

NORWEGIAN UNIVERSITY OF LIFE SCIENCES



**The political ecology of hydropower development in
Guatemala:
Actors, power and spaces**

60 credit MSc thesis in Development Studies
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Cecilie Hirsch, September 2010

Declaration

I, Cecilie Hirsch, declare that this thesis is a result of my research investigations and findings. Sources of information other than my own have been acknowledged and a reference list has been appended. This work has not been previously submitted to any other university for award of any type of academic degree.

Signature.....

Date.....

ABSTRACT

In this study I analyse the human and environmental interactions in the hydropower sector in Guatemala, with an emphasis on actors, spaces and power relations, using a political ecology framework. The local and civil society agency and participation in decision making about hydropower development has been explored through the various invited, claimed, and transformed spaces.

Guatemala is a relevant case because of its potential for hydropower development; it is also a country with a high percentage of indigenous groups living in rural areas, dependent on access to the natural resources of their areas. Information has been gathered from various areas in the country using qualitative methods.

Using narratives the arguments, interests, interplay and power relation of the multiple actors involved is explored. The narratives have been used to study conflicts about material resources and the ideas tied to these resources. I have presented various narratives about hydropower development; the dominant narrative presented by the companies and the state, the counter narrative presented by the communities, as well as an alternative narrative. The stories have involved conceptualization about development, the environment, and the role of the actors involved. The dominant narrative has proven to be an important justification for the current policies and practices in the sector and reflect the experiences and values of powerful groups in society' and by implication those that they exclude.

I link the more abstract discussion of power in political ecology with the actual practices of the actors in Guatemala. The study explores the negotiations and contestations between the various actors involved, and how these actors exercise power in different settings, the forms of power and how these again influences policy outcomes.

This study shows how the communities and civil society actors employ various strategies to voice their interests, and opportunities have been created to exercise their agency and participate in certain spaces. The communities are taking action and making demands, challenging powerful interests.

ACRONYMS and ABBREVIATIONS

Acronym	English	Spanish
AASSA	Agreement on Social and Economic Aspects and the Agrarian Situation	<i>Acuerdo sobre asuntos socioeconomicos y la situación agraria</i>
AGAI	Guatemalan Association of Indigenous Mayors and Authorities	<i>Asociación Guatemalteca de Alcaldes y Autoridades Indígenas</i>
AIRIP	Agreement on Identity and Rights of Indigenous Peoples	<i>Acuerdo sobre Identidad y Derecho de los Pueblos Indígenas</i>
AMM	The Wholesale Market Administrator	<i>Administrador del Mercado Mayorista</i>
ANAM	The National Association for Municipalities	<i>La Asociación Nacional de Municipalidades de la República de Guatemala</i>
CABEI	Central American Bank for Economic Integration	
CACIF	Coordinating Committee of Agricultural, Commercial, Industrial, and Financial Associations	<i>Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y Financieras</i>
CCAD	Central American Commission on Environment and Development	<i>Comisión Centroamericana de Ambiente y Desarrollo</i>
CNEE	National Commission for Electrical Energy	<i>Comisión Nacional de Energía Eléctrica</i>
COCAHICH	Coordinating Committee of Communities Affected by the Chixoy Dam	<i>Coordinadora de comunidades afectadas por la hidroeléctrica Chixoy</i>
CONAP	National Council of Protected Areas	<i>Consejo Nacional de Areas Protegidas</i>
DEOCSA		<i>Distribuidora de Electricidad de Occidente, Sociedad Anónima</i>
DEORSA		<i>Distribuidora de Electricidad de Oriente, Sociedad Anónima</i>
EDEE		<i>Empresa de Distribución de Energía Eléctrica</i>
EEGSA		<i>Empresa Eléctrica de Guatemala</i>
EGEE		<i>Empresa de Generación de Energía</i>
EIA	Environmental Impact Assessments	<i>la Empresa de Transporte y Control de Energía</i>
FIVAS	The Association for International Water Studies	<i>Asociación de Estudios Internacionales de Agua</i>
FLACSO	The Latin American Faculty of Social Sciences	<i>Facultad Latinoamericana de Ciencias Sociales</i>
IADB/BID	Inter-American Development Bank	<i>Banco Interamericano de Desarrollo</i>
ICERD	The International Convention on the Elimination of All Forms of	

	Racial Discrimination	
IMF	International Monetary Fund	
INDE	National Institute of Electrification	<i>Instituto Nacional de Electrificación</i>
IUCN	International Union for the Conservation of Nature	
LAG	The Norwegian Solidarity Committee for Latin America	<i>El Comité Noruego de Solidaridad con América Latina</i>
MAGA	Ministry of Agriculture, Cattle and Food	<i>Ministerio de Agricultura, Ganadería y Alimentación</i>
MARN	Ministry of Energy and Natural Resources	<i>Ministerio del Medioambiente y Recursos Naturales</i>
MEM	Ministry of Energy and Mining	<i>Ministerio de Energía y Minas</i>
MIGA	Multilateral Investment Guarantee Agency	
MINUGUA	United Nations Verification Mission in Guatemala	<i>Misión Verificadora de las Naciones Unidas para los Derechos Humanos en Guatemala</i>
NEM	New Economic Model	
OAS	Organization of American States	
PER	Rural electrification Plan	<i>Plan de Electrificación Rural</i>
SIEPAC	Central American power interconnection system	<i>Sistema de Interconexión Eléctrica para América Central</i>
UNCED	United Nations Conference on Environment and Development	
WCD	The World Commission on Dams	

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CHAPTER ONE: INTRODUCTION

1.1 Hydropower revitalized

The debate about hydropower has been revitalized the last decade in the context of climate change and the unmet energy needs of many developing countries. Hydropower is seen as an important “contributor to the future world energy mix” (Kaygusz 2009: 365), as a low-carbon means and as part of the sustainable development agenda. The debate involves different views and stories about development and the environment through which different actors are positioning themselves and their interests. The development processes involves social, environmental and political choices and practices.

Fostering development, producing clean energy and protecting the environment are central elements in the discussion. Hydropower projects can bring better access to electricity and potentially lower energy prices, contribute to integrated water management and income for the local, national or regional economies. On the other hand, hydropower development affects local communities in many ways – altering the flow of rivers, their access to and use of the rivers, bringing changes to the ecological systems and use of land. Who gets access to the electricity produced and the profits generated is determined by complex interplays and power relations among local, national and international actors. At issue are ongoing contestations of interests among actors such as state agencies, companies, consultant firms, banks and international finance institutions, non-governmental organisations, local authorities and not least the local communities affected by the projects.¹

Democratic processes and access to decision-making arenas are essential for local people to voice their interests and needs at local, national and international level. The involvement of the state can be essential to ensure true benefit-sharing and protect the citizens’ rights and livelihoods. However, major criticisms of the sector concern the lack of participation of local communities in the decision-making processes; further, that the social and environmental consequences are underestimated and inadequately compensated for, and that costs and benefits are unequally distributed (see e.g. *Silenced Rivers* by McCully 2001, *The Future of Large Dams* by Scudder 2006 and the World Commission on Dams Dams Report from 2000).

¹ Here, those affected by the dam are the people living above and below a dam, affected by land use and river alterations, as well as potential host populations if relocation is required (Scudder 2006).

Ten years have passed since the World Commission on Dams (WCD) published its report *Dams and Development: A New Framework for Decision Making* (2000). The report documents the many challenges in the hydropower sector, the benefits as well as the costs, and calls for a new framework for decision-making for project development in the water and energy sector.² The report advocates a rights-based approach, aimed at addressing the unequal power relations between companies and affected communities and avoiding a repetition of the mistakes of the past. With this report, the Commission has provided a new framework for decision-making on water and energy projects, recognizing the rights of all stakeholders, and assessing the risks (Imhof et al. 2002). The report calls for the participation of those affected in the planning and decision-making process and substantial benefit sharing. Among its recommendations, the report states that no dams should be built without the “demonstrable acceptance” of the affected people, and without the “free, prior and informed consent of the indigenous and tribal peoples” (World Commission on Dams 2000:xxxiv). According to the report, comprehensive and participatory assessments of people’s water and energy needs should be carried out, and various alternative options for meeting these needs should be developed *before* proceeding with any project.

The outcome of a hydropower project is largely determined during the preparatory phases and in the various spaces of decision-making. These include the processes of obtaining the authorization for the use of the rivers and the construction licence, access to the land needed for the project and surrounding infrastructure, how and by whom the Environmental Impact Assessments (EIAs) are carried out, and the relationships between the communities, municipality, the state, civil society organisations and the companies. The outcome of the hydropower sector seen as a whole depends on the degree of integrated planning of land and water use, environmental control and follow up, governance of the sector and assessments of accumulated effects. Governance of the sector is determined by the legal and institutional framework, and the spaces for participation for affected actors.

So called development initiatives in indigenous areas are contested. The issues concern competing visions of development, who participates in the decision-making arenas, who has access to and control over natural resources, the land tenure systems and land ownership, and

²The commission evaluated the impacts of large dams, but the recommendations regarding the framework for decision-making focusing on participation and the rights of vulnerable groups are relevant for any development process, regardless of the size of the hydropower project.

who is involved in environmental governance. Local communities and indigenous peoples are often highly dependent on the surrounding ecological system for their livelihoods, and potentially the most vulnerable for the effects of project development. The question of hydropower development centres on control of land and water resources, which in turn determines who benefits from and who has access to these resources.

In the absence of proper regard for indigenous people's rights and interests, the ILO Convention 169 on Indigenous and Tribal Peoples has served as an important tool for indigenous movements worldwide in their struggle to be heard in development processes. The ILO Convention deals with the topic of consultation and participation in decision-making processes (articles 6 and 7), protection and preservation of the environment, assessment studies in co-operation with the indigenous peoples, their right to participate in the use, management and conservation of natural resources and the right of indigenous people to determine their own priorities for the process of development as it affects them. Consultation involves a process undertaken between the government in question and the indigenous peoples within the country. The indigenous peoples are to be consulted about legislative or administrative measures that may affect them, and they are entitled to participate in the formulation, implementation and plans and programmes for national and regional development concerning them.

Free Prior Informed Consent involves not only consulting with, but gaining indigenous peoples consent and cooperation, and finally their approval or assent after thoughtful consideration. The principle promotes mutual understanding and consensus in decision-making, avoiding the imposition of decisions. *Free* refers to a process without external manipulation, interference, coercion and intimidation; *prior* refers to timely disclosure of information where indigenous peoples can make decisions in their own time; and *informed* means that information should be provided in their local languages and subject to local norms and customs. As the WCD report (2000) concluded: *respect for indigenous rights is a prerequisite for sustainable development. However*, the issue of consultation to gain consent (applies especially to relocation and where property rights are affected) is contested, where project developers argue that the indigenous should not be given "veto rights" over dam projects (see e.g. Development Today no.18 2009). On the other hand, professor and now the United Nations Special Rapporteur on the situation of human rights and fundamental

freedoms of indigenous people James Anaya (2005:17) has stated that if consent is not achieved, “there is a strong presumption that the project should not go forward”

Popular participation in development processes has been put on the international agenda. Environmental policies were implemented in many Latin American countries in the 1980s and 1990s, and EIAs were introduced as an important element. With the 1992 Rio de Janeiro Declaration, governments expressed their commitment to promote public participation. Principle 10 in the declaration establishes the right to information, access to justice and participation in decision-making. The governments of Central America further approved the “Agreement for the strengthening of Environmental Impact Assessment in Central America” in 2002, where public participation was included as an important element in the action plan (CCAD 2002). The first strategic priority of the World Commission on Dams – ‘gaining public acceptance’ – emphasizes three elements: stakeholder inclusion based on recognitions of rights and risk assessments; access to information, legal and other support to enable informed participation in decision-making processes especially for vulnerable groups; and, lastly, negotiated agreements in open and transparent processes in good faith and with informed participation of all stakeholders (World Commission on Dams 2000:215).

Hydropower is currently being promoted in Guatemala, which, with its more than 3,000 rivers, is believed to hold a sizeable hydropower-potential. It is argued that Guatemala could provide the whole of Central America with electricity, and boost local, national and regional development. In Guatemala, 16 per cent of the population lack access to electricity, mostly in rural areas, and the prices of electricity are among the highest in Central America (ECLAC 2008). However, hydropower development is being challenged and contested in many river basins across the country and several local communities are opposing the projects. Many of the areas where hydropower development is planned are home to poor peasants and indigenous peoples. Guatemala is a small country, with varied ecosystems and high biodiversity, and many local communities depend on continued access to natural resources for their livelihoods. Civil society organizations and community representatives claim that the state is doing little to protect the communities, and the hydropower companies are operating in a legal and institutional vacuum. Many local communities and environmental, indigenous, peasant and other social organizations are questioning the practices of the companies and the framework of the sector. They demand consultations, participation and deeper-reaching

benefits at the local level. This has also led to a stream of rejections of hydropower projects and contestations among different actors and interests involved.

1.2 Objectives and research questions

With this thesis I wish to show the importance of creating open, participative and democratic processes and spaces in hydropower development, respecting the rights and livelihoods of affected communities, with an emphasis on power relations. Guatemala is a relevant case because of its believed potential for hydropower development; it is also a country with a high percentage of indigenous groups living in rural areas, dependent on access to the natural resources of their areas. The thesis examines the debate around hydropower development in Guatemala – identifying multiple actors, interests and strategies and the power relations among them; and who will benefit and who will lose out in the decision-making processes. In focus are the concept of spaces, and the communities' struggle for participation in decision-making processes.

Firstly, I study the various interests and actors in the hydropower sector in Guatemala. I ask how the actors are presented in narratives about the sector, their strategies to promote their interests (practice) and how this affects (outcome) the various actors' access to, control over and benefits from the natural resources in question, as well as participation in arenas for decision making. I explore who promotes the dominant narrative in the sector, how power is employed and for what purposes.

Secondly, I study local and civil society responses to hydropower development. I ask the questions of how demands are made and contested to protect livelihoods and interests, and further if and how the locals and civil society can influence the decision-making arenas. I explore the counter narratives in the sector, spaces claimed or created for participation and popular agency.

At centre of the study is a concern for marginalized groups and social justice in policy formulation, practices and implementation, and I will also provide a set of recommendations based on my findings which can be found in the conclusions. The development of the hydropower sector in Guatemala is still at an early stage, and social and environmental

impacts are yet to come. This study will explore the narratives, planning processes, policies and practices in the hydropower sector, as well as the possible outcomes.

The methodological approach is qualitative. Data have been collected mainly through multiple interviews with relevant actors, triangulated with information from other sources such as documents and reports, and observation of events and participation in seminars. My data come from various parts of the country, as well as from the many different actors involved in the sector. Information has been collected in the counties of San Marcos, Quiche, Alta Verapaz, Guatemala and Zacapa.

1.3 Rationale

To answer my research questions I employ a political ecology framework. This is suitable for analysing hydropower development processes in Guatemala, for several reasons:

1) it recognizes power relations as essential in contestations over, access to and use of natural resources; 2) it focuses on narratives and knowledge-claims about the environment and development; 3) it suggests an interlinking of political action with power relations, institutions, environmental regulation and ecological outcomes; 4) it explores the spaces that are developed by civil society actors, how claims are made, articulated, negotiated and contested, and their forms of resistance. 5) it can have a normative focus, setting out recommendations with concern for social justice, and linking research to action.

Narratives about development and the environment can be powerful, with implications for policies, practice and environmental and social outcome. In this thesis I explore the dominant narrative about hydropower development in Guatemala, and the implications for policies and practice. Furthermore, I present a counter narrative challenging the dominant narrative, and lastly construct an alternative narrative and policy recommendations following from this can be found in the appendix.

I further focus on how political spaces are formed, created, claimed or used, the contestations between the actors, the power relations and the possibilities for participation. In this, I draw on the work of John Gaventa (1980, 2004, 2005) and Steven Lukes (1974, 2005). Gaventa provides an analytical model – ‘the power-cube’ – which enables me to examine the multiple dimensions of power simultaneously. By this way I have linked the more abstract discussions

of power and space in political ecology with the actual practices of the actors involved. With participation I link popular agency to the relevant decision-making arenas in environmental governance in Guatemala.

As part of my engagement as a researcher I have, in collaboration with a Norwegian organization and a fellow colleague, used the material from this thesis to write a more accessible report (in Spanish and forthcoming in English). In June 2010 I also went back to Guatemala to present and discuss policy implications and recommendations based on the findings. I hope this has contributed to the communities' and organization's work for promoting the rights and interests of the communities, although at the same time I realize the limits of this due to exclusionary processes and weak democratization in Guatemala.

1.4 Structure of the thesis

The next chapter (chapter two) serves as a backdrop for the analysis, presenting the environmental and ecological context of Guatemala, population characteristics and social aspects, the institutional and legal framework of the hydropower sector, and the political context and the role of civil society in decision-making spaces.

The third chapter describes the analytical framework used in the thesis, involving political ecology and related concepts important for my analysis, such as narratives, space and power, agency and participation. The fourth chapter presents the methodology.

The fifth chapter forms the first part of the actual analysis. There I present the dominant narrative, the multiple actors and the interests, the strategies of the companies and the political economy of hydropower development.

The sixth chapter presents local and civil society response, their counter narratives and the strategies of local communities to protect their livelihoods and promote their interests. In the seventh chapter, I analyse the various spaces of decision-making and power relations. Finally, I construct a narrative as an alternative explanation of access to and control over natural resources, processes, players and power relations in the hydropower sector in Guatemala.

In the final chapter (Chapter 8) I present the conclusions.

CHAPTER TWO: BACKGROUND

2.1 Setting the stage

In this chapter I will set the stage for the topic and case, and present the information that was necessary for me to undertake the analysis of my findings. In order to analyse the current development of hydropower in Guatemala and the actors involved the following factors are important: the environmental and ecological context, population and other social aspects, the institutional and legal framework of the hydropower sector, the political context, human rights and democratization, and the role of civil society in decision-making processes.

2.2 The environmental context

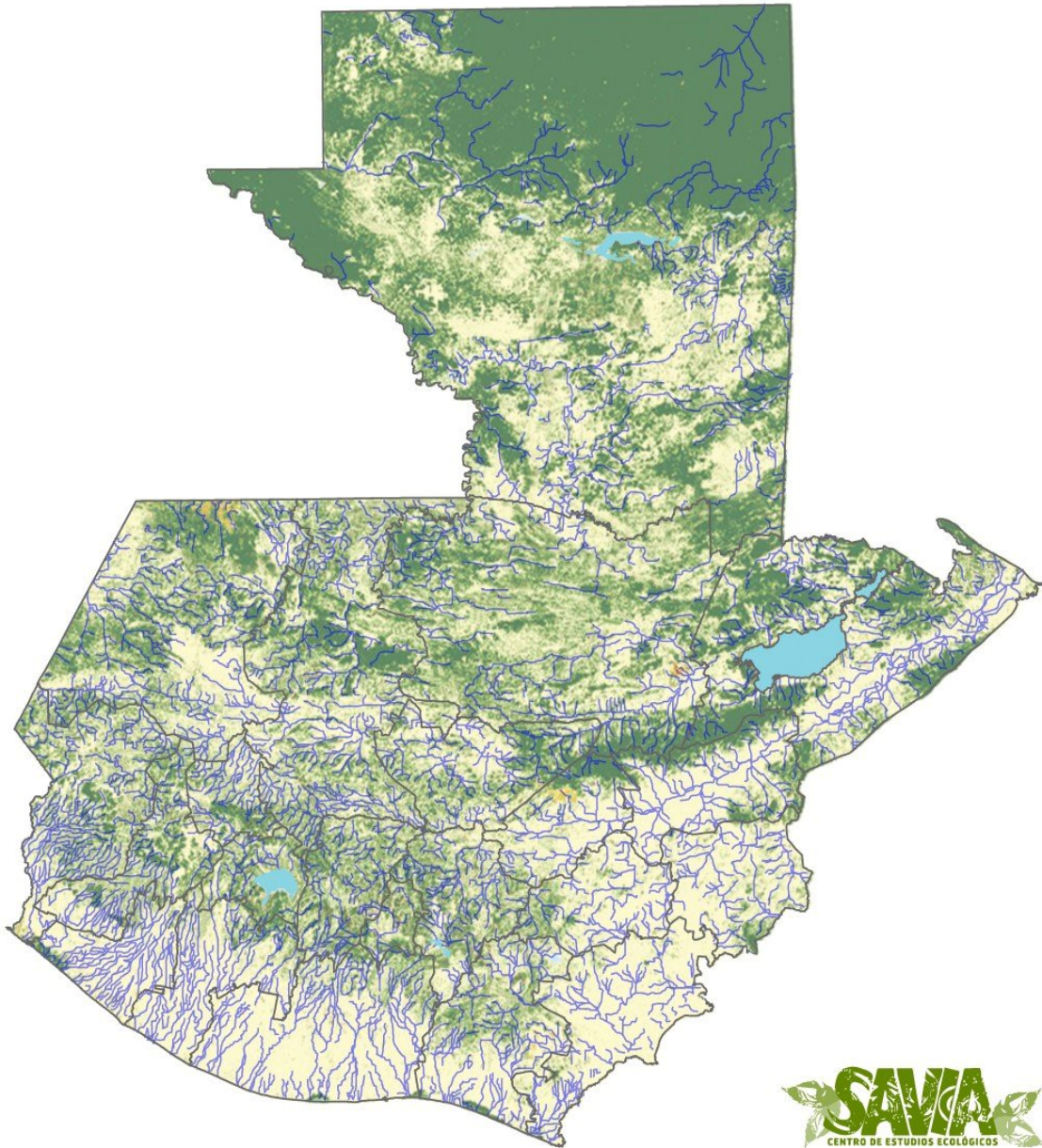
Guatemala is a country rich in natural resources and endowed with biological diversity. This is due to its geographical location on the land bridge between North and South America, with the Atlantic and Pacific Oceans on each side, and differences in altitude ranging from 0 to over 4,000 meters above sea level. This diversity is reflected in the vast number of ecosystems and species across the country. Mesoamerica, which includes Guatemala, is considered the fifth biodiversity hotspot in the world.³ Guatemala covers an area of 108,889 square kilometers that borders Belize, El Salvador, Honduras and Mexico.

Guatemala's water resources include 38 watersheds with over 3,000 rivers flowing into the Pacific Ocean, the Atlantic Ocean, and the Gulf of Mexico (see Appendix 4 for list of rivers). The rivers flowing to the Pacific stretch a short distance and originate in the mountains 3,000 meters above sea level. The rivers flowing to the Atlantic cover more distance, including Motagua (486,55 km), the longest river of Guatemala (Aguilar Rojas and Iza 2009). Other long rivers flowing to the Atlantic are Mopan, Izabal, Hondo, and Polochic. These rivers have a relatively weak water flow and many pass through gorges and canyons in the mountains. The rivers flowing to the Gulf of Mexico such as the Usumacinta, Chixoy, and Pasión, are also long, but with a stronger water flow. According to the national statistics for wetlands (*Inventario Nacional de Humedales*) 460 square kilometers of Guatemala is covered by bodies of water (Aguilar Rojas and Iza 2009). This includes 252 square kilometers of lakes, lagoons, and rivers. The climate varies across the country, with the driest areas in the

³ The Mesoamerica Hotspot encompasses all subtropical and tropical ecosystems from central Mexico to the Panama Canal. <http://www.biodiversityhotspots.org/xp/hotspots/mesoamerica/Pages/default.aspx>

Midwest. Guatemala has three climate zones: the tropical climate zone (under 1,000 metres above sea level); the temperate zone (1,000-2,000 metres above sea level) and the cool zone (over 2,000 metres above sea level). Guatemala's climate is characterized by two seasons – the wet season that lasts from May to November and the dry season which prevails between November and April.

Figure 2.2.1 *Map of the rivers in Guatemala*



Source: Savia (2009) Realidad Ecológica de Guatemala. With permission to reprint.

2.3 Population characteristics and social aspects

Guatemala is a culturally and ethnically diverse country. The population can be roughly classified as indigenous (descending from the Maya and Xinka peoples), non-indigenous or ladino⁴ and Afrocaribbean (Garifuna). The percentage for the composition of the population differs between sources, and estimations for the indigenous peoples range between 40 and 65 per cent of the total population⁵. In addition to Spanish there are 23 officially recognized Amerindian languages, including Quiche, Cakchiquel, Kekchi, Mam, Garifuna, and Xinca.

Guatemala is one of the countries with the greatest inequality in income distribution in Latin America, with a GINI index of 55, 1 according to the World Bank (2007). Guatemala ranks as number 122 on the United Nations Development Programme (UNDP) Human Development Index (2008) and more than half the population (56 per cent) lives below the national poverty line (UNDP 2009). Poverty is especially widespread in rural areas, and among the indigenous peoples (INE 2006, UNDP 2009)⁶.

51 per cent of the population lives in rural areas, and over 70 per cent of the people living in rural areas are poor (UNDP 2007). Quiche and Alta Verapaz are the poorest counties of the country, both homes to a majority of indigenous peoples. Lack of education and access to health care services are severe problems in many of the rural communities. In 2007, 27 per cent of the adult population was illiterate and life expectancy was 70 years (UNDP 2007). Access to electricity on a national level is 83,5 per cent, whereas access to potable water is insecure for many (Aguiler Rojas and Iza 2009). Land distribution is highly unequal and Guatemala has the most unequal distribution in Latin America. According to the Ministry of Agriculture, Cattle and Food (Byron and Gauster 2005), 96 per cent of producers cultivate 20

⁴ *Ladinos* are popularly assumed to be descendants of Spanish and Indian liaisons (*mestizos*), but are mostly people with Mayan biological heritage who have assimilated the national language and culture (Smith 1990).

⁵ The last census from 2001 showed a percentage of 40 percent, but the figures are disputed due to the method used in the census with self-identification as non-indigenous or indigenous, in addition to 27 options for mother tongue. Many are believed to have chosen the category “non-indigenous” due to racism and discrimination that still persists in Guatemala. Those who marked “indigenous” but without a defined mother tongue were excluded. The numbers are therefore expected to be higher. The term indigenous peoples will be used throughout this thesis, as this is the term the indigenous movement has fought for and defended. Using the term indigenous peoples implies that they have collective rights under the ILO Convention 169 on Indigenous and Tribal Peoples

⁶ Numbers from 2006 show that among the indigenous population 74.8 percent is poor, and 27.2 percent live in extreme poverty (INE 2006).

per cent of the landmass in 1998. At the same time 0.2 per cent of producers possess 70 per cent of the land, with large areas of land used for production of agricultural exports.

2.4 Historic legacies

To understand how the hydropower sector is being governed in present day Guatemala we should take a glimpse back in time at what has formed the institutional and legal framework of the sector, along with the influence of international actors and trends. Many of the laws and institutions that govern the sector as well as determine the state's role were elaborated and implemented in the 1990s.

Three parallel and interconnected processes took place in the end of the 1980s and the beginning of the 1990s in many Latin American countries. First, was the restructuration of the economy by neoliberal policies following the Washington Consensus⁷. Changes in the economic model in the region during the 1990s modified the role of the state and its relationship to the private sector as well as the power relations among the elites and the different power groups (Segovia 2004). Second, was the democratization process establishing democratic elections, decentralization, and the emergence of claims for human rights and civil participation (Segovia 2004, Sieder 2007). The bases were laid for different decision making arenas, and defined the participation of various civil society actors. Third, was the focus on the environment, especially before and after the United Nations Conference on Environment and Development held in Rio in 1992. In Guatemala, these processes manifested themselves in the macroeconomic changes embracing the liberalization of the economy, in the negotiations and finally the signing of the Peace Accords which included indigenous rights and development initiatives, as well as the implementation of new environmental laws and regulations.

Guatemala has been deeply scarred by years of authoritarian and military governments with a violent conflict which lasted from 1960 to 1996. According to Rostica (2003) the land conflict in Guatemala was one of the main reasons for the armed conflict starting in the 1960s. An

⁷ "Washington" was both the political Washington of Congress and senior members of the administration, and the technocratic Washington of the international financial institutions, the economic agencies of the U.S. government, the Federal Reserve Board, and the think tanks (Williamson 2004).

agrarian reform was implemented in 1952 under president Arbenz⁸, which led to a coup two years later. The authoritarian government that was installed operated largely in the interests of the agro elite. Guatemala went through considerable transformation and modernization, but remained fundamentally agro exporting. The asymmetrical relation between the two sectors of export agriculture and subsistence agriculture was further deepened in this time period, and the dominant groups, including the military allied with the agro export elite, did not permit changes in the structure of land ownership. The result was that the land was largely concentrated in the hands of a few (Segovia 2004). The first phase of the armed conflict (1963-1979) corresponds to an intense process of modernization of the agricultural export sector and integration into a common regional market, where the elite accumulated a lot of capital (Segovia 2004). The state played a fundamental role emitting laws and using repressive methods to secure an obeying workforce and protect the interests of the agro export sector and the dominant economic groups. Instead of an agrarian reform, state land was distributed, which was often poor land in remote areas with little surrounding infrastructure (Rostica 2003). As it was impossible to carry out tax reforms due to the elite's resistance, external finance became a substitute for national savings. Until the end of the 1970s Guatemala maintained the fundamental characteristics of an agro export economy.

In the 1980s a number of factors led the country into financial difficulties. One important factor was the reliance on the export of primary commodities, particularly coffee and bananas, which led to great instability due to global commodity prices (Segovia 2004). This impacted the country's ability to gather foreign exchange revenues. In the 1980s the price of oil also soared and the economy started to contract sharply. The government financed domestic needs by extending their external loans, but political instability and overvalued exchange rates caused most of it to be lost in capital flight (Saborio 1990). Guatemala hit its tipping point in 1985. Due to the extent of the country's debt, the country could no longer take out international loans.

2.4.1 The Chixoy Dam

Before moving on to the macroeconomic changes in the 1990s, I will present the Chixoy Dam case briefly. The Chixoy dam stands strong in the memory of the people of Guatemala, and is

⁸ The agrarian reform confiscated land owned by the US company United Fruit Company and distributed it to 100,000 poor families. 95 percent of the land was returned to the company after the Coup (Segovia 2004).

part of the legacies from the armed conflict and authoritarian rule. The largest dam (300 MW) ever built in Guatemala was the Chixoy dam which started operations in 1982. According to Johnston (2005) the construction of the Chixoy dam project represented a complete disregard of the local people and their rights to land, culture, livelihood, and even life itself. The state company National Institute of Electrification (INDE) built the dam with financing from the Inter-American Development Bank (IADB). In 1975 INDE began construction without notifying the local population, without legal acquisition of the land, and without having previously conducted impact studies. There were no plans to address compensation and alternative livelihoods for the almost 3,500 displaced Mayans and 6,000 affected people in the surrounding communities. Furthermore, the resettlement plan proved to be inadequate. In spite of this, The IADB Bank and the World Bank granted further loans. The failure to implement adequate programs for the local residents contributed to create conflict in the area. Dam affected residents refused to move and resettlement negotiations were organized with the presence of the military. This made the situation escalate, and the army declared resistant communities subversive. The army forcibly evicted residents, and in at least two documented instances they massacred residents. In Rio Negro, 444 of the 791 villagers were killed (Johnston 2005). The dam affected communities have continued to suffer losses from lands, livelihoods, and life years after the initiation of the construction of the dam.

2.5 Macroeconomic changes in the 1990s

The structural transformation of the economy in the end of the 1970s was accelerated by a political and economic reform based on the Washington Consensus in the 1990s⁹. These policies defined how developing economies should adapt to and promote growth, along with how to better integrate into an international economic environment, especially for the Latin American countries (Williamson 2004). According to Williamson (2004) the ten policies of the Washington consensus were: fiscal discipline, reordering public expenditure priorities, tax reform, liberalizing interest rates, a competitive exchange rate, trade liberalization, liberalization of foreign direct investment, privatization, deregulation, and lastly securing private property rights. Much has been discussed regarding this so called “consensus”, especially the extent to which policy changes were forced on heavily indebted countries by grants and loans that came with strings attached. Guatemala was no exception.

⁹ The “Washington Consensus” is a term used to describe a set of policies that unified actors such as the World Bank, the International Monetary Fund (IMF), and the United States government in the late 1970s.

