francisco López Guzmán, an attorney working with the Anti-Mining Roundtable. “What the president says doesn’t automatically become law.” The President further committed to a “full investigation of the murders of mining opponents,” but information from the public prosecutor is not yet forthcoming, according to Ombudswoman Yanira Cortez.

DR-CAFTA Arbitration

Right after FMLN candidate Mauricio Funes was elected El Salvador’s next President in March 2009, Pacific Rim evidently decided that its options had run out and brought an arbitration proceeding against the Salvadoran government, on April 30 of last year. Under Chapter 10 of DR-CAFTA (the Central America, Dominican Republic, and US Free Trade Agreement), corporations can seek compensation for direct and indirect expropriation by government regulation, which is a euphemism for the company’s actual lost investments and anticipated future lost profits. This is the most controversial provision under the NAFTA-style free trade agreements that the United States has negotiated with a number of countries in Latin America and the Caribbean.

What makes the lawsuit, filed before the International Centre for Settlement of Investment Disputes (ICSID) in Washington D.C., even more draconian is that it judges the case purely on financial grounds. FESPAD has filed an *amicus* brief as a third party to the suit. Although FESPAD’s filing addresses environmental and human rights concerns, it is unclear at this point to what extent the arbitration panel will take their arguments into consideration, according to Héctor Berríos, who is also involved in the *amicus* brief.

For its part, Pacific Rim is a Canadian corporation and could only benefit from the DR-CAFTA provisions through opening a branch in Nevada in December 2007, [12] Pacific Rim Cayman LLC, which it evidently did to become eligible for DR-CAFTA protection. Meanwhile, the corporation continues the battle for the hearts and minds of the public in El Salvador and abroad – as in this provocative statement:

El Salvador has mining laws, investment laws and environmental laws in place. PacRim has complied with if not exceeded all of the requirements of these laws. The actions and inactions of the GOES [Government of El Salvador] over the past years have severely eroded not only Pacific Rim’s market value, but also El Salvador’s reputation as a place for foreign investment. Before El Salvador can hope to attract the future foreign investment sorely needed in this time of economic crises, the country must demonstrate that it is willing to protect and enforce the rights of existing foreign investors. [13]

According to Francisco Pineda, Salvadoran President Francisco Flores granted Pacific Rim an exploration permit in 2002 that remained in effect until 2005. In the opinion of Jennifer Link, director of Democracy and Governance at USAID in El Salvador, the Salvadoran government waited too long to deny Pacific Rim’s operations permit and therefore broke its own rules. This interpretation would be the strongest argument the corporation has in the arbitration proceeding. But, said Francisco Pineda, Pacific Rim never provided the required documentation for the permit, including a proper environmental impact study. According to Dr. Robert Moran, an internationally recognized hydro-geologist from the U.S. hired by ADES to review the environmental impact study, the company’s EIS “would not be acceptable to regulatory agencies in most developed countries.” [14] Besides being scientifically defective, the EIS presented a number of issues only in English. [15]

According to attorney Yanira Cortez of the Ombudsperson’s office in San Salvador, if Pacific Rim wins the lawsuit against the Salvadoran government, which in the words of Pacific Rim’s CEO is a claim for “hundreds of millions of dollars,” [16] it could only be awarded the monetary amount. The arbitration judgment could not compel the Salvadoran government to grant the permit. But others we spoke with pointed out that the arbitration proceeding could serve as blackmail forcing the Salvadoran government to accept a settlement that approves the mine. Héctor Berríos calls it extortion: ““You either let me extract the resources or you pay me.””

A judgment of hundreds of millions of dollars, which would be a substantial portion of the Salvadoran

government's annual budget, would have a crippling effect on the state and use up funds that could otherwise be spent on much-needed social programs, domestic security, and infrastructure projects. But the implications of an outcome favorable to Pacific Rim are of even greater magnitude when considered as a precedent. As a case in point, the joint venture of U.S. companies Commerce Group Corp. has also filed DR-CAFTA arbitration proceedings against the Salvadoran government.

Fueling Old Conflicts

At his office in a poor sector of San Salvador, Father Oscar Antonio Granados brought an important detail about El Salvador to our attention. Creating the types of divisions that have occurred in Cabañas has completely different ramifications in El Salvador than in Costa Rica or Nicaragua, where he also witnessed mining activity. In contrast to Costa Rica, El Salvador recently experienced a bloody civil war. Even though Nicaragua had a civil war of its own not too long ago, the much greater population density of El Salvador could potentially fuel greater conflict than has occurred in Nicaragua. In contrast, no one was killed in Costa Rica when Placer Dome came onto the scene.