According to Segovia (2004), the profound structural changes of the economy in the 1980s and 1990s led to the collapse of the agro export model and the further to the emergence of the New Economic Model (NEM) with three basic pillars. The first pillar (international intervention) was based on a new relationship with the United States through trade, migration, and the export of the textile (*maquila*) industry. This reinforced the base of consumption among the middle class in the country, led to financial savings, and the general growth of the financial sector in Guatemala. The second pillar was to stabilize the exchange rate, increase intraregional trade and national and foreign investment in the Common Central American Market. The third pillar was the regional market, and the new alliances between the national economic groups and transnational companies, relating to the banks and commerce in a context of free trade.

Liberalization measures were introduced in Guatemala from 1989 into the 1990s. These included incentives for export, import tariff reforms, the elimination of import quotas on agricultural imports, the liberalization of interest rates, open market operations, free trade zone legislation and the privatization of state owned companies (Buttari 1990). New sources of currency and income emerged, such as from the textile industry, remittances from migrants in the United States and tourism. Subsidies to the agricultural sector were cut. New credit opportunities emerged and foreign investments increased. The surge of the NEM model modified the power balance within the business sector favouring the expansion of the finance sector, new industries and services, and exports crops. Urbanization increased, people migrated from rural to urban areas as well as to other countries, at the same time as poverty prevailed in the countryside, creating a rural-urban divide. The agrarian question has continued to be important in Guatemala after the 1990s, but plays a different role as the traditional agro export elite are not the only ones exploiting the land and with considerable power. Poverty and social exclusion prevails in the countryside

The NEM model emphasized import and export, and the role of the private sector was promoted, especially large companies related to communication and electricity, the financial sector, the maquila industry, and non-traditional agricultural export. The role of the state in the economy decreased to guarantee the basic conditions for a market economy to be led by the international and national business sector. This included the privatization of public utilities and concession agreements. The International Finance Institutions and the United States played a significant role in these processes, especially through the Structural Adjustment

Programs (SAP) implemented by the International Monetary Fund and the World Bank from 1985 onwards. According to Segovia (2007), the collapse of the agro export model and the emergence of the New Economic Model modified the power relations in the region. At the same time the state was pulled back, favoring the business sector, with close ties to the financial sector, the service sector and trade. A slim minority, composed of mainly Ladinos, represents the economic and political elite in the country today. Powerful groups in the country now include the military, the agribusiness sector such as the Agrarian Owners Group (UNAGRO), the Coordinating Committee of Agricultural, Commercial, Industrial, and Financial Associations (CACIF), and the financial sector. New economic groups have emerged in the finance sector and the service sector, in addition to those in non-traditional export agriculture. A small elite holds important positions in the legislative, judicial, and executive branches (Segovia 2007).

2.5.1 Privatization and the electricity sector

Neoliberal policies affected many sectors of the Guatemalan society and introduced changes in the legal framework with the liberalization of the economy and the privatization of public services and companies. Important laws were passed in the 1990s, such as the Mining Law (1997), the new Law of Forestry (1996), the Hydrocarbon law (1991) and the General Law of Electricity (1996). The electricity sector was privatized and liberalized in 1996 through the General Law of Electricity. Privatization was driven forward by the Alvaro Arzu government (1996-2000), and supported by the Multilateral Investment Guarantee Agency (MIGA) of the World Bank Group. The Arzu period was the most aggressive in Guatemala in terms of privatization and structural adjustment (Ferrigno 2009). The drastic reform of the electricity sector included a division of the different functions in the sector; production, transmission, distribution, and electricity trading (commercialization). Two important institutions were created; The National Commission for Electric Energy (CNEE), as the regulatory agency, and the Wholesale market administrator (AMM) of the sector. The plan to expand the hydropower sector was later presented by Oscar Berger and the Gran Alianza Nacional (GANAN) government (2004-2008), and later the present Colóm government has carried the plans forward (Solano 2008).

Prior to the reform electricity was provided by two state owned companies; EEGSA (metropolitan region) and INDE, which controlled remaining generation, transmission and

distribution assets over the whole country. The Electricity Law of 1996 sought to increase private investments in the sector and improve efficiency by introducing competition in generation, and privatizing the distribution network (CNEE 2008). In 1998, 80 per cent of the stakes in EEGSA were sold to the Spanish company Iberdrola. The distribution assets of INDE were broken down into two regional distribution companies, DEORSA (serving the east of the country) and DEOCSA (serving the west) and auctioned as 50-year concessions. The Spanish company Unión Fenosa Internacional S.A. won the bid for both companies in 1998. The public company INDE has since the privatization been dramatically reduced in scale and was left to control only generation plants (mainly hydroelectric) and continued to own and operate the national transmission grid. The revenue (US 110 million) from the privatization of the distribution companies was placed in a trust fund to finance a rural electrification program (PER) initiated in 1998 (Foster and Arujo 2004). The two distribution companies DEORSA and DEOCSA were made for executing the program.

Plans for the energy and electricity sector are part of a larger regional policy, mainly represented by the Plan Mesoamericana (former Plan Puebla Panamá). The plan is a large infrastructure project reaching from Puebla, Mexico to Panama, including roads, airports, ports, hydropower, and a common electrification grid. The plan was initiated in 2001 and promotes regional integration and development in the region. It is intended to stimulate trade by building or improving large infrastructure projects such as highways, air and sea ports, and common electric and telecommunications grids. A decade ago, the governments in the region agreed to develop a system for Electric interconnection in the region (SIEPAC). SIEPAC consists of the construction of at least 230 kV from Panama to Guatemala, 1800 Km, that permits the joint operation and development of the regional electric market.

With the privatization process INDE asserted in 1998 that they were no longer to be held responsible for the affected communities by the Chixoy dam mentioned earlier, and The World Bank announced that their obligations had been met. Representatives of the dam-affected communities have in many instances testified to the lack of documents for resettlement and compensations and the lack of assistance for the affected people (Johnston 2005). The Johnston Study recommended the creation and implementation of a negotiating process that should result in a legally binding reparation agreement. Johnston (2005:8) argues that:

“The overarching goal of this reparation plan is (...) to ensure that project affected peoples are provided with legal means and the right protective space to participate as free and informed actors in development, that their participation is supported fully by the agencies and institutions involved in the project, and should they agree to large scale development proposals, they actually enjoy the social and material benefits of development”.

A process of negotiations was initiated in 2005 between the Guatemalan government and the organization for the affected communities (COCAHICH), with the Organization of American States (OAS) facilitating the negotiations. The negotiations are to be finalized in 2010.

2.6 Democratization, decentralization, and indigenous rights

The macroeconomic changes in the 1980's were paralleled with a process of democratization leading to a more open and participatory political system after a considerable international pressure for a liberal democracy (Torres-Rivas 2006). Political participation was legitimized through elections and decentralizations processes went underway. According to Segovia (2007), the implementation of a civil regime in the 1980s fractured the symbioses of the state and the military. Still, the election for the constituent assembly in 1985 was influenced by the military, as well as the presidential elections in 1986 (Torres Rivas 2006). During the coming years, the country was in a stage of what Torres-Rivas (2006) calls a pro-democratic regime of electoral origin, where the military was an independent power within the state, not under civilian control, producing a regime that was neither legitimate nor legal. The constitution of 1986 (changed in 1994) established Guatemala as a democratic republic with a president and a unicameral Congress. The turn to electoral democracy was greatly due to external pressure, and the business sector's support of the peace process (Torres-Rivas 2006). The business sector's interest was largely to attract foreign investments and secure trade. The peace negotiations started in 1986 and were finalized with the signing of the Peace Agreement between the Unidad Revolucionaria Nacional Guatemalteca (URNG)¹⁰ and the Guatemalan authorities in 1996 after over 30 years of conflict.

¹⁰ La Unidad Revolucionaria Nacional Guatemalteca (UNRG) was founded in 1982 as a result of the coordination between the four most important guerilla groups in Guatemala Ejército Guerillero de los Pobres (EGP), la Organización del Pueblo en Armas (ORPA), las Fuerzas Armadas Rebeldes (FAR), and el Partido Guatemalteco del Trabajo (PGT).

The armed conflict had a severe impact on the country; mostly between 1978 and 1985 (CEH 1999, Sieder 2007) an estimated 240,000 to one million people were displaced by the violence and over 200,000 were assassinated or disappeared. The Peace Accords constituted a framework to solve the enduring conflicts in the Guatemalan society, promoting the implementation of a series of constitutional reforms (Sieder 2007). The peace accords were largely a political agenda for modernization and institutional reform, and consisted of seven main agreements. The Agreement on Identity and Rights of Indigenous Peoples (AIRIP) from 1995 mandated a constitutional amendment redefining Guatemala as a multiethnic, multicultural, and multilingual nation. The AIRIP proposed reforms including institutional models for participation by indigenous people in decision-making, the establishment of mandatory consultation mechanisms, and the formation of institutions representing indigenous peoples. The AIRIP indicated the need for change in the municipal laws concerning indigenous communities and their authorities, to assure respect of common law, distribution of public expenditure, and the ratification of the ILO Convention 169 on Indigenous and Tribal Peoples Rights.

In the peace process economic and political rights were separated and dealt with by different UN organisms (Rostica 2003). International financial institutions (IFIs), such as the World Bank, the IMF, and the (IDB), were in charge of the part of the accord concerning socioeconomic issues and the agrarian situation from 1996, whereas the AIRIP was to be followed up by the United Nations Mission for the Verification of Human Rights (MINUGUA). According to Rostica (2003), AASSA had an integral neoliberal agenda based on privatizations, macroeconomic stability, and administrative efficiency. Rostica (2003) argues that this resulted in the fragmentation of rights where AIDPI responded to a collective subject; the indigenous peoples, whereas the ASSA responded to the individual subject; protecting and promoting private property. The greatest criticism of ASSA is its failure to include an agrarian reform that would transform the unequal land distribution in the country. Rather the agreements set the ground for a market based distribution of the land, in which the state was going to buy land from large land owners to sell it further to landless peasants. One fundamental problem was that the state never had the funds to buy the lands, and many poor peasants and indigenous people never gained ownership of land they were entitled to and in great need of (Rostica 2003). According to Susanne Jones (in Rostica 2003) the peace process could not have taken place without international actors such as the UN, the IFIs, and donors. As part of the modernization project, the Peace Accords acknowledged the historic neglect of

the infrastructure needs of rural and other disadvantaged communities and the importance of modern utility services such as electricity and water. A commitment was made by the state to expand electricity coverage to disadvantaged groups.

Nevertheless, when MINUGUA pulled out of the country in 2004, it concluded that there was a lack of political will to implement the Peace Accords. According to Torres-Rivas (2006) there are various reasons that have led to the failure to implement the accords: the accords were too complicated to actually be implemented, there was a lack of political will from the parties involved, the accords lacked public support, the political parties in the country did not integrate the accords in their political programs and powerful actors have put up strong obstacles to impede its implementation. The elite in Guatemala was in favor of peace, but in general opposed to the negotiations. Opposing right wing actors held important positions in political parties, the media, civil society organizations, in businesses, churches, and universities. Torres-Rivas (2006) concludes that there were no real political or social forces to implement the Peace Accords.

However, some of the laws and the reforms approved in Guatemala in recent years are directly related to the commitments from the Peace Accords. This includes The Law of Urban and Rural Development Councils (1987) and The Municipal Code (1988). Both are intended to increase the participation of indigenous peoples and the recognition of their political institutions. A decentralization policy went underway as a follow up to the peace negotiations and the constitution of 1985. Local mayors were to be elected by the people and a part of the national budget was to be transferred to the country's 331 municipalities. The Urban and Rural Development Councils Law included the establishment of development councils at local, municipal, and regional levels to strengthen local (administrative) power, participation, and decentralization. The Municipal Code is meant to reflect local traditions and strengthen local democracy where popular referendums (*consultas vecinales*) are included as an important democratic mechanism. By means of these referendums the local communities can give their opinion on development projects that affect all the citizens of the municipality. The referendums can be carried out either by 1) paper ballots designed especially for the case in question or 2) by applying criteria from the proper community customary system.

Following the signing of the peace agreements in December 1996, was the development of a draft on a constitutional reform. The reform of the constitution entailed the acknowledgement

of a pluriethnic Guatemalan nation and indigenous rights, redefinition of the role of the military and internal order, and the reforms of the Legislative and Judicial power. Following a long process of negotiations, a reform was approved by Congress in 1998, and later presented for electoral approval. However, after a campaign led by the private sector against the reform, the constitutional reform was rejected (Sieder 2007). The referendum was held in May 1999 and was rejected by 55 percent, with the lowest participation ever: only 18.5 percent of the electorate population participated. According to Torres-Rivas (2006) the ruling party PAN ignored the process, the evangelist church caused confusions, numerous Mayan organizations also campaigned against it, and a racist rumor claimed that the reform would leave everything in the hands of the indigenous people. In March 1995 Guatemala ratified the ILO convention 169 on the Indigenous and Tribal peoples. The convention came into effect in June 1997. Nevertheless, the convention has never been fully implemented in the legal framework of the country, and the indigenous identity is still not recognized by many parts of the Guatemalan society (INE 2009). As a result Sieder (2007) assert that the jurisdiction of indigenous rights is very weak in Guatemala.

On the one hand the signing of the peace accords represented a new phase in Guatemala with the development of democratic institutions, the acknowledgement of the identity and rights of the indigenous peoples, and the return of many of the refugees. On the other hand the agreements were largely deficient, and the implementation was limited. Due to the lack of popular participation in the peace negotiations the accords were strongly lacking in legitimacy and people also had little knowledge about its content (Torres Rivas 2006). Since the signing of the accords, human rights and indigenous organizations have made many attempts to set important issues on the national agenda, such as multiethnicity, allowance and resettling of the war victims, national identity, demilitarization, legal protection, human rights, impunity, and social justice.

In the next section I will take a closer look at the emergence of environmental policies in the 1980s and 1990s.

2.7 Environmental policies

Environmental policies were implemented in many Latin American countries in the 1980s and 1990s. Several important documents were elaborated at the Rio summit in 1992¹¹, which were all to set the basis for the international environmental agenda. The issues addressed in the Rio Conference included toxic waste in production, alternative sources of energy to replace the use of fossil fuels, and water issues. Important achievements were the Climate Change Convention, the focus on indigenous peoples, and the signing of the convention on Biological Diversity. Following the Rio Declaration governments expressed their commitment to promote public participation in development processes. Principle 10 in the declaration establishes the right to information, access to justice, and participation in decision-making. Central American governments have further approved the “Agreement for the strengthening of the EIA (Environmental Impact Assessment) in Central America” in 2002 where public participation was included as an important element in the action plan (IUCN 2004). The Central American Commission on the Environment and Development (CCAD) was established in 1989 and is made up of the Environmental ministries of Central America and the Dominican Republic¹². It plays an important role regarding environmental procedures in the countries, and works to strengthen technical competence regarding regulations and procedures relating to Environmental Impact Assessments.

During the 1980s and 1990s the environmental legal and institutional framework of Guatemala was elaborated. Prior to the mid 1980s, administration of natural resources was handled by a variety of underfinanced government agencies with ill-defined and overlapping jurisdictions. According to Berger (1997) the regional democratization processes and international economic globalization shaped environmentalism in Guatemala. From 1955 to 1986 the military had dominated politics focusing on the exploitation of natural resources for export based on authoritarian rule with centralized and technocratic policies. The expansion of agricultural export, cattle industry, mining, and oil drilling sectors with the ensuing environmental degradation and socioeconomic inequality caused popular discontent. The environmentalist movement in Guatemala emerged as an anti-authoritarian and anti-technocratic movement in the 1970s and early 1980s.

¹¹ Such as the Rio Declaration on Environment and Development, the Agenda 21, the Convention on Biological Diversity, Forest Principles and the Framework Convention on Climate Change (UNFCCC).

¹² From 1989 integrated by the ministries of Costa Rica, El Salvador, Guatemala and Honduras. Belice and Panama were incorporated in 1991 and the Dominican Republic in 2005.

During the President Vinicio Cerezo government (1986-1990), environmentalists allied with the Christian Democratic Party, and important laws were passed during this period. The environmentalist movement at that time was a small and urban based movement, and the environmental advocates were first and foremost young upper class *ladinos* who wanted to conserve biodiversity according to the international trend. However, the movement lacked support from rural grassroots. Furthermore, the alliance with the government weakened the movement (Berger 1997). Nevertheless, political space for environmental issues expanded in the late 1980s, and new environmental organizations emerged. In the 1985 constitution, several articles about the environment were included, regarding issues such as non-renewable resources (art.125), forestation and water (art. 126), and sustainability and conservation (art 127). Between 1986 and 1990 the environmentalists lobbied for the passing of two environmental laws promoting the participation of state agencies and NGOs. The Law of Environmental Protection and Improvement passed in 1986, was a systematic and comprehensive approach to natural resource management and use, forbidding toxic waste dumping and promoting environmentally sensitive technology as well as environmental education. The Law of Protected Areas was passed in January 1989 forming the legal framework for a system of protected areas, preservation of ecosystems, and the promotion of ecotourism. The leading concept was sustainable development, given NGOs and private actors an important role. Two councils were created to administer the laws; the National Council for protected areas CONAP and the forerunner to the Ministry of Environment - CONAMA, both dependant on the executive branch without ministerial powers.

The implementation of environmental policies was weakened by resistance from powerful segments of the private sector and the military and by the state's inability to protect the agencies and ensure implementation of the laws (Berger 1997). In 1991 Jorge Serrano Elias became president and pursued a neoliberal economic strategy emphasizing privatization, government efficiency, and technocratic and centralized development. Environmental protection was pushed to the bottom of the political agenda. Many environmentalists ended up working in national and international environmental or development organizations, and political appointees with little knowledge of environmental issues filled the two councils. President Serrano Elias cut back governmental funding to state environmental agencies and large environmental organizations began to do much of the work considered to be government work. Serrano Elias used intimidation and repression tactics to weaken and divide the environmental movement, and used the media as a principal tool, spreading rumors about

environmental organizations. Key environmentalists in Guatemala routinely receive death threats, causing fear throughout the Guatemalan ecology movement. In 1993 Leon de Caprio came into presidency with three primary concerns: Peace negotiations, economic stabilization and democratization. The environment was once again barely prioritized. The government and the private sector encouraged transnational corporate proposals for oil and mining initiatives, maquilas, and other industries that continued to pollute.

Although laws have been passed and international agreements have been signed, weak governance, lack of political will and capacity, as well as resistance from powerful actors, has resulted in failure to fulfill and implement legislations and commitments. The environmental sector is encumbered by lack of resources and competent staff, and there is little coordination between the different entities, resulting in a lack of long term plans and programs (Hurtado Paz y Paz 2006). Different actors, companies, groups, and individuals have taken advantage of the lack of power of the government institutions for their own individual interests.

2.7.1 Water governance

The Guatemalan constitution (1985) acknowledges water as under public domain (*dominio público*), and defines that its use and enjoyment should be subject to social interests (art.127), and to be used for development ends (*fines de desarrollo art. 128*). These principles are to be implemented by a water law, something that has not been realized to this date. The mentioned environmental law and regulations treat aspects of water management. However, as long as there is no particular water law, the Civic Code from 1963 remains valid. The environmental law sets standards regarding the water quality (art. 15), whereas the Ministry of Environment and Natural Resources (MARN) is responsible for its regulation. The ministry MARN generates mechanisms to evaluate and control the utilization, use, and quality of the water, control contamination, integral water management, and conservation of forests by promoting reforestation. One of the fundamental regulations for this is the regulations for "Evaluation, control and Environmental follow up", and the regulations for management of waste water. To date, water governance and practices have been influenced by the international trend of viewing water as an economic good, as expressed in the Dublin statement on Water and Sustainable Development from 1991 (ICWE 1992). Several draft proposals for a water law have been presented, but these have met strong opposition from both indigenous organizations and the agro business sector. Deterioration of underground water and contamination of water

sources continues to be serious problems in Guatemala. The rivers are heavily contaminated by intensive agricultural practices, agro industrial activities, and wastewater from urban areas. Mining and oil practices also have serious environmental effects, contaminating both the soil and the water.

2.8 Resistance and mobilizations

To understand how the communities and civil society actors respond to the current energy policy and confront hydropower development today, it is useful to look at the characteristics of organizations in civil society and social movements in Guatemala. Between 1954 and 1986, the military regime hit down on the majority of social and political organizations in Guatemala through systematic repression and violence (Torres-Rivas 2006, Ibarra 2003). Both urban and rural organizations and activists were targeted. 83.3 per cent of the murders and human rights violations during the conflict were suffered by the indigenous population (Rostica 2003). Beginning in 1954, the so-called “national security doctrine” led to acts of violence and oppression towards communities and individuals considered subversive. Resistance movements and armed organizations emerged in the 1960s, at first mainly made up of *ladinos* and later incorporating the indigenous. There were four different guerrilla movements in total¹³. The repression against the political forces increased according to a broad definition the opposition (Torres-Rivas 2006). Of the 250,000 that were killed during the conflict, 95 per cent were civilians not involved in the armed conflict, the majority indigenous. The strong alliance between the military, powerful economic groups, those who owned the media, right-wing intellectuals, and bureaucrats contributed to suppress unwanted messages. The paralysis of the judicial system further played an important role in this counter insurgency as it implied generalized impunity among government actors (Torres-Rivas 2006).

During the 1970s several social sectors were organized, and used strikes and marches as their strategies to make their voices heard. This further caused a drastic increase in levels of repression from 1978 onwards. In the 1970s the indigenous movement emerged placing emphasis on ethnic identities, declining the use of the word “Indian” (*indio*) and calling for the use of the concept “indigenous peoples” instead of ethnic groups (minorities), self-identifying themselves as Mayans. The National Coordinator of Indigenous and Peasants

¹³ PGT (Partido Guatemalteco del Trabajo), FAR (Fuerzas Armadas Rebeldes), ORPA (La Organizacion del Pueblo en Armas) and EGP (Ejército Guerrillero de los Pobres).

organized its first national seminars in 1974 and 1976, opening up for a discussion about ideology, the unification of the Mayan people and access to power (Rostica 2003). Rather than a national identity based on country borders, a cultural conception of territory coupled with the idea of the Mayan people versus the Ladino Guatemalan nation emerged (Rostica 2003). Multiple organizational experiences emerged in these years, such as catholic activism based on liberation theology (*Acción Católica*), cooperatives, and peasant leagues (*ligas*), and local community leadership (*alcaldias*) were strengthened. The Unity Committee of Peasants (CUC) was founded in 1978, in the wake of the social organization after the earthquake in 1976 (Rostica 2003). The social base of CUC had a Mayan leadership and was made up of indigenous and poor ladinos and peasants. This period was characterized as well by links between Mayan leaders and the guerrilla movement (mainly ORPA and EPG) (Rostica 2003). According to Rostica (2003), the Mayan organizations can be analyzed in two basic lines. The first is what she calls “the popular Mayan organizations” which were organizations concerned about social discrimination and class in addition to the ethnic question. The second wing focused on a more cultural, indigenous based discourse with an intellectual leadership, promoting Mayan autonomy in language, religion, and traditions.

The indigenous movement gained some acknowledgment in the 1985 Constitution which for the first time recognized the right to cultural identity (article 58) and the right to exist as ethnic groups of Mayan descent (article 66). From 1985 onward, the social movements were partly revitalized with the emergence of unions, human rights organizations and Mayan organizations. The implementation of structural adjustments programs from 1988-1990 brought concerns within the movements regarding the negative effects of neoliberalism (Ibarra 2003).

The Mayan movement participated in the peace negotiations indirectly as part of the Coordination of Mayan Organizations (Copmagua) in the so-called Civil Society Assembly. In September 1994 URNG, the alliance of the four guerrilla movements, announced their public support of a multicultural and multilingual nation (Rostica 2003). According to Rostica (2003) the struggle for a national identity has never been strong in Guatemala’s history, and the racist character of social relations in the Guatemalan society still prevails. In the 1980s some of the indigenous organizations presented the idea of dividing territory along political and administrative lines according to different linguistic and ethnic bases. In the 1990s other indigenous organizations appeared, but these were still no mass organizations representing

grassroots power. Popular organizations such as CUC and CONIC sustained their demand for land, combined with national, ethnic, and agrarian components. This idea never got through in the Civil Society Assembly. According to Yagenova (2003), at the same time as new organizations emerged, civil society was greatly fragmented and each organization negotiated separately with the state. In 1995 civil society organizations designed strategies and participated in political lobbying, elaborated content of the policies, programs, projects and law proposals to follow up the peace agreements, many supported by international donors. However, as Yagenova (2003) notes, the movement did not question the existing social order and did not have a strategic long-term vision or alliances.

2.8.1 Post-conflict resistance

Current resistance and mobilization is organized along two main issues 1) access to land and protection of natural resources (Madre Tierra) 2) resistance against neoliberal policies and its consequences. The rural communities are faced with various problems. As Rostica (2003) asserts, rural residents have largely been subsistence producers or workers on the large plantations in the South¹⁴. Furthermore, with the initiation of the peace process, many displaced people commenced their return to their original villages, only to discover that they had been inhabited during their absence. Moreover, there are few communal lands in Guatemala. Even though the constitution recognizes communal land (article 5 and article 70), a law regarding the issue has never been approved, and few communities have received a communal title on their lands.

Neoliberal policies in recent years have produced a social explosion of resistance that takes on many different forms, involving a variety of actors throughout society (Ibarra 2003). The resistance includes fight for land (mainly through land occupations), protests against the privatization of basic services, the fight for access to water and electricity, and resistance to large economic projects such as the Central American Free Trade Agreement (CAFTA) and Plan Mesoamerica. The current social movement in Guatemalan can be traced back to three roots: the workers (urban workers, unions, teachers and other social workers, together with the agrarian workers), the ethnic based groups (both human rights organizations and Mayan peasant organizations), and activists and organizations who are primarily fighting against the

¹⁴ In 1979 there were more than 110,000 agricultural workers (*mozos colonos*) living and working permanently on large landholdings (*fincas*) in Guatemala. At this time there were close to 548,000 small land holders (*minifundistas*) with many of them working part of the year on large plantations (*latifundios*).

consequences and practices of neoliberalism. The indigenous organizations are not only demanding land for its productive value, but also for its cultural significance. The protests against CAFTA and Plan Puebla Panamá (Plan Mesoamerica), together with the march for “Dignity, Identity and the Rights of the Mayan People” and the general strike on the 8th of June, all of the above in 2004, proved new strength in the social movements in Guatemala (Yagenova 2005). The demonstrators demanded the cancelation of all the mining licences, and a clearer definition of a mechanism for consultation and coordination with the indigenous peoples before the ratification of CAFTA.

In the rural areas in recent years (2004-2010), especially in the Western parts of the country, indigenous grassroots movements and local authorities started to position themselves critically in the face of the mining projects, CAFTA, Plan Puebla Panama and the rise of the electricity prices. Opposition has been met by violence from the part of the government and private security forces. The government has sent the army and the police to stop demonstrations in many parts of the country, and has proven to protect the security of the companies rather than the local community residents (Yagenova 2005).

2.9 Legal framework for the electricity sector

The 1996 electricity law promotes private participation in the energy sector and after the reform foreign and private companies began to enter this sector. The state mainly grants authorizations for the use of the rivers, and acts as a regulatory figure. The Law of Incentives for Renewable Energy offers a variety of incentives to private and foreign companies who wish to operate in the country, such as tax exemption for the first ten years of operation and no import tax on equipment needed for operations. The legal framework for the sector is defined by the General Law of Electricity (1996), the regulations and norms within the Wholesale Market Administrator (AMM), norms detailed in the National Commission of Electric Energy (CNEE), the Law of Incentives for Renewable Energy (2003), The Law of Environmental Protection and Improvement (1986), the Law of Protected areas (1989), regulations defining Environmental Impact studies (2003) and, lastly, The Municipality Code

CHAPTER THREE: ANALYTICAL FRAMEWORK

This chapter presents the analytical framework and concepts central to the analysis. I start by placing myself in the theoretical landscape, and present some background information important for understanding the analytical approach selected. I then go on to describe the field of political ecology as the overarching approach of this study, and the reasons for choosing this framework. From this I elaborate on the concepts of space and power, participation and agency, and lastly narratives. Throughout the chapter I will be explaining how these concepts and theoretical perspectives contribute to the analysis.

3.1 Research approach

This research is interdisciplinary, and I employ a pluralistic approach. The study of human–environmental relations is complex and by nature draws on theories and practices from multiple disciplines (Dolittle 2008). This study is inspired by various disciplines in the political and social sciences, and I am trained in human geography, social anthropology and development studies. In this research I have had to delve into different processes of legislation and interpretation of laws, political decision-making processes, technical issues in hydropower, the nature of rivers, hydrology and the surrounding ecological systems, as well as local and civil society organization. I use political ecology as the overarching approach to analysing human environmental interactions, with an emphasis on analysing power relations, actors and interests that affect who has access to the resources in question and who participates in the decision-making spaces formed and used regarding hydropower development.

The theoretical reasoning in this thesis is partly framed by grounded theory, holistic thinking and is case-oriented. In a holistic research strategy, complexes of information and meanings are explored, to elicit patterns, anomalies, processes and types (Dolittle 2008). For this thesis a large body of material has been collected and explored to map a complex sector. Grounded theory entails logical reasoning where inductive and deductive thinking are part of an iterative research process (Dolittle 2008). This process started with the development of research questions based on my existing knowledge of hydropower issues and civil society work, mainly from having done activist work and various years of collaboration with local organization in Latin America and Guatemala. I entered the field with some pre-conceived notions, which can be labelled pro-poor, pro-participation and rights-based, but without

clearly defined theoretical concepts for the analysis. I wanted to explore the interplay among the multiple actors in the hydropower sector, ecological and social processes of change, how actors understand and perceive the role of other actors, and by this understanding the power relations that influence or determine policies and practices. My starting point was that the terms of how communities participate in hydropower planning needs to be changed to enable them to effectively participate and make informed decisions.

As the data were collected, systematized and analysed, I developed temporary and working explanations using inductive logic, seeking to answer question such as why the communities were resisting the projects, their access to knowledge and decision making arenas, and finally also how the companies and the state regarded the role of the communities and civil society actors. I further applied the possible explanations to my material in various cycles of reflection. This is also inspired by “thick description” (Geertz 1973), both describing the perceptions of the participants and providing information about the context according to the the researchers analytical interpretation. I have continuously reflected on the project, the data I have collected, and whether more data has been needed to provide a coherent analysis. This also led to the data collection in two phases (June-August 2009 and November 2009).

Based on an understanding that environmental and social change have real and substantial consequences for poorer rural populations and the indigenous peoples of Guatemala and Latin America more generally, I reject a relativist ontology (as in social constructivism), and am thus closer to a *materialist ontology* or *historical realism* (Guba and Lincoln 1994). The processes of change that can be seen in Guatemala require critical analysis in the context of uneven power relations. In historical realism, apprehensible reality consists of historically situated structures. To understand Guatemala, we also have to take into account the history and the legacies of the armed conflict, which have largely laid the basis for the processes today. According to Denzin and Lincoln (2005) reality in historical realism can be seen as a virtual reality shaped by social, political, cultural, economic, ethnic and gendered values which are crystallized over time. Hence in the background chapter the context of the current processes has been presented to lay a basis for the further analysis.

I adhere to a transactional and subjectivist epistemology, where the investigated and the investigator are interactively linked and the values of the investigator (and also of situated others) can and will influence the research (Guba and Lincoln 1994). This implies the

importance to reflect over my own role as a researcher and how I have proceeded to collect my material. I believe knowledge can be acquired by critical reflection, and my analysis is inspired by *critical theory*, *critical realism* and *critical science*. *Critical theory* is oriented toward critiquing and changing society through analysis of political oppression and the construction of knowledge (Forsyth 2003). The focus in this study is Guatemala, its government, the state and its people, especially the indigenous peoples and poorer communities. Exploring the knowledge construction and the power relations in the hydropower sector can contribute to understand how the historical processes of oppression in Guatemala are continued. The nature of knowledge in critical theory is ‘informed insight’ (Guba and Lincoln 1994), which can be acquired through various cycles of reflection. The material presented here is a result of various rounds of reflection, contributing to such insights. *Critical science* places an emphasis on science being rooted in politics, and has a reflexive attention of science to the political use to which it may be put (Forsyth 2003). This lays the basis for choosing narratives as an analytic tool, and looking at how knowledge claims are made and how certain understandings of development and the environment is being presented as scientific facts in policy discussions. Inspired by *critical realism* I hold that it is possible to acquire knowledge about the external world independently of the human mind, but at the same time reject that the external world is as it is perceived (Archer et al. 1998). In recognizing that perception is both a function of and is fundamentally affected by the human mind, I hold that knowledge of the external world can be acquired by critical reflection on perceptions about the world.

In order to generate support for their views on hydropower and energy production, different actors frame the issues of hydropower in various ways. One productive approach for understanding this process involves identifying the narratives that are framed in support of particular interests and practices. That means identifying narratives about development and the environment, as related to hydropower. I believe that something can be known about what exists beyond discourses and narratives, and also wish to examine the outcomes and the impacts in real life, the material aspects and practices. In this I differ from a strong social constructivist perspective where truth is completely relativized to discourses.

3.2 Political ecology

I use political ecology as the overarching framework for the analysis, further focusing on specific concepts to create an analytical approach, such as space and power, narrative, agency and participation. Political ecology is, according to Robbins (2004:xvi-xvii) ‘a field that seeks to unravel the political forces at work in environmental access, management and transformation’ and further focuses on ‘processes, players, and dynamics that are at work politicizing the natural environment’. In line with much political ecology work this study has a normative focus on justice and marginalized groups such as poor rural communities and the indigenous peoples of Guatemala. Using the tool of political ecology I also set out some policy recommendations based on the findings in the conclusions.

Political ecology has its roots in radical and critical theory, and emerged as a reaction to neo-Malthusianism, and accounts about “ecoscarcity” and modernization, what Paul Robbins (2004:7) has termed ‘apolitical ecology’. Much of apolitical ecology has tended to present explanations where the poor are blamed for processes such as overpopulation, waste of resources or deforestation. Political ecology researchers have challenged these assumptions and demonstrated that there are processes (e.g. chain of processes, Blaikie 1999) and power relations that lead to pressure on poor people. The many definitions of political ecology have had varying emphasis (Robbins 2004), from political economy (e.g. Blaikie and Brookefield 1987, Greenberg and Park 1994, Peet and Watts 1996), environmental change (e.g. Fairhead and Leach 2006), social movements (e.g. Peet and Watts 2004, Robbins 2004) to environmental narratives (e.g. Stott and Sullivan 2000). What they agree on is that political ecology represents an alternative to ‘apolitical ecology’, with a common set of assumptions and a reasonably consistent mode of explanation (Robbins 2004).

A line can be drawn between political ecologists using a neo-Marxist-based approach and those ones inspired by a post-Marxist turn in the 1990s (Forsyth 2008). Post-Marxist approaches draw on a combination of Foucauldian discourse, neo-Weberian theories and feminism, and have been influenced by approaches such as critical realism, post-structuralism and participatory development. This transition reflected two broader changes in political

ecology (Forsyth 2008). The first was the adoption of insights from post-structuralist debates about the political origin and institutionalization of environmental knowledge, and deconstruction of environmental discourses and narratives. The second change came with the growing awareness of the limits of ecological notions of stability and equilibrium underlying many narratives of environmental change and crisis. The new approaches focused on ‘politics rather than economics, alternative accounts of reality rather than the authors own environmental and social data, and agency and resistance, rather than structural inequality’ (Blaikie 1999:133). Blaikie sought to ‘reconstruct a more epistemologically realist form of explanation that was of greater assistance to vulnerable people’ (Forsyth 2008:757), making more transparent the ‘normative connections between social values and different knowledge claims’, and achieving some level of ‘scientific progress in a world where knowledge claims reflect current and historic power relations’ (ibid).

Political ecology sets its agenda to research the power asymmetries and actors interplay to explain the interaction of society and environment (Bryant and Bailey 1997). Unequal power relations and conflicts over access to and use of resources has been an important focus (Bryant and Bailey 1997), as well as conflicting discourse and knowledge-claims about the environment and development and how they reflect power relations (Adams 2001:252). Political ecology analysis reveals winners and losers, hidden costs, and the differential power that produces social and environmental outcomes. Since the 1990s, several foci have emerged in political ecology: 1) the re-theorization of political economy and the environment; 2) political action and access to and control over natural resources, as well as the analytical links between power relations, institutions, and environmental regulation and ecological outcomes. This focus also includes how claims are made, negotiated and contested by marginal groups; 3) institutions of civil society, the spaces they develop, how they articulate and how they resist; 4) discursive approaches and the plurality of perceptions and definitions of environmental and resource problems; 5) environmental history; and 6) the rethinking of what ecological sciences are.

This study is part of what can be called ‘critical political ecology’ (Forsyth 2003) leading to “politically aware understandings of the contexts within which environmental explanations emerge and are seen to be relevant” (2003:21). With a critical political ecology the researcher seek to discuss and present alternative means to approach environmental explanations and adopts and expands insights from critical realism regarding the discussion of the environment

through the guise of social knowledge (Forsyth 2003). Forsyth draws on post-structuralist accounts of historical and cultural shaping of environmental narratives and questions the manner in which environmental problems are defined, and with which transferability. I will apply this line of thought to the hydropower sector in Guatemala, looking at how the environmental context is being presented with different knowledge claims, to promote different interests in the hydropower sector. A critical realist political ecology can provide the means to integrate social constructivist approaches to environment with realism debates to make environmental science more relevant (Forsyth 2003:9). One of the objectives with this study is to construct new environmental policies that are more socially just, and make existing scientific constructions more beneficial and not damaging to people previously marginalized, first and foremost the indigenous peoples in rural communities.

For my work, the rise of political opposition to environmental management regimes has been central, and how opportunities have been created for local groups to represent themselves politically and voice their interests (Robbins 2004). In this perspective, the focus is placed on how people's livelihoods are challenged and violated by modern forms of development practice, in this case hydropower development, and how, in response, marginal communities make new demands and take action. Such movements can represent a new form of political action where their ecological understanding connect disparate groups, across class, ethnicity, and gender, and further affect powerful political and economic forces. I will therefore look at how the local communities perceive the environmental and the related development processes. Like Robbins (2004), I focus on how people's livelihoods are challenged and violated by the practices of companies and the state, on how communities that have been divided unite, on the demands and actions of marginal communities in Guatemala, and lastly on how ecologies are viewed, produced and defended by local people.

In sum, I believe political ecology is a suitable framework for analysing hydropower development processes in Guatemala because 1) it recognizes power relations as essential in access to and use of natural resources; 2) it focuses on narratives and knowledge-claims about the environment and development; 3) it suggests an interlinking of political action with power relations, institutions, environmental regulation and ecological outcomes; and 4) it explores the spaces that are developed by civil society actors, how claims are made, articulated, negotiated and contested and their forms of resistance.

In the following I examine the concepts of agency and participation, and how they can be operationalized in the analysis.

3.3 Agency, interests and participation

Interests are, according to Porpora (1998), built into a social position by the relationship of that position to other positions in the system. Social positions are related to class, gender or ethnicity. Porpora (1998) argues that actors are motivated to act on the interests structurally built into their social position, but actors may also choose to act against their interests, or may fail to recognize their interests. The structural relationships and the various conflicting interests they generate are both the material conditions motivating action and the intended and unintended consequences of such actions. In the hydropower sector in Guatemala conflicting interest can be expected to be seen related to who gets access to the energy produced, the income generated, and how the alteration of the rivers and land affects the livelihoods of the local communities. Powerful interests can be seen as those that want energy for economic development and regional integration, industry and exportation, urban areas and commercial centers, as opposed to communities' interests in protecting their livelihoods and improving their living standard locally. The communities' interests can also be related to having a say in project development affecting their lives.

The interests of the affected communities' can also be seen as what is important in people's lives or important to the existence or activities of a community or a group (Lukes 2005). Interests can either be objectively or subjectively conceived. On the one hand, interests can be conceived as predefined objective judgements concerning benefits and harms for the actors involved. These can be necessary conditions of human welfare, such as the satisfaction of basic needs, basic human capabilities (Sen 1999) or otherwise conditions that enable people to pursue their various purposes and conceptions of what makes life valuable. Welfare interests may concern health, adequate nourishment, bodily integrity, personal security and an unpolluted environment. Rawls (in Lukes 2005) has argued for the importance of cultural specificity concerning interests related to rights and liberties, opportunities and powers, income and wealth. Interests can also be related to interests in esteem or identity. For the local communities in Guatemala, being able to decide over what happens in their areas can be seen as a central interest making their life valuable. The communities in Guatemala, and especially

the indigenous peoples, have experienced centuries of exclusions and oppression from various external actors, forced relocations and damage to the surrounding environment. Furthermore, the objective interests of the affected communities can be defined as welfare (school and health services), security, basic needs such as access to water and food, access to electricity and a clean environment. Subjective interests can include actors' wants, preferences and choices expressed by themselves as important, overt or covert. As Lukes (2005) argues, social actors do not have unitary or dual interests, but multiple, interacting and conflicting ones. Interests can lay the basis for agency, and motivate to action. Strategies can be set out by various actors to promote and protect their interests. On the other hand, there can be obstacles for actors to pursue their interests, such as power relations among the actors and in the various spaces where important decisions are made. People are not allowed to follow their interests as they define them, and which interests they can fulfill. Interests can be linked to agency, and can be promoted through narratives. Powerful narratives may shape understandings of indigenous communities by the hydropower companies and the state. Furthermore, power relations can deny other people's agency and hinder them in being able to meet their own interests at multiple levels.

Agency is the capacity to act upon situations, and is property of actors (Lewis 2002). Here actors are seen as collectives or individuals (such as organizations, groups, alliances, communities, state agencies, ministries) that are able to formulate and implement decisions (Lewis 2002). Agency is here defined as the ways in which poor people make their voice heard through new forms of resistance, inclusions, consultation or mobilization to influence institutions, practices and policies (Gaventa 2004). Rowland has defined empowerment as processes that help marginalized or oppressed people to recognize and exercise their agency (Hickey and Mohan 2004). I emphasize agency because of how different individuals and organization in Guatemala seek to alter and change existing power relations and the flow of benefits from the projects (such as access to electricity and income). It is through exercising their agency and through the capacity to organize and ability to create spaces they can influence practices, policies and structures. I link agency to how individuals and collectives (groups, communities, organizations) confront, accommodate, or accept power in its different forms, to see why, how and to what degree participation makes a difference in face of power (hidden, closed and open). Furthermore, I will see if and how the different local groups strategize to promote a sense of empowerment that may lead people to recognize their own agency.

Participation can be seen as the exercise of popular agency in development and environmental issues, related to existing capacities of people as active claim-making agents. I link participation to relevant decision-making arenas concerning hydropower and the bargaining power of the poor within these spaces. At the core is to understand how participation relates to existing power structures and access to political decision-making spaces. Here a focus on both civil society and a state is needed, asking whether civil society is active and engaged, and to what degree the state is responsive. I regard state responsiveness as linked to political will, capacities and the mobilization of resources available.

I analyse the concept of participation as related to distribution of power in the interplay among the actors in decision-making structures and processes. Participation has been viewed as a means and as a technical and methodological issue (as in participatory development approaches), but also as part of a more political sense of agency, related to citizenship, participatory governance and political space (Hickey and Mohan 2004). The latter is linked to rights-based approaches and participation as a right. By governance I refer to the way power is exercised in different policy processes in the hydropower sector in Guatemala and negotiations between the state, the local communities, the companies, multilateral organizations (such as OAS) and other intermediaries and actors from civil society. The concept is used to grasp the interactions between the various actors involved in the sector, and also the different roles of the actors presented in the narratives.

Pretty (1995) introduced 'the typology of participation', and is concerned about local people and their role in interaction with external agencies and authorities in planning and implementation of projects and policies, how, when and in what ways they are included. He makes a distinction between seeing participation as a means and as a right promoting empowerment. According to Scudder (2006), the involvement of affected groups in hydropower development should not mean merely their active participation in decision-making, but also involvement of their expertise and their lifestyles. Participation should start during the option-assessments process, because that is when the environmental, social and equity implications of various options are first considered.

Participation has also been seen as connected to the concept of transformatory forms of citizenship, substantive democracy, political spaces and spaces of participation (e.g. Hickey

and Mohan 2004, Cornwall 2004). Substantive democracy concerns how to make democratic principles and institutions meaningful and relevant for people, their possibilities and capacity to make use of them. Citizen participation concerns how poor people can make their voices heard through new forms of inclusion, consultation and/or mobilization designed to inform and influence larger institutions and policies. This is related to access to and the creation of political spaces to claim rights and to influence decision-making processes. I analyse participation as 1) exercise of popular agency, through the strategies that are employed by the communities; 2) how, when and to what degree local actors are included or excluded in spaces of participation and governance processes.

3.4 Power and space

Gaventa (2004) sees spaces as arenas for interactions and as different fora for discussion, negotiations and decision making. They can be actual physical places, or virtual ones. According to Gaventa (2004:35) one should investigate “how spaces are created, in whose interests and with what terms of engagement”. In this study I focus on the different kinds of spaces where relatively powerless people try to change the exercise of power, and take part in making and shaping the decision that affect their lives (Cornwall 2004, Gaventa 2004). The spaces are often formed by the more powerful in invited and closed spaces, or claimed and created by the less powerful (Gaventa 2004). The shift and formation of the spaces depend upon the claims being made and the context they are made within. I explore the negotiations and contestations between the various actors involved, how these actors exercise power (power over, power to, power with, power within) in different settings, the forms of power (visible, invisible and hidden) and how this influences policy outcomes and material practices.

Political ecologists Bryant and Bailey (1997:39) have understood the concept of power in relation to ‘the ability of an actor to control their own interaction with the environment and the interaction of other actors with the environment’, and above all ‘the control that one party has over the environment of another party’. They further assert that in order to understand the role that power plays in conditioning patterns of human–environmental interaction, ‘it is necessary to adopt a more inclusive understanding of power that encompass material and non-material consideration’ (ibid). They pose three interrelated questions: 1) ‘what are the various ways and forms in which one actor seeks to exert control over the environment and of other actors?’ 2) ‘how do power relations manifest themselves in terms of the physical environment?’ 3) ‘why are weaker actors able to resist their more powerful counterparts?’

Here, these questions will be explored by looking at 1) the strategies of the actors involved, the companies, the state and the communities 2) the possible outcome of the projects on the environment and local livelihoods and 3) the spaces that are created, claimed or invited, and the power relations within them. An actor may seek to exert control over the environment of other actors in various ways. An actor can attempt to control the *access* of other actors to environmental resources. With hydropower development, the main environmental resources to take into account are the land and the rivers. Furthermore, power can be manifested in the distribution of costs and benefits from the projects. An actor can further seek control over the environment of others through control over the *societal prioritization* of environmental projects and problems and finally in an indirect manner through discursive means. This can be explored by both looking at the existing narrative about the hydropower sector, and the policies and what kind of projects that are promoted. 'Power is about control over material practices, but is also linked to the attempted regulation of ideas' (Bryant and Bailey 1997:41). Power in this view is a matter of winning the battle of ideas over human use of the environment. Actors typically seek to legitimize the achievement of their individual interests over the interests of others through an attempt to assimilate them to 'the common good' or the 'nations' interest'. Another way of understanding the role of power is to consider the physical environment as a manifestation of power relations. The idea is to focus on the environmental results of the discursive interaction of actors and to clarify how unequal power relations are reflected at key points in the physical environment, such as concrete infrastructure in the landscape or the use of lands and the rivers.

The work of John Gaventa (2005) on *power-cubes* permits me to link the more abstract discussions of power in the political ecology literature with the actual practices of different actors in Guatemala. According to Gaventa, 'everyone possesses and is affected by power' (2006:23). Gaventa has presented a dynamic understanding of how power operates called the 'power-cube' (2006:25), as a framework for analysing spaces, levels and forms of power, based on the work of Stephen Lukes (1974, 2005). The power-cube describes how power is used by actors across the continuum of spaces and places. Gaventa (2005) suggests a division of spaces into 'closed spaces', 'invited spaces' and 'claimed/created spaces'. Closed spaces refer to arenas where decisions are made behind closed doors with certain actors, excluding others, and often controlled by a powerful actor. Invited spaces are spaces where users, citizens or beneficiaries are invited to participate by various kinds of authorities (government,

NGOs, companies or supranational bodies). Claimed spaces are claimed or created by less powerful actors to claim their rights, e.g. as a result of popular mobilizations. With the power-cube Gaventa (2004) includes how different interests can be marginalized from decision-making arenas, and strategies needed to increase inclusion of certain actors. The distinction between 'invited' and 'claimed' spaces for participation enables an analysis of the relationship between struggles and forms of power, and the political space that exists for citizens. Furthermore, some spaces can be local, some regional, some national, and others can be global. Local actors may use institutions of local governance as well as global fora (like the United Nations system, or regional systems such as the Organization of American States) to promote their demands and interests. Spaces can be created, enlarged or occupied, and I will also add, transformed. To make sense of the democratic potential of such spaces, one has to understand the production of spaces, the actors, policies and interests giving rise to them and the configuration of other spaces surrounding them (Gaventa 2004).

Gaventa (2005), based on Lukes, explores the differences between three dimensions of power, or the degree of visibility of power. The first dimension of power, which entails pluralist approaches to power, focuses on visible contests over interests in public spaces and manifestation of power, or as exercise of power or 'coercion' where one prevails over the other in decision-making situations (Lukes, 2005:111). Lukes has called this dimension observable/visible power, and this dimension of power entails an analysis of observable conflicts between organized interests over concrete political issues, who participated, who benefits and who loses, negotiated through formal rules, structures, institutions and procedures. The second dimension of power, also called hidden power, concerns the mobilization of bias where certain interests and actors in public spaces are privileged. It further points to the forces that prevent potentially controversial issues from generating observable conflicts or 'identify potential issues which non-decision-making prevents from being actual' (Lukes 2005). This dimension focuses on the actual control over decision-making arenas, and the way powerful actors maintain influence over the process, often by excluding or devaluing concerns and agendas of less powerful groups, and putting boundaries on their participation. This refers to power as 'agenda control' where the one wielding power can 'decide what to decide' (Lukes 2005: 111).

The third dimension is ideological or invisible power, which is about studying the hidden forces that constrain the agenda. Here conflicts are hidden through 'internalization of

dominating ideologies, values and forms of behaviour' (Gaventa 2004). According to Lukes (2005:149), actors also exercise power by 'influencing, shaping or determining others' wants, perceptions, cognitions and preferences in such a way that they accept their role in the existing order of things', or as the internalization of dominant ideologies, values and practices (Gaventa 2004). Ideological power can be related to 'political power' (Peet and Watts 1996). Political power operates in the construction of discourses as the means for shaping the material and social world. Competition between political actors for control of discourse is often a precondition for control of the mechanisms of resource distribution.

Power can further be distinguished as negative power and positive power. Negative power is associated with power as domination, and 'power over'. Positive power is power as increased capacity for social and political agency (as 'power to', 'power with' and 'power within'), and is related to the concept of empowerment. Empowerment can be seen as processes that help marginalized or oppressed people to recognize and exercise their agency (Cornwall 2004). Power is understood in the power-cube in ways that include 'power over' but also power in the form of resistance and agency. 'Power over' refers to the power of the strong over the weaker, the power to exclude others and power as domination. 'Power to', 'power with' and 'power within' all refer to how agency can be employed, and how resistance can be realized. 'Power to' can be the capability to make decisions about strategies and implement them. 'Power with' refers to collective power, as in power through building alliances and organizing groups. 'Power within' refers to influencing thoughts and actions within a group, based for example on a common identity. Altogether they can say something about which actors have more or less ability to take action.

According to Gaventa (2004:35) spaces are constantly opening and closing 'through struggles for legitimacy and resistance, cooptation and transformation'. My analysis will include power relations and motivation for creating certain spaces or entering them. Another aspect is political learning, where experiences from one space are transferred to new spaces. Related to participation is also the concept of representation, which concerns speaking of and speaking for. For example, electoral representation offers a particularly limited form of democracy where the systems often exclude the poor.

Here I will study how the actors remake rules and reconstitute institutions, and how institutions shape individual actions (Hickey and Mohan 2004). According to Gaventa (2004),

simply creating new institutional arrangement for participatory governance will not necessarily result in more inclusive or more pro-poor systems. Spaces for participation are not neutral, but are themselves shaped by power relations that both surround and enter them (Cornwall 2004). Power relations help to shape the boundaries of participatory processes, what is possible within them, and who may enter, with which identities, discourses and interests (ibid 2000: 34). In resistance, visible, hidden and invisible power may be actively mobilized, whether deliberately or unconsciously, as strategies to challenge or transform existing power relations. With the power-cube, Gaventa emphasizes the importance of understanding the interaction between the levels of power and the places of engagement on international, national and local levels.

I will use the power-cube to operationalize my analysis, and identify spaces, levels and forms of power. Here I am concerned with spaces as arenas (either claimed or invited) for local people affected by hydropower development to negotiate visions about development and the environment, where they can demand their rights and access to/ use of the resources. In examining place and space related to participation, the dynamics of power become essential. I am also concerned with the closed spaces where important decisions are made that affect local communities and the environment related to the development processes, revealing the power relations in the sector. IN the following I will look at how I can use narratives as a tool to understand the power relations in the hydropower sector in Guatemala, and how the different interests are voiced and promoted.

3.5 Narratives

Narratives are often used in analysis building on a political ecology approach. For Stott and Sullivan (2000:2) political ecology traces narratives about the environment and the power relations supported by such narratives. Narratives are concrete stories, or ‘socially shared accounts’ (Harre et al 1999) consisting of various arguments or statements contained within a discourse. A ‘discourse’ in this context can be defined as a knowledge or truth regime about a topic, or as shared meaning of a phenom (Agder et al 2001), while ‘narrative’ can be used to conceptualize accounts of a specific event that are produced and reproduced within a discourse (Svarstad 2003). Narratives can also be defined as stories which provide scripts and justifications for development action where assumptions have strength and credibility in large part because they are linked together, diffused and stabilized within narratives (Fairhead and Leach 2006, Roe 1991). In exploring the debates and contestations surrounding hydropower

development I summarize the major dimensions of the conflicting narratives used by the most significant actors. Furthermore, I look at how policies are designed and implemented based on the assumptions contained within these narratives (Fairhead and Leach 2006).

Narratives I take to be as commonly used concepts, stories and explanations about the environment and development, here related to the hydropower sector. Speaking about hydropower implies speaking about the use and protection of natural resources, whom are to benefit from these resources, and how they are to be managed. This includes how nature is viewed, what the resources in question mean for the different groups involved (land and water) and normative ideas about the ownership and management models and the role of the different actors. A narrative can further constitute a particular structure with a “cast of actors” (Agder et al 2001), involving e.g. the archetypes of heroes/saviours, villains and victims. Furthermore, is also includes what justifies the use of the resources, what kind of development, energy for whose needs and on whose premises.

Inspired by (Fairhead and Leach 2006) I will explore how the dominant narrative in Guatemala affects the policies and practice in the hydropower sector, and what policies follow from how nature and development in this respect is viewed and promoted. Environmental narratives have been viewed as convenient and simplistic beliefs about the nature which presents causes and impacts of environmental problems (Forsyth 2003:38). I will look at how nature is understood in the dominant narrative, and furthermore what is believed to be the caused and impacts of environmental problems and how hydropower is presented as a solution. I will explore how assumptions from the broader narrative have been written into national policy documents and how they are reflected in the practices of the state actors and the companies. Post-structuralist narrative analysis has aimed to identify how statements in orthodox science have been 'stabilized' by selective social processes, with the implication of reinforcing certain political objectives. The ideas that form the narratives express what is perceived as the main problem, its causes and solutions. Harre et al. (1999) are interested in conflicting stories told about the environment, the symbolic means by which issues of environmentalism are constructed, represented and negotiated, and promote a critical awareness about how environmental matters are presented.

Analysis in political ecology focuses on how narratives become adopted as truth (Forsyth 2008:97). Narratives can be analysed to study conflicts about material resources and also the

ideas tied to these resources. According to Forsyth (2008), political ecologists in recent years have become more aware of how structural politics and uncritical environmental science have given rise to environmental narratives that are simplistic and unsupportive to poor people, which has given rise to the deconstruction of these narratives. Much of this de-construction has attacked naïve simplifications of environmental change for political objectives (Forsyth 2008). This narrative analysis will seek to de-construct the dominant narrative in hydropower development, and look at whether the environmental narrative is simplistic in its presentation of the environmental context of Guatemala. Roe (1991) has focused on the political use of ‘crisis’, and asserts that crisis narratives have been used by experts and institutions to claim rights to stewardship over land and resources. This analysis will look at how the state of Guatemala uses discursive political strategies to legitimize control over resources and people.

Roe (1991) proposes to create counter narratives to tell more adequate stories. Fairhead and Leach (2006) aim at constructing a counter-narrative which challenges the dominant narrative, and that better fits local conditions and historical experiences. More work can be done on reconstructing alternative explanations to replace existing narratives (Forsyth 2008). This has inspired me to construct and present an alternative narrative to both the dominant narrative, and also to what can be called the popular narrative, expressed by affected communities and organizations from civil society. Forsyth (2008) shows how orthodox environmental explanations have paid insufficient attention to discursively constructed local problems. Such an approach can recognize possible inaccuracies of pre-existing ‘institutional facts’ about environmental change currently accepted as universal and unchallenged in mainstream environmental debate, aiming to progress to explanations that of practical, social relevance in local contexts.

To take a step further from identifying winners and losers as in traditional political ecology, Forsyth (2008) suggests including the political struggle in environmental discourse to establish truth conditions for identifying environmental processes. Forsyth (2008:9) sees the key objective of realist political ecology as to address ‘the current lack of attention as to how far “scientific” explanations of environmental change, which are currently accepted as factual, actually reflect the experiences and values of powerful groups in society’ and by implication those that they exclude. Fairhead and Leach (2006) warn against narratives that have served to create problems for local communities, justified the role of the outsider to control rural resources and led to the implementation of repressive environmental policies. Fairhead and

Leach (2006) speak for the incorporation of the local inhabitants' historical experiences into policy dialogues and negotiations.

In conclusion, narrative analysis is an analytical tool which can help me to uncover how the dominant narrative presents the problems (crisis and threats) and selected solutions, the role of the different actors, and how this materializes in practice in relations with local communities in Guatemala. My concern is related to policy outcomes and practices as outcomes of the narratives, and how they are used to promote certain interests and visions of environment and development In turn, I explore counter-narratives that can provide different policy outcomes and practices and finally look at the policy implications of such an alternative narrative.

I will now turn to methodology, and explain how I have proceeded to collect material and information, and the process of undertaking my analysis.

CHAPTER FOUR: METHODOLOGY

4.1 Choice of methodology

To answer my research questions I have chosen a qualitative method of data collection, mainly from semi-structured interviews with various actors, in addition to consulting documents and observing and participating in events. The first part of the fieldwork and information gathering consisted of searching for information and mapping the actors in the hydropower sector in Guatemala, and starting to document the arguments used for and against hydropower development based on interviews and conversations. I collected information from a range of organizations and institutions that are involved in the sector or that work especially with the topic. I consulted articles, newspapers, reports and official documents, to get an overview of the actors, interests and their arguments. After a while I also started perusing the Environmental Impact Assessments from selected studies. Pertinent articles and information presented in the media (mainly newspapers) were used as relevant data, covering a period of seven months (January to August 2009). I also personally observed public debates, seminars, press conferences and popular referendums and undertook visits to communities and participated in various meetings at the local level.

Approaching the field

The fieldwork in Guatemala was conducted in two phases: in June–August 2009 and then in November the same year. I returned in June 2010 to present a report on hydropower development in Guatemala, but not primarily to collect further material. Inevitably, as I was presenting a report about the same topic, I was updated about the situation. Some of the information used in this thesis is from that trip, but most comes from interviews, observations and documents undertaken and gathered in the course of 2009.

When I came to Guatemala in June 2009 I had not decided on what areas to visit or the exact focus of my research. I knew I wanted to map the hydropower sector with the actors, areas and interests involved and the local communities that would be affected by hydropower plans. I soon realized that instead of having an explicit focus on the social and environmental impacts in the sector I would rather focus on the processes that lead to the outcome and the impacts, and on what happen before the hydropower plants actually start operating. This focus was also chosen as there are many projects in the planning phase in Guatemala. This focus is also interesting due to the possibilities for policy recommendations.

I had contacts from previous activist work in Guatemala in connection with several Norwegian organizations (including the Latin American Solidarity Committee [LAG] and the Association for International Water Studies [FIVAS]), and from other actors such as Norwegian Church Aid (NCA), Norwegian People's Aid (NPA) and the Norwegian Embassy in Guatemala. As member of the board of FIVAS and as an activist I was also involved in gathering information about possible Norwegian investments in the hydropower sector in Guatemala – which was also one of the main reasons for the choice of this particular topic for my master's thesis. I have long felt that my master's thesis should contribute or be part of organizational work, so that the material collected and findings could be of broader use.

One of the organizations we came in contact with related to the FIVAS study proposed some areas we could visit, mainly the areas where they collaborate with local communities and where there are many plans for hydropower development. Relying on my FIVAS colleague's knowledge about the country, we also expressed the wish to visit Quiche and San Marcos, the latter because there had been a Norwegian investment attempt in a hydropower project that same year. I ended up visiting the counties (*departamentos*) of Quiche, San Marcos, Alta Verapaz, Zacapa and Guatemala. Quiche and Alta Verapaz were chosen because that is where most of the plans for hydropower projects are (see list in Chapter 4). Zacapa was chosen mainly because I got the chance to go there with one of the organizations working in the area. Guatemala county was chosen because of a popular referendum there. I travelled with my FIVAS colleague to Quiche and San Marcos, and to the other sites with organizations working in the areas. I also undertook one trip on my own to a community in Quiche, accompanied by a community leader.

4.2 Data collection

Choice of respondents

The choice of respondents was done using a snowball model (Thagaard 2003). When starting the fieldwork I had contacts through the various Norwegian organizations, as well as from previous work and friends in Guatemala (mainly indigenous and peasant organizations). As the interviews proceeded, I also got contact with other relevant actors. In total I undertook 54 interviews: 31 individual interviews, eight pair interviews and thirteen group interviews. Eleven interviews were with members of affected communities, six were academic

institutions or experts related to the sector, two with municipal officials, six from private sector, three intermediary organizations (Organization of American States and consultants), nine with state and government institutions as well as congressional officials, six representatives of national grassroots organizations and representatives from nine different non-governmental organizations (NGOs). In civil society I interviewed peasant and indigenous organizations, environmental organizations and women organizations. I interviewed state and government actors from the following entities: the Ministry of Environment and Natural Resources (MARN), the Ministry of Energy and Mining (MEM), the Sub-Ministry of Sustainable Development (VMDS), the National Committee for Protected Areas (CONAP), the union of the National Institute of Electrification (INDE), the Wholesale Market Administrator (AMM) and the Presidential Commission for the National System of Permanent Dialogue. From the National Congress I interviewed two congress members (of the Commission for the Environment and Natural Resources, and the Commission for Women) and one advisor (Commission for Energy and Mining). Of private actors I interviewed executives from three companies and two company associations, one responsible for social responsibility in a company as well as one organization working as intermediaries between companies and communities. Lastly, the Organization of American States (OAS) was interviewed because of their involvement in the Chixoy negotiations, and an organization specialized in conflict resolution. In addition to the interviews I had several informal conversations and observations.

My respondents were a mix of men and woman, and in twelve of the interviews there were both men and woman (mix). Nine of the twelve mixed interviews involved members of NGOs or local communities, two of them were from intermediary institutions and one from a research centre. Individual interviews with woman were fewer, only seven of them: one with the CSR responsible in a company, one from an environmental organization, one congress member, one government representative, one embassy advisor and two from women's indigenous organizations. Among the state actors there was one female vice minister; the rest were men. In the local communities I spoke to both men and woman, but the community leaders were usually men. I aimed at having more informal conversations with the women I met in the local communities. Most of my interviewees were adults; I do not know their exact ages, but I believe that only four of them were under 30.