But people have already been killed in Cabañas, and the real prospect for further violence remains. As a community leader, who did not wish to be identified, told us, it looks unlikely the communities close to the explored mines will tolerate the projects at any cost. Meanwhile, the activist community and the Salvadoran government are still under tremendous pressure to concede to Pacific Rim's wishes. "Community members already removed Pacific Rim's equipment from the hilltop three times," the source said. "If the company tries to operate again, they might just burn it." Pacific Rim's project in Cabañas is a powder keg.

Leonard Morin, New York City, April 2010.

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Footnotes

[1] Pyes, Craig. "ARENA's Bid for Power," in *EL SALVADOR: Central America in the New Cold War*, ed. Marvin E. Gettleman, Patrick Lacefield, Louis Menashe, and David Mermelstein; New York: Grove Press, 1987. 167 and 172 (editor's Note 4).

[2] Voices on the Border is a Washington D.C.-based non-profit organization that promotes just and sustainable development in El Salvador.

[3] Salvadoran Catholic Bishops' Conference. "Cuidemos la casa de todos," May 3, 2007 [online declaration in Spanish] Accessed April 18, 2010. Available from <http://media.twango.com/m1/original/0057/3aa22cb1cacc458ea991def1642302d9.pdf>. This is a declaration by the Salvadoran Catholic Bishops' Conference in Spanish of opposition to gold and silver mining in El Salvador. The declaration resulted, at least in part, from the efforts of anti-mining organizations in the country to promote national action against the problem.

[4] Instituto Universitario de Opinión Pública, Universidad Centroamericana. *Encuesta sobre conocimientos y percepciones hacia la minería en zonas afectadas por la incursión minera en El Salvador*, October 2007. Page 24, ff. [online report in Spanish] Accessed April 18, 2010. Available from <http://www.uca.edu.sv/publica/iudop/Web/2008/finalmineria040208.pdf>.

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[6] Busch, Michael. "El Salvador's Gold Fight," ed. Emily Schwartz Greco, *Foreign Policy in Focus*, July 16, 2009 [online article] Accessed April 18, 2010. Available from http://www.fpif.org/articles/el_salvadors_gold_fight (This quote comes indirectly from the *Miami Herald*).

[7] *Ibid.*

[8] *Ibid.*

[9] Vidalina Morales and the Anti-Mining Roundtable were awarded the Institute for Policy Studies (IPS) 2009 Letelier-Moffitt Human Rights Award. Witte-Lebhar, Benjamin. "El Salvador: Foreign Mining Companies Still Trying to Pry Open Country's Gold Veins," *Latin American Data Base/Latin American Institute*, 2009 [online article] Accessed April 18, 2010. Available from <http://www.thefreelibrary.com/EL+SALVADOR:+FOREIGN+MINING+COMPANIES+STILL+TRYING+TO+PRY+OPEN...-a0213981657>.

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[11] *Ibid.*

[12] Nevada Secretary of State. "Pacific Rim Cayman LLC," file date December 13, 2007. [online business entity information] Accessed April 18, 2010. Available from <http://nvsos.gov/sosentitysearch/CorpDetails.aspx?lx8nvq=w6tC2v9USQe57l6%252bqrmKg%253d%253d&nt7=0>.

[13] Pacific Rim. "Pacific Rim Mining Provides Update on Exploration Focus and CAFTA Proceedings," March 4, 2010. [online press release] Accessed on April 18, 2010. Available from <http://www.pacrim-mining.com/s/News.asp?ReportID=388248>.

[14] Kestler-D'Amours, Jillian. "Canadian Company Seeking to Insure Exploitation in El Salvador," *The Narco News Bulletin*, March 4, 2010. [online article] Accessed April 18, 2010. Available from <http://www.narconews.com/Issue64/article4074.html>.

[15] Busch.

[16] Pacific Rim. "Pacific Rim Subsidiary Commences CAFTA Arbitration Proceedings Against the Government of El Salvador," April 30, 2009. [online press release] Accessed April 18, 2010. Available from <http://www.marketwire.com/press-release/Pacific-Rim-Subsidiary-Commences-CAFTA-Arbitration-Proceedings-Against-Government-El-TSX-PMU-982313.htm>.