I also observed two public debates and one press conference; attended three activities arranged by the Norwegian Embassy in connection with the FIVAS report, with invited

actors; participated in a one-week seminar mainly with company actors arranged by International Centre for Hydropower (ICH), as well as two community meetings with various actors from civil society, one municipal meeting and observation of the preparation phase and conduct of a *consulta popular*, in this thesis translated as ‘popular referendums’. The community interviews were often conducted in groups with various local community leaders, and several informal talks when visiting the communities. In total I visited 11 communities in five different counties, all of them located close to areas where projects are planned or under construction.

In the first phase of the research I tried to get an overview of the situation, which proved to be a complex task. On the one hand there was plenty of information about hydropower projects circulating in Guatemala, but much of it was based on rumours and it was hard to know the original source. I began mapping the actors, and started to interview those with offices in the capital, Guatemala City. Shortly after arriving in Guatemala, I was informed about an ongoing process in the county of Guatemala, where the local communities were resisting a hydropower project and were planning a popular referendum. I was invited to go by an organization working with these communities, and was able to follow the process all the way from the preparations, to voting day, press conference and when members of the community went to various state and government institutions (Ministry of Energy and Mining, Congress, Presidential Palace and Ombudsman for Human Rights) to present their case.

Access to informants and trust

My Norwegian contacts were important door-openers in getting access to areas, actors and information. Almost all of the interviews and contacts with state and government actors and OAS were facilitated by the Norwegian Embassy in Guatemala and the Guatemalan Embassy in Norway. The civil society actors were actors I already knew, or came in contact with through the Norwegian organizations mentioned, or further from the actors I got to know who arranged further meetings or provided me with contact information. I got all the company contacts during the one-week seminar arranged by the International Centre for Hydropower. The meetings with the Congress members and the Presidential Commission were arranged by a prominent environmentalist, which I met when he was in Norway as part of an official delegation from Guatemala. The various academics were contacts from organizations, previous contacts and a contact facilitated by a Norwegian researcher. I soon realized that

having a broad contact field was essential for getting the interviews, and referring to people that gave me the contact would in many instances mean that they agreed to be interviewed.

The community visits were organized by three different organizations involved (one Norwegian, one urban based NGO and one indigenous grassroots organization), who either travelled with me or arranged the meetings. These organizations were essential as door-openers to the communities, community meetings and talks with community leaders. The communities I visited were mainly communities that actively oppose the hydropower projects in their areas, and will not be identified by name (ref section about anonymization). I believe the community leaders felt safe in telling me about their concerns, and also about the practices of the companies, without being afraid that the information would be used against them. They trusted me largely because I came and was presented together with organizations that have been supporting their struggle. The fact that I was an activist myself and could tell them about the work of FIVAS contributed to establishing trust.

In three occasions I was also invited to go with the companies to the communities. Although I acknowledged the importance of the information I could gather, I wanted to avoid being associated with the companies when arriving in the local communities, as I believe this would affect the type of information I would get from the locals. I then chose to only go with organizations that were trusted in the areas.

Interview guide (see Appendix 6)

I prepared an interview guide for the various interview groups with the topic areas which helped me keep track of the topics related to my research questions. The interview groups were divided into: state and government actors, civil society actors, communities, private companies, intermediators, academics and experts. The first question was generally an open question about their perception about the benefits and impacts of the hydropower sector in Guatemala. I could then go on to ask more specifically about the social and environmental impacts, access to information, the process of the Environmental Impact Assessments, popular referendums and other consultation processes, relations between the communities and the companies, the role of the company and the state, perceptions of the other actors involved, land tenure, territory and relation to nature, their development vision and experiences with criminalization of social protest. I also amended the questions and the interview guide as I went along, added more questions, or changed the phrasings of the questions.

Interviewing

Each interview context is one of interaction and relation, and “the nature of the social dynamic of the interview can shape the knowledge generated” (Fontana and Frey 2000:698). For that reason, reflection is important. As an interviewer I tried to be flexible and an engaged listener. Some interviews were undertaken more as conversations than as rigid interviews. As I gained more knowledge about the sector I could enter into substantial conversations and exchanges of information and knowledge. This also implies that I may have affected my material, and that the information presented here is also a result of the interaction between me and the respondents. Most interviews were semi-structured: the topics and the questions were prepared in advance, but the questions were adjusted to the context, knowledge and experience of the person being interviewed. I would always present myself as a researcher, both as a master’s degree student (*investigadora de maestría*) and as part of an organisation that undertakes hydropower studies in various countries. I explained that I planned to use the information from the interview for my thesis and for a publication prepared by FIVAS. I also explained that I wished to speak with many different actors to get a range of perspectives about the hydropower sector. I then asked respondents to present themselves as well. In the first part of the interview, I proceeded with questions I had prepared, and would let the respondent answer these without many comments from me. Many would speak for a long time after the first questions, as those tended to be more generally about the benefits and impacts of hydropower development. In the second part of the interview I asked more specific questions and would interact more, to clear up uncertainties, and would return to topics treated in the first part of the interview if they were unclear. More detailed questions about the legal system and special processes and procedures were asked to those involved in the technical and legal aspects. I also adjusted the questions to the different groups (as regards, e.g., the use of language and specific terms) to achieve sharedness of meaning (Fontana and Frey 2000).

I also asked more general questions about the respondents understanding of certain concepts that were used. Hesselberg (1998) argues that one should not ask general questions like “How do you understand development?”. In my view, this was necessary to know what the respondents referred to when using the concept themselves. I would ask, “What is your vision for development?” or simply “What is development for you?”. I also used the concept “criminalization” (*criminalización de la protesta social*) and “consultation” (*consulta*), as

these are concepts that are commonly used among the actors. In the case of criminalization, one could say that the concept is loaded, as it is first and foremost the organizations themselves that use the concept as it implies that the state and the companies are blaming the social actors for crimes they have not committed, or labelling their actions as crimes.

Many of the interviews were conducted in Guatemala City, in the offices of the actor concerned or other places such as cafes, restaurants and hotels (26 of the interviews in the office of the actor concerned, three in other offices of related organizations, eight in café, hotels or restaurants). The place of the interview is important for the actors to feel comfortable in the interview setting (Thagaard 2003). Either they would invite me to their office or propose another place. Three of the interviews were undertaken at the hotel where the ICH seminar was arranged, and three interviews were undertaken in Norway.

Group interviews

Group interviews conducted in the communities included several individuals in a formal or informal setting. These were conducted by invitation of the organizations with contacts in the areas, where a few questions were asked, but where the community members would generally speak freely. I would ask one or two questions, and then they would talk from that, after which I might ask a couple of follow-up questions. The questions concerned their perceived impacts and benefits of hydropower, the practices of the companies coming to the communities, their relations with the municipality, and their opinion about how the sector should be governed. The interviews were undertaken with the organizations they already knew present and the ones in San Marcos and Quiche also with my colleague from FIVAS. The tone was often informal, but at the same time serious, in line with the topic. Community leaders seemed especially interested in contributing with information because of the FIVAS study, and it was also evident that they were very interested in gaining more knowledge about the topic. This further motivated us to expand the FIVAS study to include more topics than originally planned¹⁵.

Group interviews are recommended when the group members have similar position about a topic (Thagaard 2003). I spoke to community members who were largely opposing or

¹⁵ The first version of the FIVAS study was presented in Spanish in three regional areas in addition to the capital in June 2010, and spread through the different organizations interviewed. The English version has not yet been published.

sceptical to hydropower projects. However, when conducting group interviews there are some aspects to be aware of that may affect the material. The respondents may affect each others answers, and some respondents may be more dominating than others. This could be negative in the case were the respondents are afraid to tell about something that has happened to them, and because of the presence of others and fear of repercursion, they do not share the information. As I was not asking personal sensitive questions, I do not believe this has affected my material. One possible case is if any of the leaders I have spoken to have accepted bribery, but I never asked this question directly (the questions rather concerned more generally the companies practice when arriving in the communities). On the other hand, one advantage of group interviews is that the respondent can correct each other or help each other to remember certain situations and happenings. At the same time, my questions concerned topics that are being discussed openly at community meetings. My main objective was to know more about how the communities talk about hydropower development, and how this is materialized in their practice and forms of resistance.

Observation of seminars, press conference and meetings

I also observed one communal meeting where local development councils and other community based organizations gathered to discuss different large projects that were affecting their communities in Quiche. In Zacapa I observed a meeting organized by the municipality in question to inform about several hydropower projects in the area. I also attended a debate in Quiche organized by several involved organizations, where communities, companies, the state and organisations attended. The company that had been invited did not turn up, nor did the ministry of Energy and Mining. MEM had informed the organizers the same day that they could not attend because they lacked transportation and fuel to get there. I also attended a meeting in San Marcos, where the prime goal was to speak about the FIVAS report and the Norwegian investments attempt. The meeting has been included as a group interview in the interview list, since the community representative responded to the questions we posed in relation to the project in the area and the practices of the company. At the seminar arranged by the International Centre for Hydropower I was mainly observing, but was included as a participant the last days. This meant that I also participated in one group work, and in the beginning of the seminar I presented FIVAS work and the aim of the report. I chose not to attend more actively because I wanted to observe more how the companies spoke about hydropower development and their relationships with the communities.

The Norwegian Embassy in Guatemala also organized three events, two in relation to the FIVAS report and one in relation to the ICH seminar. I participated at all of them. At one event, mostly civil society actors were invited, together with the Sub-Ministry for Sustainable Development. On the second occasion, mostly government and state actors were present, such as CNEE, the ministry MEM, the ministry MARN, and a government representative, in addition to three Norwegian organizations. On the third event, both company, the ministry MARN and civil society actors were present. In all occasions I presented the objectives of the FIVAS report, and told the participant that I was doing a master thesis. They were asked to present briefly their view about the development of the hydropower sector.

Recording

As it is difficult to capture all the information in an interview, especially when it is not in my mother tongue, I recorded most of my interviews or parts of conversations, as well as several of the meetings. I also chose to record because the interviews are one of my most important sources. It was important for me to have the transcriptions of what respondents had actually said so that I could go back to my material and double-check the information later. I did not want to depend solely on my field notes and my memory.

In my interviews, I always asked for permission to record. Most respondents agreed, and did not seem influenced by the recorder. Using a recorder can be a barrier if the respondent feels unconfident, or fears that the information might be used for other means. I also explained that we could turn it off at any point, if sensitive information was involved. Only two respondents rejected recording, and both of these were from companies. One respondent from a ministry asked me to turn off the recorder when giving sensitive information.

Fact sheet and fieldnotes

I took field notes during interviews and meetings, as well as writing down my reflections between the interviews. I made a list of all the interviews, with notes about the most important topics touched upon in the interview, basic information about the actor, where the interview took place and where in my field notes I could find more information. After each interview or other activities, I wrote down reflections that were used later in the process of analysing the data.

Transcription and translation

I wanted to have all of the information transcribed, so that I could return to the interview content at any time without having to search through the recordings. The 41 interviews recorded (fifteen were not recorded) in addition to recordings from some of the meetings meant an enormous amount to transcribe. I transcribed eight of them myself, but decided to find someone to assist me when it became clear that transcribing all of them myself would be very time-consuming. I used my network as an activist to find four people to help with the transcription – one in Bolivia, two in Mexico and one Norwegian friend, all of whom I regard as trustworthy. Everyone was paid according to individual agreements. I did not want to use anyone from Guatemala, in order to protect my sources. I also listened to all of the interviews myself, at all times, in all places, whether on the metro on my way to SUM, doing the dishes at home or walking from one place to another. In transcription there is always a risk of error, but as I had listened to the interviews myself, I could usually detect any mistakes or omissions in the transcriptions, which I would then rectify

4.3 The analytical work

The analysis is partly inspired by grounded theory and thick descriptions, and from doing a parallel work on the analysis and the information gathering. The process of gathering information and the process of analysis are not two separated processes, but with a constant switching back and forth. Grounded theory is a set of systematic inductive guidelines for gathering, synthesizing, analysing and conceptualizing data (e.g. Charmaz, 2004). Grounded theory includes aspects of the interpretative paradigm (Bryman 2004). Strauss and Corbin (1990) have argued that theorizing is the act of constructing, integrating various concepts creating an explanatory scheme from the data. The categories that are constructed in the analysis reflect and are product of the interaction between the informant and the researcher, and from switching between the material and analytical framework. I started with a topic (hydropower development) and more general research questions about the social and environmental impacts. I had no clear analytical framework from the beginning. I collected information, compared the answers from respondents and slowly started the analysis. It was a process to grasp the main contestations in the sector, and I amended my focus several times. After gaining more insight, I realized that there were some processes that were essential for the sector, and my interests for the interaction among the different actors came in focus. After a while I combined theoretical relevant concepts with my categorizations of the material. I started to focus at 1) interaction, governance/interplay and participation 2) how the actors

presented the problems and solutions in the sector, their stories (narratives) and 3) what the actors did in practice and 4) the power relations among the different actors and lastly 5) different spaces for decision making. Conceptual categories were formulated and the information was categorized according to these. From new information I made new categories, and combined others. The categories and their interconnections helped me establish a more complete picture to understand and explain the complexity and the various aspects of hydropower development in Guatemala.

Text analysis and coding

To facilitate my text analysis, I used the software program Nvivo on parts of the material, which were the interviews I regarded as the most pertinent and useful. In Nvivo codes can be registered and be applied on the materials. The first codes identified anchors that served as key points for the data gathered. I used codings according to the different actors, interests and power relations, information about various projects, reasons for resistance, impacts and benefits, strategies and practices (company and local), visions of development, land issues, access to information, criminalization, participation and consultation and indigenous rights. After a while, I started to do more manual coding on printed transcriptions of the interviews, and made summaries of them. However, during the analysis I also realized that this fragmented my data, so I tried to gather them together again in the narratives. My analytical framework was developed over time, starting mainly with literature on participation and political ecology. In political ecology, I found narrative analysis to be appropriate for my material, and soon power analysis became an essential part. To complement political ecology, I started to explore power analysis and lastly space was introduced as the concept to interlink participation, power and agency.

Further systematization of the material was done in various phases. Because I had a lot of information about different projects, I compiled a table of all the projects and ended up with a list of 125 projects according to place, companies and project phase. The summary of the list is Table 1, and the complete list can be found in Appendix 3. Moreover, I made a table of the specific projects where communities have resisted, with reasons for their opposition and the response from the state and other actors (Appendix 4). I also made a table of the project phase, noting important permissions, actors involved and public involvement (see chapter 4). I compiled a list of the documents and sources I used to get an overview.

I used grounded theory as a strategy for sorting the material, but only partly in the final analysis (see Bryman 2004:399). More than a tool for analysis as such, Nvivo helped me with the sorting of the material and as a way of managing all the data, and as an information base to which I could return, based on categories or actors. Comparisons of my material along the way were important, maintaining ‘close connection between data and conceptualization’ (Bryman 2004:414). I found some patterns and linked these to a larger context. The process has involved reflections on and interpretations of my data in parallel with collecting more information. With the narratives, I did not merely want to present what the actors say, but rather the ‘social conditions that prompt such narratives’ (Bryman 2004:414) and the practices and impact that follows from them.

The interviews are a central part of my material. Although I could have used more direct citations from my respondents, I have chosen not to do so, because of the space limitations of this thesis.

Triangulation and saturation

To complement the interviews I also gathered documents, reports and articles, and conducted observations of public debates and community meetings. I spoke with many actors, and listened to stories told from many different viewpoints. I have used triangulation of sources and double-checked information from one respondent against that from the other and against written sources and other information collected. Many times I was met with contradictory information, which required me to gather more information and dig deeper into the material. In the end that is also why I have chosen to present my material as narratives, to indicate how the actors argue for their views.

In the first part of my fieldwork I focused largely on civil society actors and communities. I wanted to know more about the possible social and environmental impacts of the projects, whether they could influence the decision-making processes and especially the criticisms from the organizations. At first, I largely operated with a civil-society bias in my information collection. However, I soon realized the importance of amplifying the material collected to get a better view of the situation. I started to interview state actors to know more about the role of the state, how the sector was governed, what the ministries said, their policies and their procedures.

After the first part of my fieldwork and after my return to Norway in August 2009, understanding the companies emerged as more important, as I felt there were some elements missing. I wanted to return to Guatemala, and soon an excellent opportunity presented itself. The Norwegian International Centre for Hydropower (ICH) was to arrange a one-week seminar with project developers from all over Latin America in Antigua Guatemala, on the topic of social and environmental impacts in hydropower development. I contacted ICH, and they let me participate free of charge as a student. By this I was able to meet many of the private actors in the hydropower sector in Guatemala. That one-week seminar was probably the most frustrating part of my study, but also very useful providing new insights. I got to hear the views of the companies, in discussions among themselves and in interviews. The most frustrating part was how many of them spoke of the local communities and the people living there. On the other hand, I also came to understand that there were some differences among the private actors involved in the sector, and got more information about how they work and perceive other actors in the sector, and the governance of the sector.

By triangulation of information among different sources and different sectors of society, and also returning to sources for further information or adding more interviews after rounds of reflection, I was able to gain more 'informed insight' about the hydropower sector in Guatemala (ref critical realism), or what is called 'saturation' in grounded theory.

4.4 My role as a researcher

Every researcher speaks from within a distinct interpretive community that configures, in its special way, the multicultural and gendered components of the research act (Denzin and Lincoln 2005). In general, me being a young, Norwegian, female researcher was a positive factor, and all actors were positive to being interviewed. I was also helped considerably by my background in activism and by all my contacts. Furthermore, I had some experience in undertaking interviews (in organizational work, bachelor's thesis and earlier master's work), and I was well prepared for all my interviews. I took care to dress in a way appropriate to the interview context, be it a dinner on a fancy hotel, the embassy, the congress, informal meetings with activists or in a community.

I believe all this gave me the necessary credibility, and the respondents felt confident in the interview situation. Combined with having good contacts that facilitated the interviews along the way, and being associated with actors they trusted (be it the Norwegian Embassy, ICH or

civil society organizations) all respondents seemed interested in contributing to the research. I only had one negative experience, and that was sorted in the course of the interview. One respondent had given incoherent answers, and I started questioning the information presented. I do not think the respondent, a man in his fifties, was aware of all the knowledge I had acquired about the sector and the legal framework. As an expert on the topic, he clearly felt irritation at being questioned by a young female student.

My previous experience in Latin America, as well as my knowledge of the Spanish language, has helped me in understanding and handling the cultural, economic, social and political context. My background as an activist with lengthy stays in countries such as Mexico, Bolivia and Guatemala also affected my choice of topic and location. I admit to having some preconceived notions about the situation of the indigenous peoples and local communities in the country, from my earlier work with indigenous organizations, largely as pro poor and pro indigenous. Being aware of this has also forced me to seek information from other sources that I normally would have done and asking questions I may have avoided as an activist, and reflected upon my role as both an activist and a researcher. Due to my previous experience from Guatemala, doing activist and organizational work, and having lived and experienced rural communities in Central America over longer periods of time, gave me possibilities of a more perspective from the inside. At the same time, I am also an outsider, being Norwegian and being a researcher, and could also take a step back.

I believe coming from an organization with broader ties to other organizations in Guatemala facilitated my access to the information in the communities, and, as they saw me together with these organizations, they could trust me. Being Norwegian and with connection to the Norwegian Embassy in Guatemala and the International Centre for Hydropower facilitated access to companies and state institution. Altogether this put me in a privileged situation where I could get close to communities, organizations in civil society, as well as the companies and state and government officials.

4.5 Criteria for measuring the quality of the study

Lincoln and Guba (1985) have proposed an alternative way of assessing qualitative research, with 'trustworthiness' and 'authenticity' as criteria. Trustworthiness entails four criteria: *credibility*, *transferability*, *dependability* and *confirmability*. Credibility concerns how

believable the findings are and whether the research is carried out according to good practice. I have sought to ensure credibility by following codes for good practice, documenting my steps and triangulation of the sources and methods for analysis. I have also constantly returned to the material and seeking more information where there were contradictions. Transferability concerns whether the findings can apply to other contexts. Guatemala represents a contextual uniqueness, but with thick descriptions I have created a database (ref the transcription, codings and systematizations) which can serve as a basis for making judgements about the transferability of my study. Dependability concerns the application of the findings at other times, and confirmability is about whether the investigator has allowed his or her values to intrude the findings (Bryman 2004:30). I have kept records of the different phases of the research process, including research questions, selection of respondents and lists over interviews with comments; and have systematized my field notes, transcriptions of all interviews and in this chapter elaborated on data analysis decisions. I regard complete objectivity to be impossible, but I have sought to document and reflect over how my values and theoretical inclination may have affected the material.

Authenticity, as suggested by Guba and Lincoln (1994), is relevant for my study, as it concerns the political impact of the research. The criteria for authenticity are fairness, *ontological* authenticity and *educative* authenticity (Bryman 2004:276). Fairness concerns whether the research represents the actual range of viewpoints among the actors in the study. With the presentation of the narratives, I have sought to present the viewpoints of the actors involved in the sector. *Ontological authenticity* concerns whether the research can help the various actors involved to gain a better understanding of their social surroundings; *educative authenticity*, whether the members get a better understanding of the perspectives of other members. I believe by presenting the range of views I encountered, and exploring the power relations, that this study could contribute to precisely that. In addition, with the FIVAS study, the information gathered has been distributed to the communities and other actors involved.

4.6 Ethical considerations

I follow a contextual or situational ethical position, not a universalist model. This means that ethical questions have been considered according to the context and situation, and not with a pre defined standard. I have followed what Fontana and Frey (2000) name common sense and responsibility, where I set the respondents first, the study next and then myself. There are

three important guidelines considering ethical dimensions, and all will be presented and related to my study. The three are (Thagaard 2003): 1) prior informed consent and information about the research, 2) confidentiality and protecting the privacy of informants, and 3) avoiding negative repercussions for those interviewed.

To secure informed consent and information about the research I did my best to inform the respondents about the study in every interview. Information about the research project included the objectives of the research, how the research was conducted, and the date for the termination of the study. The objective was presented as getting different viewpoints about the hydropower sector, and I told the respondents that I spoke to a range of different actors. I asked for permission to record the interviews or meetings in the settings where that was possible. Some open meetings were recorded without asking the public, for practical reasons. Some of the community leaders were informed more in general that I was undertaking a study, and not necessarily as a student.

Anonymity/anonymization is a process that makes information about individuals or organisations/companies/institutions non-identifiable. In the text of this thesis I have omitted the names of my respondents. With state institutions, congressional commissions and government spokesperson, I have removed names and titles, but have supplied the names of the institutions, as these are official entities with policies and procedures that should be known. Often, it is not enough only to conceal the name: the researcher should also remove other identifiable elements. I have not used the names of the local communities, nor the company names or names of organization. The reason was to protect my informants so that they would not experience negative repercussions because of my research. Some of the communities may be identifiable because of processes and conflict that are well known, and the most known cases are named with the municipality or area. Furthermore, as mentioned, for the transcribing of the interviews I used people whom I know and trust, or I have done the transcription myself. All the interviews were transcribed outside Guatemala.

4.7 Relevant actors in the sector and interview codes

Here I briefly present the different actors involved in the hydropower sector, of which all have been interviewed or from whom I have used information.

The Ministry of Energy and Mining (MEM) is responsible for formulating and coordinating the policies and plans of the state. It also manages programs in the sector and applies the regulations of the General Law of Electricity. The ministry gives the final authorization for the use of the rivers. Two bureaucrats and one director were interviewed in MEM.

Sub Ministry for Sustainable Development: The Ministry of Energy and Mining (MEM) has recently created a Sub Ministry for Sustainable Development. Among others things, the Sub Ministry is responsible for developing small scale hydropower projects involving the communities and providing information to affected communities. They also work to distribute information about the hydropower sector in communities. One advisor was interviewed in the Sub-Ministry, and one of the regional representative participated in the seminar arranged by the Norwegian Embassy.

The National Commission of Electric Energy (CNEE) is the technical organism of the ministry in charge of executing the General Law of Electricity. CNEE regulates the energy prices and puts technical norms into effect. CNEE participated at one of the events arranged by the Norwegian Embassy.

INDE is the state-owned company, currently operating several hydropower projects. Several members of the union of INDE were interviewed in a group meeting.

The Wholesale Market Administrator (AMM) is a private non-profit entity that coordinates the transactions between the different participants in the electricity market, securing competition in a free market and promoting investments. A lawyer working in AMM was interviewed on two different occasions.

The companies: The participants in the market are the generators, the transmission entities, the distributors, the electricity traders, the large-scale users, and other companies that carry out transactions in the electricity market. The majority of the generating companies are organized into two associations. The large-scale energy consumers, such as, shopping centers, the *maquila* industry, and the mining industry, can enter freely into agreements with

the energy generating companies. For this thesis, only the generators have been interviewed, in total four companies and two company associations.

The Ministry of Natural Resources and the Environment (MARN): The Ministry of Natural Resources and the Environment are primarily responsible for the approval of the Environmental Impact Assessments studies and implementation of the environmental laws. The minister and the sub-minister were interviewed.

The municipalities (the municipal council and the mayor): The municipalities are responsible for emitting the construction licences and local taxes.. Both the Associations of Mayors (ANAM) and the Association of Indigenous Mayors (AGAI) were interviewed.

CONAP: CONAP is responsible for the protected areas in Guatemala, and is to be consulted when potential projects are placed within protected areas. One representative from CONAP was interviewed.

The communities: The affected communities are to share their public opinions about the project either during the study phase or during the public hearings. The communities can also share their opinions through local referendums called “consultas vecinales”. As already explained, I have visited several communities in the counties of San Marcos, Quiche, Alta Verapaz, Zacapa and Guatemala.

Grassroots organizations and NGOs: The public can share their opinions about the projects during the public hearing process. Several NGOs and grassroots organizations have been interviewed, such as environmental organizations, popular organizations, development organization, peasant and indigenous organizations.

Academics and experts: Academics from four different research institutions have been interviewed, as well as two independent experts on indigenous issues and one on sustainable energy production. One lawyer at the ICH seminar was also consulted.

Media: Media play an important role in distributing information about the sector. As part of the FIVAS study, an organization was engaged to do a newspaper monitoring gathering articles about the hydropower sector during a period from January 2009 to August 2009.

Intermediaries: What I call intermediaries are actors such as the Organization of American States (OAS), and organizations mainly working as intermediaries between the communities and the companies, and an organization working with conflict resolution.

All the interviews and actors have been coded according to a system of which I have prepared a list of respondents (Appendix 1). I categorize interviewees with an R for Respondent, a number and the type of actor. The various types of actors are company (C), mediator, Indigenous and peasant organization (IP), NGO and local community (LC). The rest have been named by their institutions, such as the academics, the congress and the state and government institutions. See Appendix 1 for the full list. The list also includes whether the interview was recorded or not, male or female respondent, individual, group or pair interview, where the interview was conducted and when (month and year).

4.8 Further reflections and limitations

There is a great deal of material that I have not used in this thesis, mainly due to the lack of space. The material has also been used for a publication with FIVAS, where I refer to this master's thesis throughout the report.

In my conclusions I have added policy implications from the alternative narrative presented, together with recommendations.

In the next three chapters I will present the findings and my analysis. I start by presenting the case, and then turn to the presentation of the dominant (win win) narrative. Following the dominant narrative, is a section about the practice of the companies in gaining access to and control over the natural resources in question, mainly land and water, and lastly the political economy of the hydropower sector.

CHAPTER FIVE: PART I OF FINDINGS AND DISCUSSION

Hydropower development seen from the companies and the state

1st of August 2009:

The central park in the municipality of Chuarrancho is filled with hundreds of people waiting for the municipal council to reveal the results from today's referendum. Everyone is anxious to hear the result. A member of the council appears outside the town hall with a piece of paper in his hand. He raises his voice: Today the people of Chuarrancho have expressed their views on the Sisimite hydropower project. The result? 2748 'NO' votes, as against 571 in favour. The crowd cheers, people hug each other, some cry with relief at hearing the outcome.

Two similar projects have been rejected by popular vote in less than five years in Guatemala, and communities throughout the country have protested against plans for hydropower development in their areas. Some 21,000 people voted against a planned plant in Quiche in 2007, and in the county of Zacapa 2735 voted against the planned expansion of a project in 2005. Communities have begun to organize themselves and getting involved to claim their rights.— to get information about what is happening in their areas, prevent companies from starting construction, set about documenting the possible environmental and social impacts of the projects, and become engaged in administrative and legal procedures. On the other hand, the government and hydropower companies have not been receptive to the demands of the communities, and tensions have increased. The media have been labelling the communities as 'eco-terrorists', ignorant and anti-development people, because of their actions to get the projects stopped, and local community leaders and other activists are criminalized for their acts of resistance.

Many scholars as well as local activists acknowledge the few but tangible improvements in local livelihoods that have been achieved in Guatemala after the signing of the peace accords in 1996. At first glimpse it may seem contradictory that local communities should oppose projects that could give better access to electricity and help to improve the standard of living in the communities. How can we interpret this local-level resistance to hydropower development?

5.1 Power to the people?

In total 83.5 percent of Guatemala has access to electricity. However, there are still areas in rural Guatemala that lack access to electricity, around 16.5 percent of the population. The figures vary across counties and between urban and rural areas. The departments with the lowest coverage are Alta Verapaz (37.4 %), Baja Verapaz (69.6 %), and Quiche (72.1 %) (see Appendix 5 for complete list).

In recent years, several hydropower projects have entered operation or are in the planning phase. No projects were built during the most violent years of the armed conflict from 1983 and up until 1995. Between 1995 and 2009, 16 projects entered the operational phase, only one of them state-owned. By February 2010, there were nine projects under construction and 15 in preparation (see Table 1). Over 30 projects have been proposed by the National Commission for Electrical Energy (CNEE) and Invest in Guatemala as candidates, but information regarding nearly 80 projects, ranging from 10 to 340 MW in size, can be found in documents from INDE, CNEE and Invest in Guatemala (see Appendix 3 for a complete list of the projects in operation, in planning phase or proposed). Most projects under planning or in construction are located in the counties of Alta Verapaz, San Marcos, Quiche, Huehuetenango and Petén. Currently, 24 hydropower projects are in operation in Guatemala, nine of which are state-run. The oldest dates back to 1926; four others were built during the 1960s and 1970s; and two in the 1980s, including the Chixoy dam. As Table 1 shows, hydropower projects are in operation, under construction or in planning phase in most the counties of Guatemala. With this degree of expansion it is logical to expect that these projects will have consequences for the livelihoods of those living in the vicinity of company activities and the infrastructure needed for the operation of a project.

Table 1 Hydropower projects by phase and county

County	In operation	Under construction	Under preparation	Candidates (estimate)	Total
Alta Verapaz	5	1	3	16	25
San Marcos	1	1	3	12	17
Quiché		2	2	9	13
Huehuetenang	-	-	-	13	13
Baja Verapaz	2	1	-	4	7
Esquintla	5	1	-	1	7
Petén				7	7
Quetzaltenang	4	1	1	-	6
Zacapa	1	-	3	-	4
Santa Rosa	2	-	-	2	4
Chiquimula			1	3	4
Guatemala	2		1		3
Izabal	1		1	1	3
Retalhuleu	-	1	-	1	2
Salama	1				1
Xela				1	1
El Progreso				1	1
Jalapa				1	1
Suchitepeques		1			1
Jutiapa				1	1
Not specified				4	4
Total	24	9	15	77	125

** February 2010. Based on information from CNEE, Invest in Guatemala and INDE. See appendix for full list of all projects*

I start by presenting the dominant narrative about hydropower development in Guatemala, related to issues of development and the environment, and how the various actors are presented in the narrative. The dominant narrative can also be called a win-win narrative (Svarstad 2003). In this way I seek to reveal the logic behind the promotion of hydropower development and the political origin of the narrative, as well as the implications for governance of the sector, the interests and the institutionalization of environmental information as presented in the narrative. I explore how current and historic power relations are reflected in the knowledge claims in the narratives, and how the narratives have been adopted as truth (Forsyth 2008). Furthermore, I examine how narratives and knowledge claims materialize in the ways that the state and the companies relate to the local

communities, and the links between power relations, institutions, environmental regulation and environmental outcome (Adams 2001).

5.2 Hydropower development in times of climate change

Based on the climate change perspective, the requirements for energy for development and the country's potential in the electricity sector, the country will be strengthened with the development of the hydropower sector, contributing to the replacement of energy generation from fossil fuels, that not only have the disadvantage of producing greenhouse gases, but that is also affected by the variations of the international oil prices, giving Guatemala a very high tariff. (Respondent 22 Congressional Energy Commission [CE])

Arguments in the dominant narrative concerning hydropower development in Guatemala are expressed around four main axes: *The development argument* and the need for cheap energy, *the environmental and climate change argument* focused on changing the dependence on fossil fuels, the *comparative advantage argument* about the country's potential for resource exploitation, and lastly the *social equity and participation argument*. The dominant narrative is mainly presented by government and state actors, the companies, and some large environmental NGO. The narrative is reflected in major policy documents, such as the government's energy policy. The objectives of the energy policy refer to avoiding the 'energy crisis' by modifying the energy mix (*matriz energetica*), mainly by reducing the dependence on fossil fuels and boosting renewable energy sources.

The development argument argues the need for cheap energy, and that this energy is necessary for the development of the country, as well as contributing to regional development in Central America and local-level community development. The strategic objective of today's energy policy is presented as 'Ensuring that our population has access to sufficient energy supply, at a reasonable cost and trustworthy terms and conditions that support the economic growth and the welfare of all Guatemalan men and women' (MEM 2008:18). As expressed by the Ministry of Energy and Mining (R18 MEM): 'We will have more trade, more electricity services, schools and health centres, and improving the telephone system. There are so many things that can be done when bringing a bit of development to these abandoned regions.' At local level, community development is seen as involving better infrastructure, schools and health centres built by the companies and access to electricity. This idea of company social responsibility and thereby their contribution to 'local development' was reiterated in my

interviews with various civil servants working in state institutions. At the national level, development is seen as involving economic development, with increased trade and investment. Furthermore, the entire Central American region is to benefit from the development of the sector. According to the ministry MEM (R18 MEM) ‘Guatemala could provide energy to all of Central America because we have enormous resources.’ As one respondent from the energy commission in the congress said (R21 CE): ‘we have to use the resources, the country has resources, we all have the right to use them’. Here he is pointing to the interest of the whole country in hydropower development, arguing that the inhabitants have a right to it, placing the utilization of natural resources to please human needs in the centre (anthropocentric).

Then there is *the environmental and climate change argument*. This argument stresses the need to shift from dependence on fossil fuels, and that hydropower should be developed because it is ‘clean’ energy that contributes to reduce climate change as expressed by the ministries and a congress member (R18 MEM, R22 CE, R20 MARN). According to policy documents, the potential contribution of so called renewable energy and hydropower is the primary option in response to energy demand in short term, implying, among other elements, respect for the environment. The narrative refers to the international focus and importance of ‘renewable energy’, ‘climate change’ and ‘sustainable development’. The representative from Ministry MEM (R18 MEM) argues that Guatemala has been lagging behind in energy production from renewable sources, and underlines the international responsibility of contributing with the use of renewable energy sources.

The third argument – *the comparative advantage argument* – focuses on Guatemala’s presumed large potential for hydropower development, and the use and exploitation of its natural resources to save the country from an ‘energy crisis’. According to the story, oil prices are high; to avoid a crisis Guatemala can produce cheaper energy with hydropower. ‘Scientific’ calculations are used to strengthen the argument, as for example the potential for hydropower development calculated by INDE in the 1970s to be 4000 MW, presented again by CNEE in their plan for the energy sector, stating that Guatemala is using only 13 per cent of this potential. A congress respondent (R22 CE) also pointed to studies conducted by universities in support of this argument: ‘Guatemala is very rich in hydro-resources; recently a balance was elaborated by the University Rafael Landivar which concluded that Guatemala

receives approximately 98000 million cubic meters of water every year, of which Guatemala uses only 25 per cent '.

The social equity and participation argument. Government policy emphasizes the incorporation of social equity as a part of energy development, together with the 'strengthening of democracy and informed participation' (MEM 2008). Public participation is promoted as part of the processes whereby local communities can express their views. The term "public participation" is used in many instances, as in the documents concerning environmental impact assessments (EIAs), by the consultants in the EIA reports, by some governmental and state institutions and also by the companies. The government spokespersons from the Presidential Commission for the National System of Permanent Dialogue (R26 Presidential Dialogue) and the relevant ministries have expressed the importance of community participation and information distribution to the communities (R20 MARN, R19 VMDS).

Caste of actor s

In the dominant narrative on hydropower development, the actors are categorized according to the polarization between those favouring hydropower development and those ones against it. The pro-hydropower actors are presented as striving for progress, growth and development, combating climate change and promoting clean energy. The opponents are presented as anti-development, radical or ignorant people who contribute to the continued use of fossil fuels and burning of forests. The role of the state is presented as a supervisor dependent on external investments to develop hydropower projects. According to the narrative, the process of liberalization and privatization was necessary for the development of the sector, and the expansion of the electricity network could not have been done without the privatization and the companies. The state is held to be inefficient and only to play a minor role, as it lacks both personnel and resources (R18 MEM). The Ministry MARN is presented as the environmental defender, ensuring good EIAs and providing scientific proof that the projects will not have any damaging effects on the environment. The state institutions are seen as facilitators, not implementers.

The dominant narrative presents private companies as the prime actors in the development processes, saving the state by investing in the sector, and promoting development in the country. They are portrayed as saviours because they can contribute to the production of clean

and cheap energy which is much needed in the face of the 'energy crisis', protecting the environment and helping to combat and mitigate climate change. They are also presented as saviours because they *choose* to support the communities with social projects and infrastructure and thereby contributing to local development. They are also portrayed as victims of the unfounded opposition of the communities. The government and state promote the companies as mediators, responsible for negotiating with the local communities. As respondent (R18) from the Ministry MEM said, 'the government wants the investors to approach communities more, that they enter into dialogue, even before developing a project'. In other words, the companies are to play the main role in consultation processes.

The communities where hydropower projects are to be developed are on the one hand presented as passive recipients of development, getting benefits from the projects such as infrastructure, jobs, improved schools and health services, and access to electricity. Communities that are critical to the projects are presented as ignorant, unable to recognize these projects as for their own good, and as manipulated by external actors. As the congressional commission for energy (R 22 CE) said about the opposition: "it doesn't have a solid basis because the population does not really understand the costs and benefits of developing electricity projects in their region." Some of my respondents also expressed the need for the local communities to be educated before they can participate in decision-making saying 'what can I ask the poor peasant who doesn't have any information, who doesn't know how they will be benefitted – they [NGOs] abuse their good faith in giving them ideas that are not true'. An engineer at a hydropower seminar I attended explained to me that the people from the local communities have their own traditions, and they "do not want to change, that is why they are opposing the projects". The communities are also presented as the ones that damage the environment, while the companies care for the environment through their environmental programmes. The ministry MEM (R18) blames the opposing communities for the continued production of polluting energy if they refuse hydro-development projects. According to state officials and one of the environmental organizations (42 NGO), the communities know very little about environmental conservation, and therefore misuse their natural resources by contaminating the water around them and destroying the forests. In a promotional video about biodiversity in Guatemala, made by the current government, community residents are presented as cutting down and burning the forests. According to the Ministry MEM (R18) the objective is to "make the communities understand that these projects will bring them development, there are lot of myths in the communities, they think

that the projects will make the transnational companies richer, things that are not correct, the strategy is to tell them “look, we cannot keep on burning oil””.

In the dominant narrative the communities, together with environmental organizations and other social organizations, are presented as the villains. According to the narrative, they oppose the projects because they are against development, they don't want to share the natural resources in their areas with the rest of the country for the sake of national development and the nations' interests. They damage public and private property, and can react with violence. According to a congress respondent (R22 CE), “when there is fear in the communities, other feelings are generated and they might use violence (...), the security of the persons that go to the countryside is at risk.” As one of the company representatives (R9 CO) said: ‘we also have our rights, to walk freely in a community to evaluate a river is not prohibited, so they do not have to kidnap us, or fight, or run after us or burn things’. The process of local referendums that are taking place in many communities is dismissed as non-binding (R18 VMDS, R9 CO, R11 CO), fraudulent (R10 CO) or bribed (R18 MEM). “Interested persons come and pay for their lunch, take them on a bus, buy them a 25-*Quetzal* doll, and with this they buy the ‘No’ (vote)” (R18 MEM).

The NGOs are blamed for manipulating the local communities, and persuading them to reject hydropower projects (R22 CE, R19 VMDS, R18 MEM). According to the Ministry MEM (R18) “a small group manipulates them [local communities], pulling them back and forth, and in the end they don't know why they are opposing”. The NGOs are blamed for lacking objectivity and professionalism, and for providing disinformation so as to manipulate people into believing negative things about the companies and the projects following certain “political tendencies” (R9 CO), or because they are “ideologically based” (R10 CO), “radical” (R14 CO) and “extremist” (R9 CO). The opposition is blamed for being ideologically against foreign capital investments and as waging “a war against the rich” (R10 CO). The NGOs are blamed for creating conflict in the communities, so that they can continue to receive international funds, and for taking advantage of the communities to serve their own interests (R22 CE, R10 CO, R12 CO) As the respondent from the congressional energy commission (R22) stated, “Everyone is taking advantage of the inhabitants to come and protest in front of the Congress”. The MEM official (R18) believes that they are “environmentalists supported by transnational oil companies”. One of the companies (R10 CO) seemed surprised that this

was also the case in Zacapa, where the majority of the population is non-indigenous – suggesting that one would expect this kind of opposition from the indigenous people, but not from ladinos, following a discriminative discourse. The narrative further suggests that the communities are violent, and criminalizes their acts in mobilizations, protests and marches and in communities obstructing the companies from entering their areas and damaging private and public property. Members of the communities and their presumed NGO allies are described as ‘eco-terrorists’ and ‘opponents’ who employ ‘guerrilla’ tactics (Media 63).

The role of the media and criminalization

The media have shown considerable interest in writing about the energy and hydropower sector, and have a central role in spreading the dominant narrative on hydropower development. A review of newspapers between January and August 2009 reveals much coverage where community responses are dismissed as ‘radical’, ‘anti-development’, and implying that they say no just to say no, or lack grounds for their opposition. Activists and local leaders who have opposed large-scale development projects in their areas and those working for local referendums have been labelled “eco terrorists”, implying that they are communists or former guerrillas, dangerous and angry. Demonstrations have been characterized as intrusions on private property, civil disturbance and damage to public property (Media 63). One environmental organization (R20 NGO) experienced that a representative from the Ministry MEM distributed flyers about the organization, claiming they were lying to the communities, that they were radicals and were carrying out guerrilla strategies. The same organization was attacked in the press several times, blamed for using guerrilla tactics (Media 63), presenting false information about one of their publications.

Civil society organizations also claim that organized groups undertake violent acts of sabotage to discredit the demonstrations and protests of the social organizations, and later accusing them of the acts. Many of my informants reported acts of persecution and intimidation that also have been connected to companies and their security forces. Furthermore, according to lawyers in one of the indigenous organisations (R30) who are following up cases from local community leaders, companies have accused local leaders and activists of both minor and more serious crimes that may or may not have been committed by them. Local leaders have been sent to jail because of this, with little chance to defend themselves. Some companies have also engaged private security forces in demonstrations, and the police have undertaken unlawful arrests. According to journalist Feiser (2010) security

guards employed by private companies in Guatemala outnumber police seven to one. Guatemala has an estimated 100,000 to 150,000 guards, with a substantial rise in the number of security companies after the end of the armed conflict.

Politics in science

The dominant narrative forms and disseminates a certain ecological reality (Forsyth 2003), which in this case is that Guatemala has large water resources that should be utilized for hydropower energy. The hydropower potential presented by INDE and later CNEE, and also the university study referred to with Guatemala's large water resources show the politics in the creation of science (Forsyth 2003). Dominant explanations about human environmental relations have implication for the policies that are set out to solve the problem. This shows how scientific explanations can be used to legitimate policies and practices. An example is also how locals are blamed for contributing to forest degradation, and the solution that is proposed is to start hydropower projects to produce energy, with the logic that with more access to energy, the locals will stop cutting down the trees. This explanation largely ignores the structural roots for why the locals are cutting down trees and the power relations and interests that exist in the sector, which will largely decide where the energy goes and what the natural resources are to be used for. This shows how science and certain environmental explanations are used to legitimate policies and practices (Forsyth 2003).

In this sub-section I have presented the win win or dominant narrative about the hydropower sector. This narrative has mainly been expressed by state and company actors actively involved in the sector, in addition to some accompanying organizations and larger environmental organizations. How the narrative presents the role of the state and the private actors largely reflects the concept of 'market environmentalism'. Market environmentalism refers to a set of ideas that present the market and private actors as the most important mechanism for mediating between people, and regulating their interaction with the environment. This involves a political agenda of retracting the state, deregulating markets and extending market relations into society and its relations with the environment (Adams 2001:104). The local communities are not given an active role in decision making concerning development and the environmental surrounding them.

In the following section I look at the phases involved in the development of a project, the policies, and the practices of the companies and the state. The policies of the state and

practices of the companies can be seen as outcome of the narratives (their material dimension), and as the political implications of this social and political expressions (Forsyth 2003). This can also help to demonstrate how the dominating explanations within the environment and development impact the poor people.

5.3 Gaining the state and convincing the locals

In this section I will explore the various ways in which the companies seek to exert control over the environment and of other actors (Bryant and Bailey 1997) and the resources they mobilize to implement their interests. I do this by looking at their practices in the sector, and the how that are linked to the dominant narrative.

INDE undertook several studies for hydropower projects in the late 1970s which are now available for interested developers. With this information the companies can start the design and planning of a project, and the undertaking of studies of environmental and social impacts. In the planning phase the companies get support from the Ministry of Energy and Mining (MEM) and Invest in Guatemala, providing information about possible projects, the areas and the legal framework. Invest in Guatemala, created in 1997 with the support of the government together with private entities, is an agency that promotes investments in Guatemala. It provides companies with information about the legal framework, areas and possible projects, network of contacts, initiation of operations and practical assistance¹⁶. A company needs several permits to start operation. The regulatory process includes: 1) obtaining temporary permission (maximum one year) from the ministry MEM to access the areas and rivers to conduct studies; 2) performing environmental impact assessments and submitting them to the Ministry of Natural Resources and the Environment (MARN) for approval; 3) if approved by ministry MARN the studies are to be presented for public hearing; 5) obtaining final authorization from the ministry MEM; and 6) obtaining a construction licence from the municipality in question. In addition to this, the company needs to prove that it has either got permission to rent the land from the locals or the municipality (*usufructo*), or that the property is in the name of the company. As water is defined as under public domain (*dominio público* art. 121) in the Constitution (1986), companies must apply for authorization from MEM for the use of the rivers. Such authorization is normally granted for 50 years, the maximum time

¹⁶ www.investinguatemala.org, Here the government plan (Plan de Expansión Indicativo del Sistema de Generación 2008-2022) is presented, together with a list of candidates in renewable energy production (31 candidates).

period. The application for the authorization requires a plan for right of way to the land (*usufructo*) that is needed for developing the projects. This is left to the companies to sort out. The companies may opt to either lease or purchase the land ¹⁷.

Parallel with the initial planning phase is the process of establishing trust in the communities or with the municipalities, to get social acceptance for the projects and ultimately the construction licence from the municipalities. With the limited role of the state, much is left to the companies. Table 2 “Project phase” shows the actors involved in the various stages of a project phase. Public involvement is required at all stages, and is largely left in the hands of the companies.

An important part of the project phase is the Environmental Impact Assessments (EIA) which must be carried out before the construction phase can begin, under the regulations for ‘Environmental evaluation, control and follow up ¹⁸. Such studies must be conducted by approved consultants registered with the ministry MARN, who are then hired and paid by the companies ¹⁹.

¹⁷ According to art. 37 in the General Law of Electricity ‘The interested party shall take all steps and carry out the necessary negotiations for the establishment of the easement that it must establish over the public or private *fincas* (...)’.

¹⁸ EIAs are required for hydropower projects larger than 5 MW. Article 80 in the Law of Environmental Protection and Improvement (1986) states that studies to evaluate environmental impacts have to be undertaken if the project ‘can produce deterioration on renewable and non-renewable natural resources’ or modifications to the landscape or the country’s natural resources.

¹⁹ In 2006 there were close to 250 consultants and 14 consulting companies in Guatemala (CCAD and IUCN 2006).

5.3.1 Table 2 Project phase

PROJECT PHASE	Actors involved	Required permits	Public involvement
Planning and pre-studies	The company, Invest in Guatemala, MEM, INDE		Required in the whole process
Societal acceptance of project	Company, Local communities		Required in the whole process
Environmental Impact Assessments	MARN Consultants Companies	Temporary permit (1 year)	Required as part of the studies Plan for public participation Local inquiries
Public hearing	Civil society actors		20 days of public hearings
Authorization	Company, MARN, MEM	Approved EIA by MARN Plan for easement Authorization by MEM	
Construction	Municipality, Local community Companies	Construction license from the municipality	
Operation	MARN, CNEE, MEM Companies Municipalities		

Environmental Impact Assessments

EIA regulations specify two major elements regarding public involvement: “information to the public” (art. 33) and “public participation” (Chapter XI). The articles regarding participation were revised in 2008 after an initiative from the Ministry of Environment and Natural Resources (MARN), after a hard battle with the private sector (R20 MARN) whereby public participation became a prerequisite for undertaking EIAs. Article 49 in the modified regulations states that the Ministry (MARN) is to ensure public participation during the entire process of environmental assessment, from the initial phases of project design and preparation, to the control and follow-up, and the operational stage. However, in practice much of the responsibility is left to the companies. Although the ministry MARN is responsible for distributing information and facilitating participation, direct relations with the communities is the responsibility of the companies. Article 50 states that the company (*interesados*) responsible for the project should involve the local population at the ‘earliest

stage possible'. The companies are expected to develop, together with the hired consultants, a plan for public participation including how to encourage public participation, get information to various sectors of society, handle requests for information, and resolve possible conflicts.

After the studies have been completed, they are handed over to the ministry MARN, which has 60 days to make comments, and either approve or reject the project. If MARN fails to make any comments within 60 days, the studies are, according to the law, automatically approved (the principle of "administrative silence"). If the studies are temporarily approved by MARN, they are published for an open hearing that lasts 20 days. Notification of the approved study must be published in a newspaper with national coverage. The studies are to be published in the language used in the area where the project is to be developed, and should be accessible for interested parties. Comments from the public must be in writing, and have to have a technical, scientific, and legal base to be *considered* by the ministry MARN. The ministry may consult private or public entities on special issues, as for example the National Council for Protected Areas (CONAP) if the projects are e.g. constructed in or near protected areas. After consultations with both private and state entities, comments from the public and their own control and follow-up, MARN issues a recommendation for final approval or rejection of the project. The Ministry of Energy and Mining (MEM) issues the final authorization.

The companies negotiate directly with the municipalities for the construction licence. Once a licence is granted, the construction process can last for several years before the plant enters the phase of operation. According to my interviewees in the communities (R44 LC, R47 LC, R48 LC), the state plays a minimal role in contacting and interacting with affected local communities.

A team of consultants is hired to undertake the EIA, a phase that normally last for three to four months (R9 CO, R11 CO). The meetings held by the consultants vary in form. My respondents in the communities told me about meetings where only some of the community residents had met or been invited, and many of them did not know what the meetings were for. In one of the projects planned a local community (R45 LC), which will be highly affected by the dam downriver, told me that they had been excluded from expressing their view in the study. Examples can also be found directly in the reports where the consultants themselves describe the processes (EIA 64). In the same municipality, the consultants went to people's

houses to undertake the interviews together with company representatives. Some community residents seem to have thought that they could express their wishes directly to the companies. Many mentioned meetings where they had been asked to place their name on a list, and later it was claimed that the residents had agreed to the project. The processes of involving the consultants in meetings with the communities have also been termed by the companies as ‘consultation processes’.

The Ministry of Energy and Mining has recently created a Sub-Ministry for Sustainable Development to plan community-based hydropower projects, distribute information about how hydropower projects function, and act as an intermediary between developers and local communities. This sub-ministry has employed three regional representatives (R19 VMDS), of indigenous origin, who are expected to be in direct contact with local leaders and communities. Up until July 2009, the regional representatives had participated in regional meetings, and had also approached several communities to promote small-scale hydropower.

Approaching the communities

According to community leaders interviewed for this study (R44 -54 LC), the companies employ two main strategies when approaching the communities. The first is to establish contact with the municipal council or the mayor (*alcalde*), and begin negotiations directly without involving others. The negotiations relate to access to properties needed for company activities, the possible benefits for the municipalities or the communities in question, the taxes they are to pay, and the construction license necessary for the company to start construction. The second strategy is to approach local community leaders, often offering jobs or money, in exchange for their efforts to convince the communities about the project. My interviewees in the communities reported that various benefits have been offered to certain leaders or key decision-makers in the municipalities in their area. This raises the risk of corruption and bribery if a company pays the mayor or the municipal council to consent to a proposed project. The representative from Association of Mayors, asserted that this might happen in some instances, but not in general (R8 ANAM).

Companies hire consultants or locals to help them get access and start the process of gaining the trust of the local communities (R9 CO, R11 CO). They hire local intermediaries or so-called ‘social managers’ (*gestores sociales*) who are familiar with the language, customs and the key local players, and whose approval or acquiescence is considered important for

achieving local acceptance for the project. A company (R11 CO) had four projects in the study phase in November 2009, and had hired one local person for each project to act as social manager. According to the company representative (R11 CO), the social managers approach the local communities, tell them that there is a company considering a project in the area, explain the project and that the company need to undertake studies, and explain the differences in the various types of projects. These social managers have several meetings with the local leaders and the municipality, who again are expected to distribute the information further to the people in the communities. According to the community leaders, however, the municipality often fails to inform the communities. Other companies hire consultants from organisations specialized in local negotiations and conflict resolution, as in the case of respondent 16 who works largely as a mediator between companies and local communities. According to this organisation (R16 Mediator), who works for several companies in the area of Alta Verapaz and Baja Verapaz, the first phase (phase of gaining trust) of community relations is done before construction starts, and may also be carried out before or parallel to the Environmental Impact Assessments. According to consultants (R16 mediator), they never start projects in a community without what they call '*consulta comunitaria*', a communitarian consultation. By this they refer to that they hold community meetings, present the project and how a hydropower plant functions, and, having given this information, leave the community members to think over the project. Later when the community members have made a decision, the mediator (R16) returns and signs a community legal document (*acta*) that states that their agreement 'with collaborating jointly with the company and the support that we can give them' (R16). The mediators (R16) work with the communities, whereas the company works with the study phase, engineering, studies and licences. According to respondent 16, none of the communities they have worked with have said 'no' to a project.²⁰ They find it challenging when several communities approach them, or turn up at the meetings to present their needs. 'The companies claim they can only offer support according to the size of the projects and only for the area of influence, no more than 20 communities.' Respondent 16 also explained that the 'consultation process' around needs and desires of the communities begins during the phase of information distribution. Respondent 16 works only with smaller or medium-sized projects, and underlined that their goal is 'to cover the communities' needs as much as possible'. They see these projects as an opportunity for communities to improve their livelihoods in situations where the state has been totally absent, especially when it comes

²⁰ At the time of the interview, CEDER had worked with 13 communities related to three different projects in Alta Verapaz and Baja Verapaz.

to providing social services and infrastructure. The mediator's (R16) view is largely pragmatic: they believe that the communities are better off with something than with nothing. That view coincides with what we have heard from various state entities, promoting the social responsibility of the companies, encouraging the companies to build schools and health centres, and to 'contribute to local development'.

According to my respondents from the companies (R11 CO, R14 CO), many of them offer small projects at the preparation stage that last for one or two years, such as water pipes, small production projects, the construction of schools, churches or health centres or school materials. Some companies also get involved in community sports events, or provide football pitches. The company might, together with locally hired workers, start collaboration with the local development councils or the schools, and agree on projects which the company can help the community with. Several companies have also established foundations that specialize in social projects in rural areas. Local organizations or the local development councils can present projects to the companies, and the board of the foundation decides which project to implement (R9 CO, R14 CO). The company (R14) has also established a foundation after the local communities rejected the hydropower project in a municipal referendum in 2005. The foundation was created in 2008 with the aim of implementing social projects; it has supported communities with dental care, housing, remodelling of a school, school materials, computers and food distribution. The company claims that more and more communities are changing their position and are now in favour of the hydropower project.

Acquiring land

Companies acquire the land needed for the projects in a variety of ways, often in direct negotiation with the local residents, from the municipality or from private landowners (*fincas*). A major challenge is the legal insecurity of land tenure in Guatemala, where several property regimes co-exist. Many communities lack individual or communal titles to the land, or are living on lands that are in the process of titling. With access to the legal system, lawyers and resources, the companies purchase land either directly from individuals in local communities, from large landowners, or by accessing areas held by the municipality or the state. Negotiations with individuals in local communities have taken place on several occasions. The companies make direct contact with families and individuals, negotiate prices, and buy the land (R11 CO). According to community respondents (R45 LC, R41 LC, R43 LC), many community residents have sold their land without any legal advice. Others say that

the companies seldom tell local communities what the land will be used for, so communities are at a disadvantage in assessing a suitable market price before selling the land. Local communities accuse the companies of falsifying documents, asserting that companies have suddenly appeared with the title to their land. There are also some communities living on land owned by private landowners (*mozos colonos*). When the land is sold to developers, the residents are left in a vacuum, with promises from the former landowner to get titles to the land on which they live – promises that may or may not be followed up by the new owner.

When speaking to both the companies and the community, it becomes clear that they have different visions of the meaning of “land”. The lack of a plan for land use is also evident. Regarding water and rivers, developers argue that the section of the river to be used for the project lies within the border of their property, and therefore does not impact on the communities.

Presenting the project

The distribution of project information varies and is often limited and of poor quality. Several respondents have stated that company practice varies when it comes to distributing information to the communities, and the state asserts that it does not have the capacity to do this. Some communities spent months trying to get access to information about projects in surrounding areas, often without obtaining the information they required. Moreover, some companies have gone to communities and distributed false information about the reasons for their presence in the area. One such case happened in a local community (R45 LC) where the company had first come with plans to build an ecological park and initiate agricultural production projects. Some companies engage in information meetings with the communities, as with a project in San Marcos (R4). In a meeting with community leaders, the company presented plans to organizations, local communities, and other interested actors, including illustrations of the river and the project, indicating that 1) the hydropower project would clean the water it uses; 2) the ecological flow would not be affected; 3) the community would receive electricity; 4) there would be reforestation close to the project area; and 5) people would earn money in the community. Benefits for the local communities were presented as infrastructure improvements (roads), social responsibility (security, technical assistance and capacity-building, education and a social fund), care and protection of the environment, and legal and administrative management, the creation of 250 jobs, paying the construction license and taxes to the municipality, public lighting, and the generation of 49 MW of clean

electricity at a low price. This is one example of many. Several community leaders told me that the company would always present only the positive impacts at these ‘information’ meetings.

In this sub section I have presented the practice of the companies during the project phase, from the planning of the projects, the Environmental Impact Assessments, approaching the communities, acquiring land and presenting the projects. I suggest that the policies and the practices are highly influenced by the dominant narrative, where the state plays a minimal role, and much is left to the companies. However, this has further lead to some confusion about the various roles. The companies have at the same time started to complain about the absence of the state. The companies expressed the need for the state to take responsibility for the consultation process, and some also expressed that the state could not label what the companies are doing “consultation”. This may differ between the companies, as I heard that some companies where using the word “consultation” to describe their meetings with the communities, and by that taking use of the role given them, whereas others where experiencing difficulties in having this kind of a role. Some of the companies argue that it is not their responsibility to consult with the communities. This has largely come as a result of the opposition from the communities, where the companies have found an obstacle they cannot handle themselves, and are therefore calling for the state to play a role. This also suggest how the current model is contradictory to the evolution of indigenous rights at the international arena on one hand, and the citizens rights that had been introduced in Guatemala the last years on the other hand.

In the following section I will look at the political economy of the sector, including the interests of important actors involved in the sector, and the connections between the government, state institutions and powerful business interests.

5.4 The political economy of hydropower development

The state used to be the dominant actor in the electricity sector, but private companies are increasingly taking over, and governance of the sector is now divided between the state, private actors and local authorities. After privatization, the state plays a small but important

role in the planning, negotiation, construction and management of hydro-projects. Power can be said to have been displaced upward, downward and outward.

Displacement of power upward can be seen in the increasing role of international and regional actors and organizations such as the World Bank Group, the Interamerican Development Bank (IBD) and the Mesoamerican Plan (MP). In the energy sector this has been evident through the role of the Multilateral Investment Guarantee Agency (MIGA), a member of the World Bank Group, whose mission is to promote foreign direct investment into developing countries by providing political risk insurance (guarantees) to the private sector.²¹ MIGA played a significant role in the privatization and liberalization of the electricity sector in the mid-1990s. According to Solano (2009), during the early years of the Vinicio Cerezo government (1986–1991) the first proposal for privatization of the electricity sector was presented, inspired by the World Bank’s intentions to outbalance the monopoly held by state-owned companies. At the same time, the business sector started pressing for the privatization of public companies, especially those related to telecommunications and electricity. The Interamerican Development Bank (IBD) has played an important role as a main financier of hydropower projects and other large infrastructure projects.²² According to IBD (2009), this focus has been a result of the greater priority given to private sector and large projects, as well as credit lines of the larger banks.

The Mesoamerican Plan has since its inception in 2000 had an increasing impact on policy-making in Guatemala, with massive plans for infrastructure development, including the construction of highways, ports, telecommunication, and interconnecting electricity grids. Energy is among the strategic components of the Mesoamerican Plan (MP) as it is envisaged to guarantee the energy security of Mesoamerica by means of a ‘diversified, secure, reliable and environmentally friendly’ energy supply. The MP includes plans for the restructuring of the energy grid and the expansion of hydroelectric dams, to ensure a cheap supply of electricity in the region. The MP’s energy integration consists of three projects: The Central American Electrical Interconnection System (SIEPAC), Electrical Interconnection between Mexico and Guatemala, and the Electrical Connection between Panama and Colombia.²³ The

²¹ www.miga.org/about/index_sv.cfm?stid=1736

²² From 2001 to 2008, 60% of the funding was designated for five large infrastructure projects, four of which were hydropower generators (IBD 2009). The projects were Tres Rios in San Marcos, Xacbal in Quiche, Rio Hondo in Zacapa, and La Perla. Tres Rios was never realized.

²³ SIEPAC includes the construction of 1790 km of power transmission lines, owned by the Mexican Network Ownership Enterprise (Empresa Propietaria de la Red), the Spanish energy company ENDESA, and the Mexican Federal Electricity

MP includes plans to build an estimated 380 dams throughout Central America and Southern Mexico (CIEPAC 2010). The interconnection will enable export of energy for Guatemala in the future. With the increase in regional trade and business, regional companies from Costa Rica, Honduras, Mexico, and El Salvador have formed joint ventures with national companies in Guatemala.

Guatemala, like many countries in Latin America in the 1980s and 1990s, went through a process of decentralizing state authority into regional and local institutions, first and foremost in the municipalities through the Municipal Code, as well as with the establishment of development councils at the local, municipal, and regional levels. This gave the municipalities a stronger role in the electricity sector. Municipal governments are in charge of collecting property taxes and granting construction licenses to private companies wishing to develop projects in their area; some also manage the distribution of electricity. In addition, the municipalities have to deal with local queries about issues concerning the inhabitants of the municipality when required by the local residents. Nevertheless, municipalities get little formal income from the projects, as taxes are minimal.²⁴ On the other hand, as noted by one NGO respondent (R40 NGO), many municipalities do not actually claim the taxes within their jurisdiction, mainly because of narcotic trade and pressure from criminal networks. Furthermore, the income from construction licences is a one-time payment. The use of the municipal funds is another related question, as Guatemala is a country troubled by corruption. In general, Guatemala has very low tax levels (Sanchez 2009). Companies are subject to income tax only on their Guatemala-source income. Companies may choose to be taxed either under the general tax regime or the optional tax regime. Under the former, they are subject to tax on gross income at a rate of 5%. Under the latter regime, tax is charged at 31% on gross income minus deductible expenses. Companies do not pay any tax on exports.²⁵ The central state gets no tax revenues from hydropower companies during the first ten years of their operation. According to the Law of Incentives for Renewable Energy (2003), companies can operate tax-free for ten years and are exempt from taxes on imported materials, machine parts and other equipment.

Commission. The network Ownership Enterprise is made up of business institutions from Central America and Colombia. According to CIEPAC (2010), the total cost of the project is estimated to be up to USD 494 million, 48% of which comes from IDB.

²⁴ The type of tax revenue they get from the companies is the property/real estate tax, which is an annual tax of 0-0.9%, according to the value of the property. <http://www.taxrates.cc/html/guatemala-tax-rates.html>

²⁵ <http://www.taxrates.cc/html/guatemala-tax-rates.html>

In Guatemala there has also been a displacement of power outward to private companies, leading to extensive liberalization and privatization, as well as to large NGOs in environmental governance. These large environmental organizations have been granted the responsibility of managing many of the protected areas throughout the country. Changes in the energy sector in the 1990s, with the privatization of energy generation, opened up the sector for national and transnational companies as primary actors in both generation and distribution. Most developers are now both national and multinational private companies, as well as joint ventures. These companies often operate under an anonymous model (*Sociedad Anonimas*) regime, which can make it difficult to investigate who is actually behind the companies. My findings indicate that companies, investors, constructors, and owners are from Italy, Spain, the United States and Israel. I have also traced regional actors from Honduras, Mexico, and Costa Rica as well as Guatemalan actors, many with ties to powerful families and the traditional oligarchy in Guatemala, as well as to economic groups involved in the textile industry, the paper industry, and large landowners in coffee production and export.

The presence of transnational companies and regional investors is evident. Furthermore, there are regional economic groups involved, like the Honduran Terra Group. The CEO of the Honduran Terra group is Fredy Nasser Selman, one of the most powerful businessmen in Honduras.²⁶ In San Marcos, the Costa Rican company Eléctrica Matamoros is involved in the Tres Rios project. There are also investors from the United States, such Rio Hondo II. The Union Fenosa Group, a Spanish multinational company, is planning several projects as well as operating the two distribution companies, Deocsa and Deorsa. In June 2009, Union Fenosa was granted permission to begin developing five projects.²⁷ Solel Boneh International is the largest constructing company in Israel. This enterprise has been operating in Guatemala since the 1970s and has signed many of its contracts with the state.

The economist Luis Solano (2008) has documented the relationships between various financial groups in hydropower development. The textile industry, represented by Comisión de Vestuario y Textiles (VESTEX) has been promoting hydropower. Their interest lies primarily in lower electricity prices. The group Grupo Multi Inversiones is also involved in two hydropower companies. It collaborates with the Grupo Arimany, a principal actor in the

²⁶ 'Zelaya, abandonado por los suyos', Luis Esteban G. Manrique, 5 August 2009.

²⁷ San Luis (Chajul – Quiche), El Puente (Jocotan - Chiquimula), Cuatro Chorrros (Chicamán – Quiche), El Volcan (Senahú – Alta Verapaz), and Cahabon (Panzós – Alta Verapaz).

paper industry in Guatemala. Jaime Arimany, from the same family, was the president of the Cámara de Industria in 2006 (CIG) as well as president of the Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y Financieras (CACIF) and the Asociación de Generadores con Energía Renovable (AGER). Large landowners in the coffee sector are also involved in projects, like the coffee company Agrícola Cafetalera. Pedro Brol Cortinas, a well-known coffee plantation owner in the Ixil area, together with Empresa Agrícola San Francisco Cotzal, has been involved in counter-insurgency activities in the area (Solano 2008). Hidrosacpur (Tres Rios, La Perla, La Esmeralda) has connections to the landowner and *cafetalero* Carlos Ardebol. Ardebol has been involved in several land conflicts with the local residents (Solano 2008). Businessmen from the forest sector are involved in the both Hidroeléctrica Secacao and Hidroeléctrica Candelaria plants, and others are involved in the telecommunications sector. The company CEO of Generador Nacional S.A. has close ties to the Ministry of Energy and Mining, and is also a well-known businessman from the forestry sector.

The powerful umbrella business association Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y Financieras (CACIF), representing most of the country's business chambers, has since 1954 represented Guatemala's private-sector interests. CACIF has recently expressed its support to hydropower development. Together with PRONACOM and Invest in Guatemala, CACIF presented a plan in May 2008 that will require 1,500 million dollars in investments for the development of an export platform, mostly based on 'zonas francas' (explain), tourism, energy, and mining. CACIF is known for its power and ability to use political pressure and extra-parliamentary leverage to impose its will, as well as its influence on particular ministers and the financing of political parties (Sanchez 2009). Many businessmen related to CACIF have from the 1990s become full-time politicians and candidates for ministerial positions. The most prominent such figure under the Colom government was Carlos Meany, minister of Energy and Mining. According to Sanchez (2009), there is a fine line between the state elite and the business elite, with political and economic power tightly intertwined. Historically, CACIF has had direct connections with ministers and presidents. Guatemala's most powerful families control the country's five main business conglomerates and exercise enormous political power. Divisions within CACIF are worth noting, especially between the emerging industrial sector and the traditional agro-export landowner sector. Regarding CACIF's strategy for export, the government and PRONACOM are promoting a bill on Public-Private participation, in which the state and

private companies are to invest in infrastructure and development projects together. According to Solano (2008), the law will allow expropriation of land for the projects. The bill is up for approval in 2010. This could further complicate the land issue, especially for local communities. Within PRONACOM the Asociación de Exportadores de Guatemala (AGEXPORT) wields significant power, and one of the main actors is Comisión de Vestuario y Textiles (VESTEX). According to Solano (2009), both entities have several members in key positions in the government, and President Alvaro Colom has had relations with AGEXPORT and VESTEX.

In an interview with a company (R13 CO), he also underlined the differences of many of the hydropower companies and the powerful economic groups in Guatemala, such as CACIF, in that many of the companies have been started by independent smaller entrepreneurs. The powerful families of Guatemala have an interest in access to cheap energy for their own industrial or commercial activities, as mentioned, especially the textile and maquila industry, but are not necessarily the owners of the companies. They may have invested in the companies, or as part of the banking sector, but are not themselves the managers of the companies. He also asserted that the contact between hydropower companies and the Ministry of Mining and Energy has been different from that of, for example, the mining companies, the wood industry (Palma Africana and plantations) or oil companies, who have had closer ties with the Ministry MEM. This indicates that the economic elite, CACIF and the powerful families of Guatemala have interests in the sector in general (cheap energy), and that some have economic interests in specific projects as well.

In this sub-section I have presented the actors and important interests in the sector that also affect the outcome and practices of the sector. As much is left in the hands of the private actors, they also have the possibility to form the sector after their interests. The importance and power of regional forces and international institutions is evident, and also the historical power relations that exist in Guatemala, and that is being partly reproduced by the current governance model.

In the next chapter I will look at the response from the affected communities and organizations from civil society, and how they are challenging the current model for hydropower development.

CHAPTER SIX: PART 2 OF FINDINGS AND DISCUSSION

Challenging hydropower and powerful interests

In this chapter I will present the local communities and civil society actors response to the hydropower development and the current processes. I have focused largely on the resistance to hydropower, and placing the resistance in a larger context. Local communities have employed a wide range of strategies to protect their livelihoods and promote their interests related to hydropower development, constituting examples of political action in questions of resource access and control. The strategies involve the ways in which claims are put forward, negotiated and contested (Adams 2001). I will explore the spaces they develop and try to form, how they articulate themselves through a counter narrative and how resistance to projects has materialized. I present a counter-narrative to the dominant narrative, and in the last part of the analysis (chapter seven) I construct an alternative narrative to both the dominant and the counter narrative to indicate some alternative policy implications.

In this section the various communities are largely referred to as a whole. I realize that communities are heterogeneous, with differences within and among them, but some simplification is necessary to facilitate the analysis. I treat the communities as a collective whole with common interests. As the communities often express themselves as a collectivity, this will be my main subject of analysis. Having a common identity has become important in the struggles and strategies of local communities. As Vincent (in Hickey and Mohan 2004) has noted, there is a tendency to construct the local as a homogeneous and distinct entity, and thereby ignoring the role of economic and political forces at different levels. However, the local is not only politically heterogeneous: it is also hybrid and translocal. Important to note is that what I present as the views and interests of the 'communities' may in fact reflect those of local leaders or particularly well articulated members of local communities.

Community strategies can be seen as new and innovative ways of expressing agency in development arenas (Hickey and Mohan 2004). I suggest that the organization of resistance to hydropower and other projects has served as a process of empowerment for many communities. Participation is here seen as the exercise of popular agency in relation to development. Citizenship can be defined as a set of practices that define a person as a competent member of society, and which as a consequence shape the flow of resources to persons and social groups (Mohan and Hickey 2004). Citizens can create political spaces

where they can play a part in making and shaping the decisions that affect their lives Cornwall (2004). Citizens may create new spaces, occupy existing spaces, or re-valorize negatively-labelled spaces (Cornwall 2004), and I also suggest; transform spaces.

6.1 Part of a larger struggle

(.....) it is all part of the same practices of acquiring land, generating social decomposition, criminalization, the exploitation and analysis practices, the buying of the judges in penal cases, and lastly the use of the military force to install the projects.(R39 NGO)

They don't inform us, they don't consult the communities about the projects, they don't tell us about the damages we will suffer. (community leader R47).

We wish that they would give us time to live, and that they would listen to us (resident local community R50).

There is not one single counter narrative, but several. They have some similarities, while in other part they differ, either between communities, or between the communities and the urban based organization. However, some common stories and arguments can be identified.

The counter narrative that can be heard among the communities and actors from civil society is largely concerned around four elements: 1) The companies (transnationals) are tricking us (*nos estan engañando*), and they want to take away the natural resources from our areas (*quieren llevarse todo*). 2) The hydropower projects do no bring any benefits to the communities, they are only causing fragmentation and conflict, and further impoverishment 3) The companies and the state do not care about Mother Earth (Madre Tierra) and have a neoliberal and capitalist notion of the use of the natural resources, ultimately destroying nature. 4) We have the right to be participate and decide what happens in our territories, and the state and the companies need to consult us. 5) We are not against development, but development should be based on our premises.

The companies entering the communities are viewed as part of a new strategy of neocolonialism that will trick communities, and especially take away their lands. The memory

and stories about Chixoy stand strong as well as memories from the recent armed conflict. Many of the community residents I spoke to were worried about where they are going to live if they have to move, and what the future of their children will be. Many expressed concerns related to their lands, and the splitting up of communities. “We will suffer if they take away our land”, was something I heard in several communities. Community residents in a community in Quiche expressed that “this is our place, our home” and “we want to give our children the richness of the land”. They also expressed that “without land we are nothing”, and “we want to secure our land”. They see the companies as yet another intrusion into their communities, expressing that “we are not bothering anyone, we live in peace, they shouldn’t be bothering us”. Some were also saying that “Who has the responsibility to give us new land, and to compensate for what is being ruined here? Guatemala is already quite full, we would have no where to go”.

The lack of information in many communities was also evident, a community resident in Quiche expressed that “we have just heard rumour about the plans, no one has actually informed us.” Many community residents are sceptical to the companies “the companies want to destroy our land”. Of the existing projects in Guatemala, they told me that “fish are dying, and the water turned brown”, and that “the companies do not care about our needs”. Many have also been informed that the companies can not distribute electricity directly to the communities (according to the law, a separate company must do this), and see little benefits from the companies. “This development is not for us, the poor people, only for the rich”. A community resident also expressed that “they will move us, animal will die, and people will die”, and another that “they will fool people, and offer us only small things”. They also told me that there were several companies (not only hydropower companies, they largely spoke about the companies regardless of the industry they belonged to) that have not complied with what they have promised.

Taking care of the surrounding environment for their livelihood, especially land and water was expressed by many, almost always referred to as Mother Earth (Madre Tierra). The concept entails more than just nature, and is about the wholeness, and the interactions of the nature and the humans. “What is most worth is the land and the water” or that “what is our interests is food and the land” and “life for us is water and land”. Water is regarded as something sacred by many, and as the rivers as “the venes of Mother Earth” (las venas de la Madre Tierra). Some also expressed that “water is not for sale”.

In one community, a community leader told me that he had been threatened by a company to give up his land. Later they tried to bribe him, taking him in a car in Guatemala City and offering him a large amount of money. Others are concerned about increased presence of the military in the areas where the projects are planned, indicating where the military has established again lately, as well as private security forces. Furthermore, the presence of helicopters has also frightened local community residents. One community also told me that people interested in buying their lands had arrived in the area with a helicopter.

The state is viewed as allied with business interests and against the communities. All the communities were talking about their right to be consulted and taken into account. Some called for consultation processes between the companies and with the proper community organizations (alcaldías indígenas or in some instances the local development councils). The NGOs and the human rights advocates, and also the larger indigenous and peasant organizations were talking about the role of the state and the responsibility of the state to consult. This may also show the scepticism to the state that exists in many communities, and that may be stronger among communities than among the urban based NGOs. The urban based NGOs also have more access to information, and more detailed knowledge of the ILO convention 169. All the communities use the ILO convention 169 as a tool to promote their rights, but this does not mean that every single local resident that refers to the ILO convention knows all the content in detail.

Many communities also countered what is being said about them in the media, and by the companies and state actors, as local communities being against development. As a leader in an organization said: “we are not against development, we are against the exclusionary and discriminatory practices of the companies and the state” (R34 IP).

From my interviews it is evident that the communities do not make a distinction between the hydropower companies and companies involved in other large projects in their areas, such as mining, major infrastructure projects and big plantations. The organizations and local community leaders I spoke with argue that these projects are all part of the same model which exploits the local communities, and they question the dominant development model more than the specific projects. Nor do the communities distinguish the producers of energy from the distributors of electricity in their demands for a fairer system. The electricity sector is viewed

as one integral issue, from the policies of energy production (*matriz energetica*) and the authorization of construction, to the electricity tariffs. My respondents claim that many communities realize that the presence of a hydropower project in their area does not translate into access to electricity for them. Communities feel under pressure from many quarters due to mining, agribusiness and even protected areas. Changes in land use and poor land management, influenced by economic and political interests, have an impact on community livelihoods. The agribusiness model of monoculture plantations has caused serious environmental and social impacts. The large-scale agro-export and monoculture model, previously concentrated in the southern coastal region, has now moved to the north of the country, where sugar-cane and palm-oil plantations can be found. This is taking place in a context of evictions and forced sale of land from impoverished communities that have to migrate to other locations. In protected areas, communities are seen as ‘squatters’ and are accused of destroying the natural heritage. Local residents suffer loss of land for agriculture, forced land purchases, displacement and forced migration. By resisting all the projects, they direct attention to the practices, the exclusionary processes and the framework which ignores the inclusion of important rights of the communities and spaces of participation to voice their needs and interests. By withholding municipal construction licences or defining their areas as free of mining and hydropower, they hit hard at the business sector. In the following I present some of the main resistance strategies, and the response from the state and the companies.

6.2 Popular communitarian consultations

Especially for mining projects, but also some hydropower projects, consultations (local referendums) have been organized and are being planned at the local level. By ‘consultations’ I refer to local popular referendums and the processes leading to the day the locals vote. Undertaking consultations shows that the communities are using internationally recognized rights for indigenous peoples in combination with the rights they have as citizens at the local (municipal) level. This indicates that the exercise of citizenship should not be seen as merely political participation in liberal democratic, but also how the people use their citizenship at the local level, in the municipality, to promote their interests (Hickey and Mohan 2004).

From 2005 to 2009 over 35 consultations were undertaken at the municipal level related to mining and other development projects, and three on hydropower development. Some have

also included both mining and hydropower. Over 600,000 people have participated in these consultations (R4 Avancso), arranged by municipalities after calls from local development councils, local grassroots organizations (unions, teachers', peasants', indigenous and church networks) and in some instances with support from environmental and human rights NGOs. According to my respondents from indigenous organizations and NGOs accompanying the communities (R33 IP, R30 IO, R36 IO, R40 NGO, R39 NGO), such consultation processes last for several months, during which the actors involved disseminate information about the projects in question. Information is spread through local assemblies, door-to-door visits, posters, local theatres and other public activities. The final referendum is organized during the course of a day, using various methods to get the opinion from the local people. Some referendums use a ballot paper specifically designed for the case in question, where the people vote by ticking yes or no to the project. Most of the consultations are arranged according to the local traditional customs and practices, such as community assemblies, with voting by a show of hands or public lists. The local communities are asked whether they accept or agree to mining, hydropower and/or oil extraction activities in their municipality. Before the voting day, the community residents discuss the project or issue at several community assemblies, until they reach consensus (R4 Avancso). Many communities decide their common position in advance, and vote accordingly: the decisions are thus made as a collectivity. Such community voting processes should be seen in context with the traditional decision-making processes where communities discuss the topics in questions in public, and thereafter reach agreement (R37 NGO). Consultations and hearings are part of traditional community life where decisions are often legitimized through socialization of information, dialogue and consensus (R30 IP).

All referendums held up until June 2010 have rejected mining and hydropower activities. Most consultations have been conducted in Huehuetenango, San Marcos and Quiche. The results of these consultations have been used to withhold construction licences, or to define areas and municipalities 'free of mining', or to oppose planned projects. The consultation processes may be used to argue against plans for a specific project, projects in general or a project already underway but where the communities were never consulted. Consultations are based on social control and trust in the communities and open communication about local opinions. Also people without formal identification papers and those not registered in the official voting system can express their opinions. Moreover, children and youth are allowed to vote, as they are seen as entitled to participate in a matter that affects them and their future.

According to a respondent from an indigenous organization (R30), by doing so, they also assume responsibilities as part of the community.

The first consultation process took place in 2004 in San Marcos, related to the Marlin mining project owned by the Canadian company GoldCorp. The consultation was undertaken as a public voting process in the communities (show of hands). The second consultation was undertaken the same year in the mestizo area in Rio Hondo in the county of Zacapa, regarding a hydropower project. This consultation involved a formal voting process with ballot papers. Arguing with negative previous experiences with another hydropower project in the area as well as lack of adequate studies for the proposed project, the residents voted against the project. To date, investors have not been able to start construction because there is no construction licence from the municipality. In the case of Xalala, a large hydropower project planned in Quiche has been also been stopped. Residents of the municipality of Ixcan voted against the hydropower project in 2007, just before the project was opened for bidding, and no companies submitted offers.

The results of the two referendums (Sipakapa and Rio Hondo) were brought to the Constitutional Court (CC) by the private companies. In 2007, the Constitutional Court ruled that Article 27 of the regulations for consultations stipulated in the Municipal Code was unconstitutional by declaring that the results were binding. According to the CC, the Constitution states that natural resources are public goods to be used in the nation's interest (art 121). While acknowledging the right to consultation, the Court ruled that the results of local consultations are only indicative and non-binding. The Court also determined that the municipal councils lack the authority to establish results as binding within their territorial jurisdiction. In effect, that means that municipal councils cannot ban a project or refuse to grant a construction licence based on the results of local referendums. By this, the Constitutional Court restricted the autonomy of municipal councils to decide matters within their territorial jurisdiction and to follow the expressed position of their communities. According to lawyers from an indigenous organisation (R30 IP), the Constitutional Court passed these rulings in open violation of constitutional norms that grant autonomy to the municipalities and assert their right to decide matters within their own territorial jurisdiction. The rulings contradict another CC ruling regarding the case of haulage contractors vs. the municipal council of Guatemala City (R30 IP). In that case, the Constitutional Court ruled

that the municipal council had the power to decide upon matters within its own territorial jurisdiction.

Communities continued to organize referendums, despite the CC ruling. These referendums were largely ignored by the state and the companies – until the end of 2009, when the Constitutional Court reached a verdict in the case of San Juan Sacatepéquez. The municipality had ignored the communities' demand for a consultation process and had conducted closed negotiations with the company. The communities brought the case to the Supreme Court (*amparo*), but they were dismissed, so they took the case further to the Constitutional Court. And on 21 December 2009, the Constitutional Court ruled that ILO Convention 169 has the same hierarchical level as the Constitution, and recognized that the Convention forms part of the list of human rights set out in Articles 1 to 149 in the Guatemalan Constitution. The verdict confirmed that there must be consultations on concessions and licences for mining and hydropower before approval can be granted. Nevertheless, the Court upheld that such consultations are non-binding in character.

The companies as well as the state officials I spoke with referred to the referendums processes as not legally binding as stated by the Constitutional Court, and therefore discredited them. One respondent from a company (R11 CO) said that he thought it is wrong for the whole municipality to decide when a project is to be constructed in or near one or two local communities, and argued that the specific local communities themselves should decide. Another company respondent (® CO) said that also he was opposed to having the whole municipality agree on a project, that the mechanisms in the Municipal Code were being misused, and that the representation issue was unclear. Regarding the case in Rio Hondo, the a company (R10 CO) argued that the companies had not been given the chance to defend themselves in the process, and that the people had been intimidated to vote as they did, as the ballots had not been anonymous. Interestingly, this representative argued that the reason why some people in the region were working against the hydropower project was because of an old land dispute. That supports my argument that, in rejecting a particular project, communities are also making a statement about the unequal distribution of land and the questionable processes of acquiring land.

Many of my respondents noted that the referendum processes have facilitated the distribution of information about the projects, both specific and in general, including their impacts and

risks, as well as general information about the environment and natural resources in the country. The processes have also helped to put these issues on the local agendas, and have generated discussion on the local level. ‘They have managed to raise issues at the national level, including environmental problems, impacts of projects, the actions of companies and the rights of communities to decide over their natural resources and territories’, as an indigenous leader expressed it.

6.3 Formation of regional organization and alliances

The past decade has also seen the formation of regionally based organizations in Guatemala, mainly based on ethnic or regional identities, with a common platform. The largest of these is the People’s Council of the West (Consejo de los pueblos del Occidente). The council exists at the regional level, at the departmental level, whilst others are based on ethnic groups. The shared objective is the undertaking of community referendums, based on the Municipal Code of Guatemala and ILO Convention 169. The platform functions as a space for sharing knowledge, information and experience. The focus is on the protection of territory, especially concerning hydropower, as well as mining, and other pressures on their territories.

The communities have formed alliances on several levels and with various actors. The alliances can go across both religion and ethnicity, and also various ethnic groups, as with the regional councils. In one community, the local Evangelical Church, the Catholic Church and the local development council joined forces, as did woman and men, youth and elders, indigenous and non-indigenous people. In particular, the movement has been characterized by the participation of local woman groups, which again has led to women’s organizations at the national level to support the undertaking of the referendums. Other important local-community actors include groupings such as teacher unions and social worker unions, support from environmental organizations and local branches of national indigenous and campesino organizations. The formation of alliances and networks has also been used strategically to access information about projects. Alliances have been formed with environmental organizations based in the capital; national indigenous or peasant organizations; regional or local organizations; and organizations related to church networks. According to my informants, the companies avoid talking about the negative impacts and possible consequences, instead presenting the positive impacts only. Thus communities have to make the necessary moves to get better, more accurate information. Through networks, communities can also learn of the requirements that companies must fulfil, technical issues

and actors involved in the process. Forming these alliances have also contributed to a recognition of greater capacity as a joint force promoting a sense of empowerment. The following statement can serve as an example about how many community members emphasized the importance of forming alliances. By this the organization can also be said to have recognized their own agency.

Second-level organizations can ensure a higher level of empowerment and responsiveness. Such organizations have the potential to serve as agents for participation and voice, leading to true citizenship and the inclusion of the poor (Mitlin 2004). Federating offers advantages in representing member interests in wider fora, and linking other organizations can help groups to focus on issues and reduce their isolation (Mitlin 2004). This can be important in a country like Guatemala, where social movements have been highly fragmented. Groups can combine their political and material power while also strengthening the capacity of the organization to deal with the interests of their members, facilitate the flow of information, and support learning processes.

Furthermore are the more concrete alliances with certain NGOs. NGOs have to a larger extent gotten involved in advocacy work. Through genuine partnership these alliances can also contribute to agenda setting as I will return to in the last chapter. On the other hand, many of the community leaders showed distrust also in relation to NGOs, arguing that they receive money from international donors, and by that have an economic interest in supporting the communities. The NGOs represent access to information and knowledge, as well as a network, not only nationally but internationally. Furthermore, the role of the NGOs should not be overestimated. NGOs will always represent a problem of representation and legitimacy, as they are not membership organizations as many grassroots organizations. On the other hand, the NGOs might have multi scaled strategies and networks that the grassroots organizations and communities can make use of. The formation of alliances also relates to the question of representation, and who speaks for whom at what basis, on behalf of the poor, the excluded and the invisible (Gaventa 2004)

Furthermore, agency can be strengthened with the sense of belonging to a larger collective and engaging with other communities (Hickey and Mohan 2004). The alliances can also be seen as an expression of an attempt to create a more substantial democracy, in the context of a

lack of democracy. They have the potential for building the basis for new discourse coalitions contesting existing power relations and opening up new spaces.

6.4 The global arena

Also global arenas have become important for community struggles. First of all, this is evident in how the communities use the international rights system to promote their interests by referring to ILO Convention 169. ILO Convention 169 was mentioned frequently in my interviews with local community leaders and the organizations, as well as the meetings I observed, and especially regarding the right to be consulted. Secondly, global arenas, such as international and regional meeting fora for civil society organizations, are used as spaces to exchange experiences and knowledge, and as a strategy to spread the word about what is happening in Guatemala. Thirdly, communities cite international institutions and instruments in demanding their rights, and in making public the violation of these rights. The International Convention on the Elimination of All Forms of Racial Discrimination (ICERD) has been central here, as well as the Interamerican Human Rights system with the Organization of American States (OAS). In February 2010 a delegation of activists and indigenous leaders travelled to Geneva to present the report ‘A critical view on the application of the International Convention on the Elimination of all Forms of Racial Discrimination in Guatemala’. The report was presented on behalf of various indigenous organizations;²⁸ and 40 indigenous organizations had been consulted about the content. The report treats various aspects of discrimination of the indigenous peoples in Guatemala, focusing on the practices of the companies, the protection of Mother Earth and the exploitation of natural resources. The continued efforts of some organizations in Guatemala to attract the attention of international actors to what is happening met with success in May 2010, when the UN Special Rapporteur on Indigenous Peoples’ Rights, James Anaya, visited Guatemala. Alliances and networks thus have also opened the doors of the global arena for local communities to voice their claims and make their struggles visible.

²⁸ Asociación Maya Uk’ Aslemal Xokopila, Proyecto de desarrollo Santiago – Prodesa, Fundación Rigoberta Menchu Tum, the Guatemala part of the Plataforma Interamericana de derechos humanos, democracia y desarrollo (OIDHDD), Asociación Política de Mujeres Mayas Moloj, Coordinadora Nacional de viudas de Guatemala (Conavigua), Movimiento de Jóvenes Mayas (MojoMayas) and la coordinadora de Convergencia Nacional Maya (Waquib’Kej).

6.5 Local and municipal autonomy

The presence of external actors and foreign companies in the communities, and plans where the local communities have not been consulted, have created resistance, and many have become sceptical. This is also related to the history of the communities, where many were affected by the years of armed conflict. Some local communities have started to protect themselves from what they see as intruders by guarding their territories. For example, they may block the road so that cars will not be able to enter, especially at night. Many have expressed their anxiety about the close relations between the companies and groups involved in attacks against the communities during the armed conflict, as well as the presence of military and police seen as protecting the companies rather than the local people. External actors entering the communities must present themselves to the local councils, document their identity and explain their presence in their area.

The formal political institutions of most importance to the communities' struggle have been the municipal councils and the development councils, first and foremost at the local level. As we have seen, the municipalities and mayors play a central role in decisions to implement a project. First of all, projects cannot be initiated until the municipal council has granted a construction licence. This ostensibly gives mayors, municipalities and communities leverage in negotiating the details of a proposed project. Nevertheless, this is the case only if the mayor and municipal council are receptive to the concerns of the community – and that varies from municipality to municipality. In some instances, mayors defend the standpoint of communities, whereas in others they may be allied with business interests.

Several local communities have realized that they have the democratic right and power to remove a mayor who fails to comply with their wishes. Many mayors have been obliged to declare themselves opposed to mining and hydropower projects in order to retain the support of their communities. Local communities are exploring their role as citizens, and their power as voters. Relations between municipalities and communities become important, including whether communities are able to control and monitor their elected representatives through social control. Furthermore, some local communities have also realized the possibility of forming their own civil committees to present their own candidates in coming elections, as was done in Rio Hondo. Other community leaders have also mentioned this as a possible

strategy for their future struggles, showing the spaces created for local political participation (Hickey and Mohan 2004).

6.6 Using and adopting legal tools

Some local communities have, working together with environmental organizations and other legal advisors, engaged in legal and administrative processes to voice their opinion. This is not an easy task, as it demands considerable knowledge about the laws, the legal system and the regulations. One strategy has been to write legal documents with comments on the Environmental Impact Assessments, with the objective of stopping projects that will clearly have negative impacts locally, and where the communities have not been consulted. As explained, the public hearing process is 20 days.

Firstly, this requires that the local communities are informed that the study has been undertaken. However, the Ministry (MARN) does not have any mechanisms to distribute the studies to affected parties (R20 MARN), and the studies are not published anywhere. Interested parties have to monitor the newspapers to find out whether any new EIAs have been presented to MARN. This is a challenge, as many newspapers can be hard to obtain in scattered local areas, so the communities have to ask organizations in the capital or other urban areas to help them. Once the studies are announced, communities have to obtain copies from MARN. That entails travelling to the MARN offices in the capital, then waiting for the studies, and also having to pay for them. All this contradicts the new law of information passed in 2009, including the principle of “free access”. According to a legal advisor from an NGO (R40 NGO), they were told by MARN that they could see the studies free of charge if they stayed in the office of MARN. They had also experienced that EIAs were issued at the end of December, where many of the organizations were on holiday, giving them scant possibility to comment on the studies. Furthermore, although the regulations require it, the studies have not been translated into local languages, making it difficult for community members to access the information.

After the organizations or legal advisors have obtained the studies, they have to go through the (often bulky) document to identify weaknesses. According to a legal advisor from an NGO (R40 NGO) and a biologist working on the environmental impacts in the same organizations, these studies are often very weak. ‘Some consultants simply cut and paste from

previous studies, and we have found that the impacts on biodiversity are seldom taken into account.' The weakness of the studies was confirmed by the 2006 CCAD study, which documents the low environmental expertise among the consultants. A document has to be elaborated with scientific, technical and legal arguments. Based on the claims from the communities, an environmental NGO (R40 NGO) can help them to formulate legal claims, such as the right to be consulted, the right to land and territory and sacred places. According to a legal advisor from a NGO (R40 NGO), the communities decide which elements to include. The technical part treats the environmental impacts.

The document is signed by the community representatives together with the organizations giving advice. The document has to be signed by a person with legal status within the organizations (*representante legal*). According to the criteria of MARN, the document has to be accompanied with documentation of the organization's power of attorney . The legal advisor from an environmental organization (R40 NGO) told me that they had had an opposition document rejected because they had not attached a statement of power of attorney, so their comments were not taken into account. The organization brought the case to Supreme Court for violations of their rights (*amparo*), and the project was put on hold. Almost one year later (July 2010), they were notified that the Supreme Court had xx in their favour. Furthermore, the organization and the communities have experienced that MARN has failed to notify them about the approval or non-approval of the studies, and whether their opposition document has been received. As an involved party, they have the right to be informed, but this is not followed up by MARN. The legal advisor (R40 NGO) told me that the processes were cumbersome, with many obstacles. The regulations are also vague on points about the comments, as they are only to be 'considered' by the Ministry, and the Ministry can easily reject the documents saying that they fail to meet the requirements in terms of scientific, technical and legal arguments. Having sent in their opposition document, the community actors arrange press conferences to present their views; they also turn up at the Congress, the Ministry (MEM) and the Ombudsman to inform about their position. Various communities together with the same organization have sent opposition documents – and some of the projects have also been rejected.

6.7 Negotiations with the state and the companies

There are also cases where the local communities have engaged in negotiations with the companies. One example is the Mesa Regional Xacbal, where the negotiations over the Xacbal project were treated. This has also been presented as a good example to follow.²⁹ Various local organizations from the identified affected communities participated, among them women's organizations, local unions and development councils. Early in the negotiations, the demand of the local communities was to get 10 MW of the energy produced, which was immediately rejected by the company as unrealistic. A local community resident, now working as an advisor in an environmental organization (R 53 LC), participated as agricultural expert (agronomy) in the negotiations, and explained how they took place.

One of the problems with the negotiations was that the municipality was absent, as well as the state. This resulted in separate negotiations between the company and the municipality, namely in relation to the question of property, titling and the land needed for the company's activities. The negotiations between the company and the local communities were undertaken as a negotiation over what kind of projects the company was to start, such as health projects, schools and building of roads.

When many of the organizations realized that they were not taken seriously and would not get any substantial benefits from these talks, they left the negotiating table. Several of the local communities close to the project wanted to continue negotiating. Many of them have received such social projects, whereas others report that they never received the projects they were promised.

Among the organizations that have engaged in negotiations with the state has been the COCAHICH, in relation to the Chixoy hydropower project. This case is special, as many human rights violations were committed during the armed conflict and dictatorship rule. Important elements in the success of the negotiations include the tireless demands from the local communities, the participation of the OAS as facilitator, international observation of the process and political will from parts of the government.

In this sub-section I have explored some of the strategies of the communities in their struggle to protect their interests and livelihoods. The resistance to hydropower is part of a larger struggle, not only against these specific projects, but against a development model and the

²⁹ Most recently by the new Minister of Energy and Mining in May 2010 (source, *La Prensa*), as well as the current director of Energy, who at the time of the interview was working in the Sub-Ministry of Sustainable Development.

current practices of the companies and other external actors entering the communities. In some communities it has also been evident that they are not only against the practice of transnational companies, but every external actor that do not respect the democratic rights of the locals, and the rights of the indigenous peoples. The local communities are employing various strategies. The strategy of organizing popular referendums has proven to be effective as it has a direct impact on the interests of the companies, the state and the big users of energy. The communities and local organization are forming alliances, with the possibilities of gathering their forces, learning from each others and also representing a stronger political force. The access to the global arena has also proven to be successful, as the Guatemalan government has an interest in gaining credibility for their environmental policies and respect for indigenous rights at international level. The legal tools have also proven to be partly successful, as some of the projects have been stopped as a result of civil society actors being able to prove that the environmental and social impacts of the projects are to grave. Lastly, the negotiation arenas seem to have lesser potential for protecting the interests of the communities. The communities that have engaged in the referendums, can be said to have maintain autonomy and ownership of their own, and having challenged asymmetrical social relations. They are claiming citizenship for indigenous communities and the renouncement of the exclusive way of the notion of the Guatemalan citizenship (Hickey and Mohan 2004). The organizations and communities do not reject all notions of progress, but can rather be said to challenge their exclusionary and disempowering elements (Hickey and Mohan 2004). This is also reflected in the counter narrative of the communities in saying that they are not against development, but against the current practices by the companies and the state.

6.8 State responsiveness

The effect of participation is also dependant on the state responsiveness to the claims for participation from the communities (Hickey and Mohan 2004). Despite disillusion with the state, the local communities also expressed that they would like to see a strong government which will protect their livelihoods, respect their rights, facilitate their involvement and provide services.

There are several reasons given for the absence of the state in interactions with the local communities. MEM (R18) argued that it was the responsibility of the company to negotiate directly with the communities, referring to the reduced role of the state. Several of my

respondents (R18 MEM, R22 CE, R19 VMDS) highlighted a significant lack of capacity, competent personnel and resources to maintain all the institutions and ministries, and few possibilities to travel to the communities and participate in activities at the municipal or local level. The perception in the ministries and state institutions about the communities as presented in the first section is also seen in the lack of will to interact and prioritize contact with local communities and the spread of information. A further obstacle is lack of knowledge in the ministries as to conducting Environmental Impact Assessments (CCAD 2006) and on the rights of indigenous communities to consultations according to ILO 169.

Governance of the sector on behalf of the state has been characterized by absence in many processes, and the lack of coordination between the various entities involved. The ministries and institution are largely working independently of each other, with varying objectives and perceptions of the procedures, and the rights of the communities. The lack of coordination between state institutions at different levels and across sectors has created frustration in many communities and for the organizations working on their behalf. The state does not seem to have elaborated coherent institutional norms or plans for the various entities involved in the sector. This affects the possibilities for participation for the communities and organizations.

Moreover, the relevant state entities and their functionaries seem to have limited knowledge of the rights of indigenous peoples and the international commitments of the Guatemalan state regarding consultation and participation. There is a lack of knowledge regarding the binding character of ILO Convention 169, requiring the state to protect the rights of its indigenous peoples. This leads to state institutions adopting positions and attitudes that may contravene the Convention and the rights of the indigenous peoples. In practice, local communities are largely left to themselves to negotiate with the companies. In the few instances where the state has been involved, its participation seems to be more aimed at ensuring a secure investment environment for companies, rather than protecting the rights of communities. With an absent state and inadequate mechanisms for achieving legally binding agreements, communities are left in a legal vacuum that renders them even more vulnerable.

One traditional indicator of state capacity is the ability to resist pressures from powerful actors in its environment. In Guatemala, my material indicates that the government is more concerned about promoting the interests of the companies than it is about governing. Guatemala is heterogeneous in ethnic and cultural terms. The state has traditionally served the

interests of the more powerful, and has excluded the indigenous peoples from participating. This seems to prevail in many state institutions today, although some individuals have expressed other opinions. There is a lack of a coherent and shared view about what is best for the country, largely at the expense of the local communities. This reflects deeply-rooted views and values on the appropriate role of the state and private capital in society and how they should interact. The companies and the communities are left in a legal and institutional vacuum. The limited access to information is exploited by companies, who use their economic power to leverage the necessary political approval, regardless of local wishes. The communities lack both information and legal support, which hinders their participation.

In the following section I will look closer at the invited, closed, claimed and created spaces, to explore the power relations within them, and the potential for agency and participation. Lastly, I will construct an alternative narrative.

CHAPTER SEVEN: PART 3 FINDINGS AND DISCUSSION

Spaces, participation and power

In chapter five and six I have presented various arenas for decision making in the hydropower sector in Guatemala, and the various actors involved. Here I will explore some of these spaces and their potential for people's participation, the power relations within them and whose interests are being served (Gaventa 2004). Spaces can be provided by the more powerful such as the companies or government and state actors, or they can be initiated by the marginalized, such as the local referendums organized by community and civil society organisations. Other spaces can appear to be closed and exclude certain actors. Spaces can also be enlarged (Cornwall 2004) or transformed as a consequence of actors agency. The various actors involved in the hydropower sector have different motivations for creating or entering spaces.

These spaces for decision making or negotiations regarding the projects or development initiatives affecting the local communities can be of particular importance where the formal liberal democracy have failed to include large parts of the population, here mainly the indigenous peoples. Electoral representative systems can offer a limited and exclusionary form of democracy, which Guatemala is also an example of, where the procedural democracy and the party system largely exclude the poor and the indigenous peoples (Hickey and Mohan 2004).

7.1 Invited spaces

With the EIA regulations two invited spaces for "public participation" have been provided by the ministry MARN and the state. One of these spaces ('the EIA fora') is the process where an EIA team with various consultants arranges meetings in the local communities to gather the opinion of the local residents. The other one is the 20-day period ('public hearings') within which the communities or others can submit their opposition to the projects by preparing a document with legal, technical and scientific arguments related to an EIA study that has been presented. The EIA fora are arranged at the local level and often as local queries, whereas the public hearings can be seen as national fora, as all actors can engage in the process. Furthermore, the companies also invite to meetings, to either present the project, or to as so called negotiations.

The EIA fora are presented in the regulations for environmental control and follow up as a space for participation, but there are no formal procedures for how these are to be conducted. The Guatemalan state has largely transferred its responsibility to ensure public participation to private companies. These companies, and in many cases the consultants hired to carry out the EIAs, ultimately decide the content of the spaces. A consequence is that companies use these spaces as means to promote their own interests, and public participation merely as a requisite to be fulfilled in the process of getting the final permission for the project in question. Companies also invite to meetings to present their projects or to offer social projects. These meetings have been labelled “communitarian consultations” by the companies, which can show how the companies are using a concept to achieve credibility and acceptance locally and by this, utilising a form of invisible power.

A common strategy employed by the companies in these fora has been to present a package of benefits to the communities, and the communities are to decide whether they wish a certain project in their area. Some companies do this in more subtle ways, by first gaining trust in the local communities, and then identifying their needs and wants. This stands in stark contrast to the principles of prior informed consent, and processes undertaken in good faith. Offering socially beneficial projects in exchange for acceptance of company activities is a form of invisible power where the local communities are not given a proper chance to make informed decisions, but instead the companies are taken advantage of their vulnerable position with few other options to improve their livelihoods.

Private companies or consultants can freely decide how to phrase the questions asked to the communities regarding their perception of the projects which is to be included in the final EIA studies. The questions posed to local residents by the consultants are often biased or misleadingly formulated implying that the residents will receive benefits from the project, and by that, affecting the answers given by the locals. Examples from EIA studies are clear examples of this, where communities have been asked questions such as:

“Would you like more jobs in the village (aldea) or the community?”

“Do you think you would have a better life if there were more jobs in your village (aldea)?”

“Do you think the standard of living would be better in your village with more jobs?”

“Do you think that opening new businesses, factories, and companies will benefit your village in terms of more work, security, roads, income, energy and water?”

“Would you like electricity in your village?”

“Do you think that better roads will provide a better standard of living for your village?”

The first questions imply that there will be more jobs with the projects, and the final two that there will be improved access to electricity and infrastructure. Community residents answer positively to many of these questions, and the consultants conclude that the communities agree with the projects.

The companies and the consultants largely decide the conditions under which communities are going to participate. According to EIAs I had access to and companies I spoke to the companies also accompany the consultants at occasions, to present the project in question. However, the presence of the company representatives in the EIA fora can affect the local resident's answers regarding their opinion about the project. This might mean that they do not dare to express their real opinion, for fear of reactions or retaliation from the company, or feel that they should please the company representatives in order to extract some benefits from the project. Furthermore, it might be difficult for a group of rural Guatemalans, among whom many are poor and uneducated, to express their concerns openly in the manner set out by the consultants, taking into consideration the unequal power relations between the ladino and the indigenous and that many locals do not have Spanish as their mother tongue. This implies a form of hidden power which is further reinforced by how the status of the consultant, as urban middle class and educated, might be perceived by the communities as someone superior to them. In the absence of alternative benefits many local Guatemalans might also see the encounter with the consultants or the private company as an opportunity to get something in return. Finally, consultants and companies decide what to write about the local opinion in the EIA studies which again affect the final rejection or approval of the project. Another sphere in which the asymmetry of power is reflected is in the access that companies or consultants have to other institutions, knowledge about the EIAs processes and bureaucratic procedures.

At meetings arranged by the companies, and also some in collaboration with the municipalities, information can also be presented by engineers working for the companies. The presentations revolve around technical issues of hydropower development. Those issues require a complicated knowledge of the technical language used and thus, choosing to present the projects in this way implies also a form of hidden power used to exclude those who cannot understand complicated engineering terms. Furthermore, the companies use of local mediators is

also a form of invisible power, where the confidence the community members can have to people from their own ethnic group or community is used as a way to convince them that the projects will benefit them. Furthermore, according to my interviews, few legal agreements are entered into, leaving the communities with nothing else than promises from the companies. The mediators I spoke to said they signed agreements with the communities, and that this was one of their criterias for mediating, assuring that the communities would receive what was agreed upon.

Furthermore, the direct negotiations between the communities and the companies regarding the purchase of land can also be placed here, representing an asymmetrical power relation. In lack of other possibilities the community residents enter into negotiations without any legal support and often with poor information. The companies have 'power over' the communities in the negotiations, where the companies largely control access to information and the premises for the negotiations.

In general, access to and distribution of information about the projects is weak, with the consequence that the communities and civil society actors are excluded from influencing aspects of the project relevant to their daily lives. There are no functional mechanisms for ensuring that information regarding proposed projects is widely disseminated amongst the communities concerned. Moreover, information is often incomplete, and the studies are not translated into local languages. These can all be seen as forms of hidden power, excluding the community residents from making informed decisions.

However, as NGOs and communities have started to gain a better understanding of the EIA fora and the practices of the companies, this has given them power within to reveal the unequal power relations, and to criticize the processes. Furthermore, local actors are using the public hearings as a space where they can intervene. By enlarging the space, their possibilities to influence the EIAs and thereby the projects increase. Thus, by using the legal system and democratic mechanisms, the NGOs and the communities have managed to influence and even stop the approval of certain projects, implying that they also have power over the companies. This also shows that the relationships between the government and private companies do not always follow the same path. The ministry MARN has rejected several projects in recent times, whereas a CCAD study from 2006 documented that few studies were rejected at that time. However, the power relation between state agencies is not symmetrical and the Ministry

of Energy and Mining can overrule the decisions made by the Ministry MARN in hidden manners. This happened in a case in 2009 where MARN had several critical comments (29 of them) regarding an EIA, but where the ministry MEM approved the project. Furthermore, the hidden power and hindrances for the participation of the community representatives and NGOs can still be seen in how MARN and MEM complicate the processes by imposing administrative obstacles or not answering to requests from civil society actors.

Another invited space is the meetings organized by the Sub-Ministry of Sustainable Development where regional representatives, often with same ethnic and local background as the communities, meet with the local residents to promote small-scale hydropower. Some local leaders and environmental organizations (R40 NGO) are sceptical to the objectives of the Sub-Ministry, criticizing them for promoting small-scale hydropower, with the objective of improving the image of hydropower, as a stepping-stone to developing larger projects in the future. The fear is that the Sub-Ministry will act more as intermediaries on behalf of the companies, rather than of the local communities. Other community leaders are positive to the promotion of small-scale projects, as long as these are to be managed by the communities themselves. The use of indigenous local representatives can be seen as a form of invisible power where the Sub-Ministry uses the social norms and beliefs of the communities to gain their acceptance for smaller projects. Some community leaders have proven to have power within the processes, in questioning the actual motives of the strategy of the Sub-Ministry.

The Constitutional Court (*Corte de Constitucionalidad*) can be seen as both a space and an actor. The Court interprets the laws in matters that affect the constitution of Guatemala, and is composed of five judges.³⁰ Verdicts from the CC cannot be appealed: it is the final judicial court of appeals in Guatemala. Municipalities, organisations and companies have appealed to the Court, and as mentioned earlier, the Court has been involved regarding local referendums. The case of municipal autonomy and the local referendum mentioned earlier shows the power of the Constitutional Court, which appears to rule differently in different contexts according to different interests. According to lawyers from an indigenous organization (R30 IP), this is a clear example of the judicial discrimination in Guatemala, where the courts rule against the

³⁰ Judges are elected for concurrent five-year terms, each serving one year as president of the Court. One is elected by Congress, one by the Supreme Court of Justice, one is appointed by the President, one is elected by the Superior Council of the University of San Carlos Guatemala, and one by the Bar Association (Colegio de Abogados).
http://www.cc.gob.gt/index.php?option=com_content&view=article&id=50&Itemid=55

interests of the local and indigenous communities although these have a legal basis for their claims. This gives rise to the question of the personal relations of the judges with business interests, and the interests they are promoting. Furthermore, what was gained in the decentralization processes during the 1990s in terms of the power and autonomy to the municipalities cannot be seen as separate from the power relations in the court system. Even though the municipalities have laws in their favour, these may be ruled against by an entity serving different and powerful interests. This shows that the CC has strong capacities for exercising power that favours certain interests, and that powerful groups can use the CC to serve their interests. The CC has been used before in the interests of powerful actors: one example is how the CC has been used by firms to void tax legislation (Sanchez 2009). The independence from the government gives the Court considerable ‘power to’ and also ‘power over’ the government and other actors. The Court has previously been criticized by human rights organizations, with support from legal experts, for issuing verdicts containing arbitrary legal jargon³¹.

However, on the other hand, the court has also been used by local communities. In the case of San Juan de Sacatepéquez (CC verdict from 21st of December 2009), the conflict in question was between the Municipal Council and the communities. The communities had brought the case to the Court because the municipality had granted a license to a mining company without prior consultation, as demanded by the communities. The verdict was in favour of the communities, acknowledging their right to consultations, but it also stated that the results of such local consultations would not be binding. The company’s activities were stopped and the CC called for the interested parties to gather (the ministries, the municipal council and the communities). The case has proven to be an important example for the communities.

7.2 Closed spaces

Several arenas can be characterized as closed spaces, where some actors can participate and others are excluded. For example, in the planning phase of a project, only companies, state agencies like the Ministry MEM, donors and consultants participate. The communities and other civil society actors are largely excluded from these spaces. The negotiations between the municipalities and the companies can also be defined as closed spaces. In this case however,

³¹ <http://upsidedownworld.org/main/guatemala-archives-33/1097-guatemala-constitutional-court-verdict-exemplifies-impunity>

communities have shown that they can gain certain access to the process by keeping their mayors accountable for their actions and decisions. Although the companies might enjoy better access to information, or mobilize their contacts in the government, the municipalities can still deny construction licence, given them power over the companies.

Then we have the newspapers and other media, which can also be regarded as closed spaces as only some actors can present their views there. Actors with interests in the sector have largely used the media to promote their interests and discredit the actions of the communities and the organizations by criminalizing them. This is a form of invisible/ideological power in affecting people's (those reading the newspapers, largely urban residents) perceptions of what is happening in rural areas regarding the projects, and a form of hidden power in excluding the views of the communities from the arena. However, also in this area, the local actors and organizations are entering the space, by arranging their proper press conferences and presenting their views about the practices of the companies and procedures of the state. In the end, it is much up to the journalist what information is finally presented and what interests they promote. The community representatives and the NGOs are largely using alternative media such as the internet to voice their claims and interests.

7.3 Claimed and created spaces

The local referendum processes represents spaces created and arranged by the local communities themselves. There are also the marches organized at regional and national level to voice the claims of the organisations and the communities, local demonstrations and visits to various government and state entities to present community claims. Conducting local referendums can be seen as a response to the lack of measures taken by the state and the absence of appropriate mechanisms for consultations and participation in decision making. In recent years, the communities have taken matters in their own hands, with spaces that are initiated by the marginalized (Cornwall 2004). The local communities have created their own arenas to claim their rights and express their opinion. This mechanism has been used by several communities, exercising their rights as citizens and voicing their opinions through democratic means about projects planned or underway in their territories. In other words, citizens have proven to have agency to make and shape spaces of participation (Gaventa 2004).

Local consultations can be said to break with the 'liberal democracy' model and the official election system. Many local rural residents in Guatemala see the official election system and political parties as remote and alien to their lives, with voting by secret ballot and with strict controls throughout the process. The official system presents many people from local communities with a series of barriers to participation, including the need for identification papers, registration and lengthy travel. The need for ID papers is a barrier because many have difficulty in obtaining the necessary documentation, which involves travelling to an urban centre and the related expenses. The process is also complicated by the fact that many people lack a birth certificate. The state has not made things easier for those that lack either their ID numbers (*partida de nacimiento*) or ID numbers for full citizen participation (*cedula*). Furthermore, one must pay for the ID numbers. Women, in particular, lack identification papers, and often have difficulties in leaving their communities to take part in official voting process. Voting usually takes place in the municipal centre, which may entail a costly journey. With several adults in the family this might mean a considerable sum, and many opt not to vote.

From a liberal democratic viewpoint, the process of voting openly, in public, breaks with the vital principle of anonymity and secret ballot, arguing that people voting in public may be subject to pressure. Seen from a communitarian model and in terms of customary practices in Guatemala, however, these are the processes familiar to the local communities, with prior discussion leading to important consensus. According to the ILO Convention 169, indigenous communities are entitled to make decisions according to their own traditional systems of decision making. The local referendum processes might thus represent a more substantial democracy model where the mechanisms used make more sense to the citizens.

According to Sanchez (2009), Guatemala has a severely under-institutionalized party system lacking roots in many groups in civil society. There has been little inter-temporal regularity in voting patterns, with high levels of electoral volatility. As a result, there are no political parties that can mediate between state and society, and traditional power structures prevail. In the absence of organic political parties with roots in civil society, the current parties lack legitimacy. They are not seen as viable forms of getting access to decision making arenas, but rather as tied to particular interests and persons. The creation of other spaces therefore becomes essential. Furthermore, some communities are claiming the municipal arenas by forming Civil Committees, occupying new political spaces. An example of this is in the area

of the Rio Hondo project where the communities and civil society alliance elected their own mayor, based on a Civil Committee that has positioned itself against the hydropower project. Thus, this represents an opportunity to gain power at the local level.

Claimed spaces can also be when community leader or representatives from organizations can present their claims to CERD and OAS at the global level, and further use the international arena to put pressure on the state. As the government wishes to appear pro-environmental and as respecting human rights, this strategy has succeeded in at least pressuring the government to more pro indigenous statements, such as in the aftermath of the visit of the special Rapporteur James Anaya in May 2010.

The formation of alliances and local capacity-building has also given the local communities 'power with' and 'power within'. Furthermore, the methods used for building capacity are vehicles for mobilizing invisible power, for resisting or shifting social norms and beliefs internally. The alliances have proven to have 'power to' in continuing the organizing of consultation processes and in defining areas as mining-free or hydropower-free, and 'power over' in preventing companies from accessing their areas.

However, the claimed and created spaces can also be affected by internal power relations, such as local power relations. As noted, the communities are not homogeneous entities: they are heterogeneous, with possible conflicting interests. Some groups may be more powerful than others within the communities, with greater capabilities to influence the other local residents. Related to this is also the power relation between the local communities and the accompanying organisations. The NGOs that accompany the processes can also influence the processes of decision-making in the communities based on the information they distribute in the communities. As Lukes (2005) has noted, power can also be exercised unconsciously. The NGOs have access to economic funding, scientific knowledge and knowledge about how to get access to the state and the political arena – and thereby capabilities to influence local ideas. The NGOs and other organizations might have their own ideas about what is good for the communities that differ from the communities themselves.

The strategies of the communities also show how they are engaging at several levels. At the local level, the communities work at organizing local residents and getting informed about what is happening in their areas, making the municipalities support what the communities

wish through the local referendums, protecting their communities against external actors and by making alliances between various groups. At the national level, national indigenous and peasant organizations have become involved, and demonstrations have been held in the capital and other urban centres. Organizations and community councils have engaged in the public hearing processes, and have participated in press conferences and meetings in the capital. Community members have met with congress members and had negotiations with the government. At the global level, they have presented their claims to CERD and OAS.

In this section I have analysed invited, closed, claimed and created spaces in the hydropower sector in Guatemala. I have explored how the communities or other civil society actors are exercising their agency and making use of or are transforming spaces such as the EIA fora, public hearing, sub-ministry for sustainable development, company fora and the court fora. The EIA fora have proven to be a space largely dominated by the companies' interests, where community actors have been excluded or their voice has not been taken into account by the consultants. The period of public hearing has proven to be partly a place where civil society can claim their rights and promote their interests, but with many difficulties, especially regarding the short time to present their claims (20 days) and the administrative procedures that has to be followed. The Sub ministry (VMDS) is still a space in formation, and it remains to be seen whether the space will serve the interests of the companies, or can actually be a place for participation by the communities. The company fora are dominated by the companies and leave the communities with few possibilities to affect the outcome of the projects. The court fora have proven to be a place both for the companies and civil society to promote their rights. The closed spaces largely contribute to the inequalities in the hydropower sector, where the communities and civil society actors are excluded from the arenas. The claimed and created spaces, such as the referendums and the capacity building arenas, have proven to be important in the struggle to protect the communities' livelihoods and interests, suggesting that the communities are exploring their agency and engaging in efforts that may reshape and influence the processes of development (Hickey and Mohan 2004). Manifestations of agency can be seen in the exercise of voice through the various spaces, the strategies of the local actors and organisations, the championing of their interests at various levels and advocacy for their rights. The communities together with the NGOs are attempting to democratize unequal power relations by engaging in the spaces.

The political space for the rural poor and the indigenous peoples of Guatemala is affected by the institutional channels provided and the power relations within these, the political narratives in the sector and the social and political practices of the various actors involved. The strategies of the marginalized people of Guatemala are examples of how they have acquired skills and information to build political agency to make a difference (Cornwall 2004). They have proven to take control over some of the opportunities to claim their rights. In arranging the local referendums, the local communities are not only claiming their rights, they are also exercising them. The spaces created by the communities represent new and innovative ways in which the NGOs, the local community organization and the indigenous and peasant organisations are expressing their agency (Hickey and Mohan 2004). Furthermore, the communities and organizations are not only creating and claiming spaces, but are also transforming spaces. The spaces also exist in a dynamic relationship to each other, and by gaining experience in one space, the local actors have brought the experiences to others spaces, such as in the example of presenting the case to CERD. I also suggest that the awareness rising in the communities, promoted by regional and local organizations, have contributed to the communities and local residents sense of their rights as local citizens and as indigenous peoples, expressing their opinion and interests. Hickey and Mohan (2004) ask whether the spaces can be used for transformative engagement. In the case of Guatemala, single projects have been stopped, but the overall outcome from these spaces is still to be analysed in the future.

However, there are also complex constraints on the exercise of agency, particularly for the poor peasant and the indigenous peoples. The constraints are reflected in the discriminatory practices and narratives of both state representatives and business actors, in the criminalization of the protest and local organizations, in the bureaucratic and complicated procedures, in the lack of access to information and distribution of information about the projects and also the lack of capacity in the organizations to accompany all the cases and follow up all the projects under way. The spaces are also constantly opening and closing, representing new challenges, possibilities and obstacles for the communities and other civil society actors. My findings also suggest that domination and resistance can work side by side (Masaki 2004), and that social structures are not only to constrain, but also to facilitate marginal groups in their renegotiations of power and social relations (Giddens 1979).

7.4 Alternative narrative

Here I will construct an alternative narrative that will form the basis for policy recommendations. I suggest that both the dominant narrative and the popular counter narratives imply certain shortcomings in their story telling about hydropower development in Guatemala.

1) Environmental impacts

The counter narratives presented by the communities argue that the companies and the state will take away all natural resources in the areas of the indigenous and local communities, especially taking over the land, and contaminate the rivers. On the other hand, the potential environmental impacts of hydropower projects tend to be downplayed by government officials and companies alike. The dominant discourse is that hydropower is clean and renewable energy. The hydropower companies are blaming the communities for not being able to separate the practice of mining companies and the hydropower companies, arguing that the hydropower projects have few, if any, environmental impacts.

First of all, the communities' claims about the contaminating practices of various companies are based on lived experiences and should be understood in that context. The communities refer to and can show concrete outcomes and impacts from the practices of the companies, be it mining or agro-export plantations, or large infrastructure projects. One of the indigenous organizations I spoke to presented pictures of houses that have been damaged by mining explosions, as well as children that have been ill, most probably from the contamination of the water from the mining activities. Tests of the water quality have also been documented by regional and local organizations. However, the communities' claims about contamination and lack of care for the environment in project development have largely been dismissed. What the communities experience is that they have little, if no protection of their livelihoods and the environment in the meeting with the companies. The answer to their claims has been a state that ignores them, and companies and individuals from the state that answer with the delegitimization of them as citizens (expressing that they don't have knowledge and information to participate in decision-making arenas) and criminalization of their protest, as well as persecution of leaders that raise their voice. Although the communities may be referring to mining activities or contamination from large plantations when arguing that the

companies will contaminate, they have no reasons to believe that the environmental practices of the hydropower companies will be any different. Although hydropower construction and operation potentially have less environmental impacts, this depends on the environmental follow up, control and the quality of the Environmental Impact Assessments, and most of all, the ecological context in question. As we have already seen, the EIAs, in term of including the perspective and opinion of the locals, are weak, potentially losing valuable information about the local ecological systems. In EIAs studied, few of the questions are actually taking this into account, and in instances where the communities express concern for the rivers, this is barely mentioned, without any further elaboration. The rest of the study is presented as a “technical” fix of the impacts, with few considerations about socioeconomic in connection to the environmental impacts.

The weakness of the EIAs and the related processes has also been documented elsewhere. A study from CCAD (2006) shows the lack of competent personnel in the ministries and inadequate procedures in environmental follow up, based on multiple questions asked to the various ministries of Environment. Firstly, the study revealed that there is no complete official list available of EIAs prepared. Furthermore, the ministry MARN admitted in the study that a very low number of projects were rejected, implying that inadequate project have also been approved. The study further documents the lack of capacity building for the EIA consultants, and there are no requirements for the consultants’ knowledge in topics such as environmental impact assessment, control and monitoring of projects, and strategic environmental evaluation (CCAD 2006). The ministry MARN also reported that they were unable to respond in a timely manner. Lastly, they confirmed that the regulations demanded public participation, but that this had not yet been fully accomplished, along with lack of distribution of the studies, and lack of inclusion of all affected parties. In general, the study confirmed that the EIAs were inadequate. My findings also confirm that there are weaknesses in the control and follow up of the studies, and much in the capacity (in terms of budget and personnel) of the ministry as well as lack of competence in some areas such as Environmental Impact Assessments and Indigenous rights. Furthermore, cumulative impacts of the projects are disregarded, and there are no integrated land use planning. The many different ecological systems in Guatemala are not taking into account, as confirmed by environmental organisations following up the studies (R40 NGO). The EIAs are used as the assurance for the environmental quality of the projects, and the scientific arguments for their implementation (Forsyth 2003).

In the dominant narrative, Guatemala is largely presented as a country with unlimited hydrological resources that should be exploited. This narrative ignores the unique ecological context, a small country with high biodiversity and diverse ecological systems. The projects also have implications for the local residents' access to water and use of such. The existence of functioning rivers and ecosystems is important for biodiversity and for the rural poor who live off natural resources; and is also closely linked to the spiritual and religious life of many indigenous communities. These facts are ignored in the presentation of the "large potential" of hydropower development.

Hydropower projects will alter the rivers in some way. When water is diverted for hydropower, the timing of flows downstream of the points where water is returned is likely to be altered, and flows can be depleted in a bypassed section. In the case of run-of-river hydropower, upstream water velocities may be affected, and the scheme itself could interrupt river connectivity. The most obvious impact is for communities living downstream of a dam, where a large part of the river is diverted and distorted through tunnels. The calculation of the environmental flow of water in rivers where projects are planned is an unresolved question in Guatemala. Several projects state in their EIAs that the project will leave 10 per cent of the flow of water, without elaborating on the actual consequences and the various uses of the rivers. In many instances this could have grave impacts on the environment, and also the communities. Furthermore, the studies are often undertaken in the course of a short time period (usually three months, according to the companies I spoke to) – but that means that estimates of water flow are calculated for only a certain period of the year, without considering seasonal variations. Moreover, the various uses of the water are not taken into account. From the EIAs, there are few predictions about the consequences of varying degrees of alteration of flows in project areas. According to the material collected, there are now requirements for companies to compensate local communities for their loss of access to water. Few projects include plans for Integrated Water Resource Management, and there are no requirements for the companies to do this – if they do so, it is voluntary.

From the way in which communities involved in the resistance and opposition build their argument, it is evident that 'nature' or Mother Earth carries a different meaning than that attached to the concept by the state and private companies. Whilst the dominant narrative is based on exploitation of natural resources and market environmentalism, the concept of 'Madre Tierra' builds on the unity of all parts in nature, including humans. The dominant

narrative lacks a holistic perspective. This has resulted in practices that fail to take account of the impacts for the communities and the local ecological systems.

The communities are also taking into use international environmental discourses to protect and promote their rights and interests. On the one hand there is the incorporation of the ecological, green and environmental discourse that exists at the international level and in some environmental organizations in Guatemala. Parts of the ecological discourse fit well with their spiritual and religious beliefs, especially of taking care of Mother Earth. Both make reference to the protection and the abuse of the natural goods (*bienes naturales*), and the considerations of future generations, as in the discourse of sustainable development. Some also employ biodiversity arguments to argue against the projects, or for more appropriate environmental assessment studies. This is especially evident where the communities are allied with environmental organizations, and shows how they use scientific argument and new concepts to protect their interests. In conclusion, we can say that mainstream discourses and concepts are being re-framed, transformed and used by local communities to articulate their claims.

Finally, it should also be noted here that the Ministry has shown some capacity and will in rejecting more projects the last years. The minister of Environment also seems to be more committed to the environmental cause and not to business interests as such. The ministers recent warning (May 2010) of leaving office if petroleum concessions were given in a protected area c, as well as supporting the local indigenous communities in their claim for consultation., confirms some of his commitment. I suggest that there are individuals within the ministries that have the will to implement pro-poor and pro-indigenous policies and procedures, but that these also are constrained by powerful interests.

2) Transforming spaces and the role of civil society actors

My findings suggest that alliances between various organizations and communities strengthen their possibilities for participation and agency. The relationship and alliances between different actors in civil society represents a combination of capacities that have opened and transformed spaces for participation. The combination of the local knowledge of the communities and the knowledge of the NGOs and national indigenous and peasants organisations represent a powerful combination of their capacities. The local communities

present the NGOs with detailed information about the environmental and ecological history of their areas, the changes they have seen over the years and the practices of the companies. The NGOs have personnel educated as engineers, lawyers or biologist, or social and political scientists, and information about international and administrative and bureaucratic processes to facilitate access to spaces for the claims of the communities. They also have information about powerful actors, and more detailed information about who is behind the companies entering the communities. The combination of the knowledge, and joint analysis of the threats the communities are experiencing and the possibilities to influence the processes represents new possibilities for agency. The communities and accompanying organizations have clear and conscient strategies taking into use democratic mechanisms and getting involved in democratic processes.

It is important to note here that there are differences between the NGOs, according to their objectives, visions and interests. Some NGOs are allied with business interests, mainly the large environmental organizations, or what could be called the conservationist and market based NGOs. These were also largely pro hydropower in my interviews with them, and follow the narrative presented by the Ministry MARN. Furthermore are the human rights and indigenous rights NGOs, where some have close connections with the communities and support important processes. Others seem more distant from the local reality in the communities, and concentrate more on the legal processes and working on law proposals. This shows that there are still fragmentations among actors in civil society in Guatemala.

Lastly are the NGOs working in the intersection of environmental issues and human rights, what can be called the popular ecologist organisations. These are both rural and urban based, and work in close collaboration with rural and urban citizens and communities, with both awareness raising, investigations and advocacy work. The NGOs I spoke with work with communities only after the request from the communities themselves (or individuals that participate in workshops), something I also experienced in the meetings organized at community level. This also stands in contrast with what the companies and the state assert regarding NGOs manipulating and spreading false information. I interviewed the organizations that have been the most targeted in the media and also followed several of them “in field” (community meetings, workshops). I rather suggest that the communities are using the NGOs as a tool to get information and knowledge needed to get access to spaces of decision making. The NGOs gather information that the local communities need, as for

example the Environmental Impact Studies, or present the communities claims in formal documents with legal and environmental arguments, such as through the public hearing processes. As one of the NGOs told me, they would suggest for the communities what legal arguments to include, but the community representatives select the ones they wish to use. In sum, the alliances between communities and certain NGOs have been strengthened, and the NGOs engage in advocacy work and distribute information on behalf of and in collaboration with local communities, such as Local Development Councils or traditionally based community organizations (Alcaldias indigenas). Another form where the communities have transformed a space is the local development councils (COCODES). As these were originally established as an administrative space, in several communities they have been transformed into a meeting place and a collective actor engaging in the promotion of community claims. By this the communities are enlarging (Cornwall 2004) or transforming spaces to promote their interests.

3) Conflicting visions of land and water

The topic of land is important in Guatemala. The communities blame the companies for taking away their land. Companies, on their hand, defend themselves by saying that they have purchased the land legally.

Firstly, Guatemala has a marked based framework with the protection of private property in focus, and with little protection of collective and communal land. As in many modern economies, the current legal framework permits companies to purchase land directly from communities and local residents holding individual land titles and does not oblige them to inform about the future use of the land. However, with the grave problems in Guatemala, with the lack of a land reform, unequal land distribution and a large part of the land in titling processes, companies are managing to acquire land that could have been given to local communities if titling processes had been completed.

Secondly, there are diverging visions of territory and land. Maintaining control over their territory is regarded by local communities as fundamental to assuring the continuity of their livelihoods, traditions and cultures. Based on the rights of indigenous peoples, their territory is not only where they live, but also the land they use and live off. In contrast, developers see the land as private property - a plot of land where they can do whatever they like within the

borders of the property, and not take into account that the property lies within an indigenous territory or with a neighbouring local community close to the planned project site. Regarding water and rivers, developers argue that the section of the river being used for the project lies within the border of their property, and therefore does not impact the communities. This also represent a fragmented and mercantilistic vision of nature, and in contrast to the concept of Mother Earth and nature as a wholeness. This is also linked to what was presented earlier; the lack of a management plan for land use, natural resources and landscape planning, in addition to a water law that takes into account indigenous practices, traditions and rights. Rural areas are seen as areas to serve industry, urban areas and agro-exportation, and not as places where local communities and the indigenous people live.

4) Private sector

The companies and part of the state seem to have an unrealistic vision of the role of the market and the state as a facilitator. Furthermore, they have a discriminatory vision of the communities. Company representatives seem to lack understanding of the communities' livelihoods, history and way of living. The hydropower companies and the state actors view the communities and the indigenous peoples as not knowing their real interests but only they, the companies and the government knows that is best for them

The companies expect the state to both facilitate for their investments and activities, take responsibility for the relations with the communities, and in addition, are resisting to pay more taxes to the state. When asking company representatives about their will to pay more taxes, the reaction was largely that it was of no use to pay more taxes, as these would only disappear in corruption. When suggesting the money could go to the municipalities and the communities, they contra argument was that the communities do not have the knowledge and capacity to administrative that kind of money. Some where more positive to the role the municipalities can play, and one of the companies have suggested that a larger part of the IVA should go to the municipalities.

Furthermore, as a result of the privatization, electricity tariffs have increased (Ferrigno 2009) Secondly, the reason why the electricity network has been expanded in Guatemala, is not the privatization, as argued by the companies, but the public investments in the sector (Foster and Arujo 2004). In practice, these investments have subsidized private actors.

The state encourages the companies to ‘contribute to local development’ – which in practice means taking over important functions of the state. However, they are not accountable in the same way that a democratic state should be, and benefitted communities are chosen according to closeness to the project and the importance of their acceptance for the initiation of the project. The implementation of social projects depends on the will of the company foundations or other private entities, and may be implemented solely to improve the companies image or gain acceptance for hydropower development, rather than for an integrated development in the communities based on long-term needs and rights analysis.

What the counter narrative seem to miss, is the complex relations between the companies, regional actors and the state. Whereas the narrative is largely “contra TNCs”, it is clear that there re also many national actors involved. This also reflects the sometimes difficult tasks to actually find out who is behind the companies, and furthermore. From the information I have collected, the companies are often joint ventures, and there are complex relations between interests as seen in the section about the political economy of the sector.

5) Substantive democracy and human rights

The changes in the constitution and in the legal system as well as the decentralization brought about by the signing of the peace agreements have opened new spaces for participation. Guatemala has also signed the ILO Convention 169, giving the local communities a legal tool in their demands for participation and their rights as indigenous peoples. The right to be consulted and to define the development processes is indeed part of these transformations. The local communities are simply using this newly gained right, and creating spaces to implement it. Local resistance and opposition is a sign of democracy in terms defined by the communities themselves, and in ways practised by them.

Local communities employ concepts very similar to those used by proponents of hydropower development, like ‘energy sovereignty, local autonomy and development’ – but with radically different content. Many local communities wish to manage their own small-scale hydropower development projects, to provide the residents with electricity. Some communities speak of energy sovereignty based on the state as the main actor in development and management,

whereas others see the local communities as the main actor. Others again question if they even need electricity, saying that it will only lead to greater consumerism and dependence.

What is evident in the arguments presented by local community leaders and the arguments they use, is that they are adopting (and redefining) the concept of development as their own, all the while resisting the companies and in many instances the *practices* of the state, and the dominant narrative that holds that the communities are ‘against development’. As Mohan and Hickey have noted, social movements rarely reject ‘all notions of progress, but are rather seeking to localize them and challenge their exclusive and disempowering elements’ (Mohan and Hickey 2004). As a local leader declared: ‘We are not against development, we are against the discriminatory practices of the state and the companies.’

Although the claims from the communities might differ about the role of the state, many also express the lack of a state taking responsibility for protecting the rights of the communities and the citizens. The state has a role to play in the implementation of indigenous rights, both through the facilitation of the law processes and to include the principles from the ILO convention 169 into bureaucratic and administrative procedures. An example is to assure the translation of the EIAs. The role of the state should also be to provide the social services for the communities, and rather tax the companies, not transferring their responsibility to the companies. The companies lack the necessary accountability, transparency and equity measures to be responsible for these essential services.

5) Understanding the resistance

Many people in local communities, including local leaders, have acquired a strong awareness of their rights. Many of the leaders I spoke with said that they are not against development – what they oppose are the current practices of implementing projects without consulting local communities, without including them in benefit-sharing, and without seeing them as ‘*socios*’– partners in development. The opposition to hydropower projects is not opposition to hydropower *per se*, nor to development, but must be seen as part of a broader struggle. With a long history of land conflicts, forced resettlements, marginalization of indigenous peoples, and exclusion from decision-making arenas, many local communities have simply had enough.

Furthermore, the questions can be asked about whose interests are being met with the projects and for whose benefit. The companies and the state argues in the “nation’s interests” when

promoting hydropower, when in the end it is the interests of industry. Their “nation” seems to be excluding large parts of the population. Furthermore, the hydropower companies and the state actors view the communities and the indigenous peoples as not knowing their real interests but only they, the companies and the government knows that is best for them. In this sub section I have presented an alternative narrative about the hydropower sector in Guatemala. Based on the alternative narrative, I sum up some of the reasons for the resistance seen in the hydropower sector in Guatemala:

- a) The case of Chixoy, related earlier, stands strong in the collective memory of many communities, and has become a symbol of what can happen to communities affected by a project, violating their rights and forcing them to leave their areas. Projects that have already been implemented have brought few significant benefits to local communities, and have failed to provide access to electricity in the communities.
- b) With the democratization process in Guatemala has come greater autonomy for the municipalities and local communities, and citizens are exploring and demanding their democratic rights to participation and in the case of the indigenous, their right to consultation.
- c) The resistance is not opposition to hydropower per se, but is a reaction to the practices of companies and other external actors that enter the communities and the lack of substantial benefits for the communities. Furthermore, some of the actors involved in the hydropower sector are linked to the interests of powerful economic groups in Guatemala, as well as actors who have been involved in either land conflicts or counter insurgency measures in the armed conflict.
- e) The acquisition of land for so called development initiatives, including hydropower projects, has exacerbated local land conflicts, and has worsened indigenous rights to land and territory. As presented in the background, the land tenure system in Guatemala suffers from many legal weaknesses. Communities are therefore experiencing pressure on their areas not only from hydropower companies, but also from mining, the expansion of agro-fuels production and other large infrastructure projects like the highway project related to Franja Transversal del Norte and Plan Mesoamerica. The lack of an official plan for land use has made it possible for private companies to take over land without consideration for the surrounding communities or the ecological context.
- f) The environmental impacts of the projects are not adequately taken into account, given the ecological context of Guatemala as a small country with high biodiversity and a considerable diversity of ecological systems. Environmental impact assessments and their procedures are

inadequate compared with international procedures and practice, and nationally there are no assessments of accumulated effects.

e) The lack of a water law results in the neglect of the communities' use and access to water, and water for social interests has not been ensured, as stipulated in the constitution (article 127). There are no clear regulations for calculating the environmental flow in hydropower projects, something that potentially impact downstream communities.

f) The current legal framework prioritizes the interests of private actors, in addition to favourable contracts and incentives for the companies. The General Law of Electricity does not mention Indigenous Peoples, and opens up for a governance model largely based on private actors. Recent modifications have been made to foment popular participation in the project phase through the regulations for control and follow up.

CHAPTER EIGHT: Conclusions

Using a political ecology approach I have analysed the human and environmental interactions in the hydropower sector in Guatemala, with an emphasis on actors, spaces and power relations. The local and civil society agency and participation in decision making about hydropower development has been explored through the various invited, claimed, and I suggest, transformed spaces.

Using narratives as a tool in presenting and analysing my material has permitted me to explore the arguments used, as well as the interests, interplay and power relation of the multiple actors involved. The narratives have been used to study conflicts about material resources and also the ideas tied to these resources. I have presented various narratives about hydropower development; the dominant narrative presented by the companies and the state, the counter narrative presented by the communities, as well as an alternative narrative to tell a more adequate story. The stories have involved conceptualization about development, the environment, and the role of the actors involved. The dominant narrative has proven to be an important justification for the current policies and practices in the sector and reflect the

experiences and values of powerful groups in society' and by implication those that they exclude.

In exploring the debates and contestations surrounding hydropower development I summarize the major dimensions of the conflicting narratives used by the most significant actors. The debate about hydropower development in Guatemala is clearly polarized. In order to generate support for their views on hydropower and energy production, different actors frame the issues of hydropower in various ways. The companies and the state are promoting the development of the sector with arguments of clean and cheap energy for the nations' development and interests, claiming that Guatemala has a large potential for hydropower development. On the other hand, many communities are opposing the projects, arguing that they have not been consulted and that the project will not bring them any substantial benefits, but rather damage their livelihoods.

The work of Gaventa (2005) has permitted me to link the more abstract discussion of power in political ecology with the actual practices of the actors in Guatemala Using Gaventa's power cube, I have explored the negotiations and contestations between the various actors involved, and how these actors exercise power in different settings, the forms of power and how these again influences policy outcomes. The local community and civil society actors are employing various forms of resistance and attempts to influence the processes in their interests. I have identified the various claimed, created, invited and closed spaces where important decisions about the hydropower sector are negotiated and made, and explored how the communities are using their agency to participate in these arenas. I have presented the ways in which the poor try to make their voice heard through various forms of resistance and mobilizations to influence institutions, practices and policies. With participation in the various spaces, the communities are attempting to control their own interaction with the environment, as well as the companies and the states interaction with the environment (Bryant and Bailey 1997). The communities and civil society actors employ various strategies to voice their interests, and opportunities have been created for the local and indigenous to voice their interests (Robbins 2004). The communities are taking action and making demands. The ecological understanding of Madre Tierra have connected various groups, and they have united in alliances. It is through exercising their agency and through the capacity to organize and ability to create spaces they can influence practices, policies and structure

In some arenas the communities have succeeded and exercised their agency, recognizing their rights and promoting their demands and interests. They have proven their ability to take action in arenas such as the local referendums which have stopped the projects from entering construction. Furthermore, by engaging in the public hearing processes they have managed to document social and environmental impacts of the projects, which again have contributed to the rejection of the projects. At the global arena, they have brought attention to their situation, with the potential for international pressure on the government to respect their rights. At local level they have made alliances and creating a meeting place to share experiences and information.

However, the development processes are driven by powerful forces, and there can be obstacles for actors to pursue their interests. In other instances, people are not allowed to follow their interests as they define them. Power relations are reflected in the social and environmental outcomes produced. Power is manifested in (Bryant and Bailey) 1) the communities access to land and water 2) distribution of costs and benefits. 3) Societal prioritization of the projects and the 4) material manifestations of the projects in the areas of the indigenous and local communities against their will. The communities get few benefits from the projects, and are clearly the losers as their livelihoods can be affected by the projects, such as access to land and water, This suggest that cost and benefits from the projects are distributed unequally. Projects are first and foremost set out to serve powerful actors interests and the ones that can pay for the energy produced, such as the mining industry, the paper industry, commercial sector, agro-export and the textile industry. This analysis suggests how knowledge claims also reflect current and historic power relations (Forsyth 2003).

The lack of governance on the part of the state and the current government has left companies and local communities alike in a legal and institutional vacuum, with the NGOs or the private companies trying to fill the role of the state. Privatization and liberalization of the energy sector have resulted in a legal framework that prioritizes the interests of private actors. At the same time, the years after the peace process have opened up some possibilities for participation spaces for citizens to articulate their rights and interests – whether claimed by themselves or invited by the state – such as the popular referendums, the decentralization and the popular participation (hearings process) related to the Environmental Impact Assessments.

Nevertheless, as Gaventa (2005) suggests, I have found that these spaces of participation and negotiation are influenced by the power relations within them. The EIA fora, while opening a space for the communities to make their voice heard, are controlled by the ministries. That reduces the possibilities for exercising real influence and complicates the processes for the civil society sectors involved. The popular referendums represent important spaces for distributing information and for the people to present their opinion. They have also fomented important discussion at the local level about access to and control over natural resources, as well as participation in decision-making arenas. On the other hand, these referendums are not formally acknowledged by the state or the companies, who de-legitimize the processes.

The absence of the state and lack of clear procedures in negotiations with local communities (company fora) enables the companies to form the spaces in their favour, where the spaces are characterized by an asymmetry of power. This also represents a model that contradicts the positive evolution of indigenous rights at the international level which the Guatemalan state is obliged to follow, as regards dialogue, consulting, negotiating and making agreements with indigenous communities.

In many instances the state functions as an intermediary for private business interests and has acted to defend private economic interests, at the expense of the local population and the environment. The processes of exclusions have continued. The current legal and institutional framework for the energy sector in Guatemala leaves local communities and nature vulnerable, with limited protection. The non-implementation of ILO Convention 169 leaves indigenous peoples deprived of such fundamental rights as real participation in decision-making; adequate consultation processes; respect for their territory, culture and organizations; and real benefit-sharing. On the other hand, the very existence of the ILO Convention and the CERD has opened new possibilities for indigenous peoples and civil society to claim their rights.

The hydropower debate in Guatemala is dominated by the narrative of powerful actors in the sector – notably, the companies and government and state institutions. This has implications for governance of the sector, for policies and practices, and concerning whose interests are heeded. The textile industry, mining and other big consumers of electricity are working to promote the expansion of the sector in private hands, with a view to obtaining cheap and accessible energy. The close relationship between the business sector and parts of the

government is evident in the practices and implementation of policies that tend to facilitate access to and control over the natural resources in question, such as access to the land and rivers needed for hydro-projects. The state and government are largely strangled by powerful external interests.

Under the current legal framework, the implementation of new hydro-projects will not provide the local communities with energy – that depends on the distributors, not the producers. The municipalities get scant income from such projects, as the companies only pay minimal taxes. Instead, what the local communities experience is land fragmentation, as the companies are buying up local lands in spaces governed by asymmetric power relations. The companies have focused on gaining acceptance for their projects, rather than considering projects and strategies that could expand and deepen the stream of genuine benefits. Moreover, the state does not speak with one voice. There are differences from one ministry to another, from one official to another. The state is both an actor, provider of spaces for decision-making and also an outcome of history. The government is ‘sandwiched’ in-between the various claims and interests, without the capacity or resources to implement coherent policies that can balance the many interests involved. This permits, whether deliberately or not, a large sphere in which the companies are free to conduct their own relations with indigenous and local communities.

Local communities suffer from by the lack of coherent governance of the sector, with the state absent and few possibilities to influence who has access and control over the resources, or project outcomes. They see all the companies and the various development initiatives as an integral whole. In Guatemala, local resistance to hydropower cannot be seen in isolation from other sectors and activities that affect the local communities, the natural environment, and their territories. This resistance from the communities is not resistance to hydropower *per se*: it should be recognized as a reaction against current practices harmful to the communities and their surroundings, and the lack of consideration to their development visions as well as their right to participate in decision making arenas.

Creating a common enemy is an old strategy, and it is easier to say no to all the projects than evaluating each project and each company separately. This strategy has proven to have real strength as the hydropower and energy sectors cannot proceed without broad community support. This also becomes a problem for government, which is seen as incapable of

delivering hydropower sites to the powerful companies. The local communities are also delivering hard blows to the business sector, in hopes of pressuring the government to change the current framework and to fulfil its obligations to protect the citizens of the country – the indigenous peoples in particular. The strategies represent a mix of resistance to the interventions by the state and other external actors as well as the struggle for inclusion in the state and decision-making arenas, and to have their values acknowledged.

The communities have created and claimed spaces to claim their rights and promote their interests, and have become involved in invited spaces. New alliances have emerged, and the local communities are exploring their democratic rights as citizens. However, they encounter huge challenges in obtaining information about hydropower-projects, gaining access to the hidden arenas of power, and in the strong state-centric and private-interest bias of current laws.

Information distribution about projects is limited, and there are no mechanisms for disseminating information among affected communities, municipalities, state institutions, development councils and other civil society actors. No account is taken of the multilingual context of Guatemala and the high levels of illiteracy, especially among indigenous people. Studies are not translated into local languages although in other areas of the world this is deemed essential for genuine community participation. The information process that does exist is one-way communication, where the knowledge, inputs and experience of the local communities are dismissed as unimportant. Companies and state institutions alike evince scant understanding of the situation of local communities. Their rights to participation, consultation and their territory are violated by the current practices prevalent in the sector. Conflicts are further exacerbated by the high degree of legal uncertainty regarding land and properties, as well as the lack of land titles.

Also the environment has been neglected in the processes, first of all through malpractices in the process of Environmental Impact Assessments. Many environmental studies are weak and inadequate, failing to appreciate the rich biodiversity and valuable ecosystems in Guatemala. EIAs generally fail to take into account the high vulnerability to climate change and natural catastrophes, as well as the calculation of environmental flows. The arguments adduced concerning the potential of the sector demonstrate how science is misused to serve specific interests, and how policy implications have followed logically from the assumptions

contained and stabilized within the dominant narrative. An especially glaring omission is the neglect the protection of the country's unique biological and ecological context, as well as the people living in the areas concerned.

Social protests are criminalized – which violates the fundamental right of local communities to make their voices heard. Community leaders and activists are deprived of such basic rights as the right to association, the right to protest and the right to free speech.

In line with much political ecology work this study has a normative focus on justice and marginalized groups such as poor rural communities and the indigenous peoples of Guatemala. I have also aimed to discuss alternative means to approach environmental explanations, and presented an alternative narrative. I also set out some policy recommendations based on the findings in the conclusions aiming at constructing new environmentally policies that are more socially just. There is an acute lack of space within Guatemalan politics for the creation of public fora that can serve as real arenas for dialogue and negotiation for affected local communities. As part of my work with FIVAS, and based on discussions with various civil society actors as well as state officials, a set of recommendations has been developed in order to achieve the following goals (Appendix 7):

- a. Genuine participation, access to decision making arenas and access to information; this includes the processes of EIAs, the public hearing, meetings with other actors in the sector, in all phases of the project.
- b. In-depth knowledge of the social and ecological impacts of dams – upstream and downstream and for the various ecological systems of Guatemala;
- c. Alternative distribution of the economic benefits from the dams, such as access to electricity and income from the projects;
- d. Rewriting of Guatemala's laws and regulations to enable them a genuine response to indigenous communities in their interactions with the private sector and the state, and to prevent continued exploitation of the local communities and the indigenous peoples.

Throughout my work, I have employed an empathetic approach, consciously taking an ethical stance in favour of those studied. It is my sincere hope that the results can be used to advocate and advance pro-poor policies.

Further research

The intersection of water governance and property systems at local level are critical for understanding the growing conflicts over hydropower. More empirical research should be done on local governance and knowledge about the local ecological systems to understand this.

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APPENDICES

APPENDIX 1: LIST OF INTERVIEWS

CODE (reference in text)	Interview group and explanation	Audio/ written	Male /Fem ale	Individual group, pair	Guatemala City (GC), community	When
Respondent	Researchers, experts					
R1 U.R Landivar)	Researcher - Rafael Landivar University	Audio	M	I	Office GC	July 2009
R2 Expert	Forme director - environmental organization	Audio	M	I	Cafe GC	July 2009
R3 Flacso	Researcher from Flacso	Audio	F/M	G	Community	August 2009
R4 Avancso	Researcher from Avancso	Audio	M	I	Office GC	November 2009
R5 Expert	Environmentalist, former government official	Written	M	I	Norway	October 2009
R6 Expert	Advisor, indigenous issues	Written	F	I	Cafe GC	November 2009
	Municipal authorities					
R7 AGAII	Association for Indigenous Mayors	Audio	M	P	Office GC	November 2009
R8 ANAM	National Association for Mayors	Audio	M	I	Hotel GC	November 2009
	Companies					
R9 CO	Company	Audio	M	I	Seminar hotel	November 2009
R10 CO	Company	Audio and written	M	I	Seminar hotel and office	November 2009
R11 CO	Company	Written	M	I	Seminar hotel	November 2009
R12 CO	Association	Written	M	P	Hotel GC	November 2009
R13 CO	Association	Written	M	I	Restaurant GC	November 2009
R14 CO	Company foundation	Written	F	I	Office GC	November 2009
	Mediators					
R15 OAS	Organization of American States	Audio	M	I	Office GC	November 2009
R16 mediator	Mediators working with private companies and communities	Audio	M/F	P	Office GC	November 2009
R17 mediator	Mediators working with conflict resolution	Audio	M/F	G	Office GC	November 2009

	State and government actors					
R18 MEM	Ministry of Energy and Mining, director and two bureaucrats	Audio	M	G	Office GC	August 2009
R19 VMDS	Sub Ministry of Sustainable Development (VMDS), advisor	Audio	M	I	Office GC	August 2009
R20 MARN	Ministry of Natural Resources and the Environment, minister and vice-minister	Audio	M/F	P	Office GC	August 2009
R21 CA	Congressional Commission for Natural Resources and the Environment (CA), congress member	Audio	M	I	Office GC	August 2009
R22 CE	Congressional Commission for Energy and Mining (CE), advisor	Audio	M	I	Office GC	August 2009
R23 INDE	Public company INDE, union, secretary of conflict and four other union members	Audio	M	G	Office GC	July 2009
R24 AMM	Wholesale Market Administrator (AMM), lawyer	Audio	M	I	Office GC	July 2009
R25 CONAP	Council of Protected Areas, sub director	Written	M	I	Cafe GC	August 2009
R26 GOV	Presidential Office for Dialogue, director	Audio	F	I	Office GC	August 2009
R27 CM	Commission for Women, congress member	Audio	F	I	Office GC	November 2009
	Sociedad Civil					
R28 IP	Indigenous and peasant grassroots organization	Audio	M/F	G	Office GC	August 2009
R29 IP	Indigenous and peasant grassroots organization	Audio	M	I	Office GC	August 2009
R30 IP	Indigenous and peasant grassroots organization, lawyer	Audio	M	I	Office GC	July 2009
R31 IP	Indigenous and peasant grassroots organization	Audio	F	P Indigeno us Women	Office other GC	August 2009
R32 IP	Indigenous and	Audio	M	I	Office other	July 2009

	peasant grassroots organization			Indigenous	GC	
R33 IP	Indigenous and peasant grassroots organization	Written	M	I	Norway	February 2010
R34 IP	Indigenous and peasant grassroots organization	Written	M	I	Norway	May 2010
R35 NGO	Audio and trans	Audio	M/F	P	Office GC	August 2009
R36 NGO	Audio and trans	Audio	F	I	Community	August 2009
R37 NGO	Audio and trans	Audio	M	P	Office GC	August 2009
R38 NGO	Audio and trans	Audio	M	I	Office GC	August 2009
R39 NGO	Audio and trans	Audio	M	I	Office other GC	August 2009
R40 NGO	Audio and trans	Audio	M/F	G	Office GC	July 2009 – November 2009
R41 NGO	Audio and trans	Audio	M	I	Office GC	July 2009
R42 NGO	Audio and trans	Audio	M/F	P	Office GC	July 2009
R43 NGO	Audio	Audio	M	I	Office GC	August 2009
	Local communities					
R44 LC	Zacapa	Audio	M/F	G	Community	July 2009
R45 LC	Guatemala	Written and audio	M/F	G	Community	August 2009
R46 LC	Alta Verapaz	Audio	M	I	Community	August 2009
R47 LC	Quiche	Audio	M/F	G	Community	August 2009
R48 LC	Quiche	Audio	M/F	G	Community	August 2009
R49 LC	San Marcos	Written	M/F	G	Community	August 2009
R50 LC	Quiche	Audio	M/F	G	Community	July 2009
R51 LC	Altaverapaz	Audio	M	G	Community	November 2009
R52 LC	Quiche	Audio	M	I	Community	August 2009
R53 LC	Quiche	Audio	M	I	Norway	May 2010
R54 LC	Zacapa	Written	M	I	Norway	May 2010
	Seminar and other					
R55 SEM	Norwegian Embassy seminar, several civil society actors and VMDS	Audio			Guatemala City	August 2009
R56 SEM	Seminar in Quiche	Audio, inaudible			Quiche	July 2009
R57 SEM	Seminar in Norway with delegation from Guatemala and Norwegian researchers	Notes			Norway	October 2009
R58 SEM	Seminar at	Notes			Norway	October 2009

	Norwegian Institute of International Affairs					
R59 SEM	Seminar Norway arranged by LAG, NCA, NPA and FIVAS	Notes			Norway	February 2010
R60 SEM	Seminar in Guatemala on Climate Change	Notes			Guatemala City	June 2009
R61 SEM	Dinner at the Norwegian Embassy	Notes			Guatemala City	August 2009
R62 SEM	Seminar arranged by SAVIA	Notes			Guatemala City	August 2009
R63 MEDIA	Monitoring of media from January to August 2009	Articles			Guatemala	January – August 2009
R64 EIA	Several EIAs have been studied, the chapter about public opinion	Copies			Guatemala	

APPENDIX 2: LIST OF RELVEANT LAWS

Laws in Spanish	English translation used in thesis	Year
<i>Ley de Minería</i>	Mining Law	1997
<i>Ley de Petróleo</i>	Petroleum Law	
<i>Ley General de Electricidad</i>	General Law of Electricity	1996
<i>Ley Forestal</i>	Law of Forestry	1996
<i>Ley de Hidrocarburos</i>	Hydrocarbon Law	1991
<i>Ley de Consejos de Desarrollo Urban y Rural</i>	Urban and Rural Development Councils Law	1987
<i>Código Municipal</i>	The Municipal Code	1988
<i>Ley de Protección y Mejoramiento del Medio Ambiente</i>	The Law of environmental protection and improvement	1986
<i>Ley de Áreas Protegidas</i>	The Law of protected areas	1989
<i>Ley de Incentivos para el Desarrollo de Proyectos de Energía Renovable</i>	<i>Law of Incentives for Development of Energy</i>	2003
<i>Reglamento de Evaluación, Control y Seguimiento Ambiental</i>	<i>Regulation for Environmental Evaluation, Control and Follow-up</i>	2003 Modified in 2008
<i>Guía de términos de referencia para la elaboración de evaluación de impacto ambiental</i>	<i>Guide for terms of reference for elaboration of Environmental Impact Assessment</i>	

APPENDIX 3: LIST OF PROJECTS

	County	Mun.	River	Project	MW	Status	Company
1.1	Altaverapaz	Cobán		Chichaic	0,6	Operating since July 1979	EGEE (State)
1.2	Altaverapaz	San Cristóbal	Chixoy	Chixoy	300	Operating since november 1983	EGEE (State)
1.3	Altaverapaz	Sanahu	Trece Aguas	Hidroelectrica Secacao S.A	16,5	Operating since July 1998	Secacao
1.4	Altaverapaz	San Pedro Charchá	Cahabón	Renace S.A	68,1	Operating since March 2004	Renace
1.5	Altaverapaz	Senahu		Hidroeelctrica Candelera	4,6	Operating since May 2006	Candelera
1.6	Altaverapaz	Tucurú	Polochic	Santa Teresa	24	In construction, April 2010	Agrocomercializado ra del Polochic, S.A
1.7	Altaverapaz	San Cristobal	Pampur, Quixal	San Cristobal	19	Planning phase, soon in construction	Inver Energy S.A
1.8	Altaverapaz	San Pedro Carchá	Cahabon	Renace II	130	Planning phase, soon in construction	Recursos naturales Celulosas S.A
1.9	Altaverapaz	San A. Lanquin	Lanquin, Chianay	Entre Rios	8,25	Approved EIA?	Corrientes del Rio S.A
1.10	Altaverapaz			Hidro AV-VI	19	Candidate 2009-2022	
1.11	Altaverapaz			Hidro AV-II	163	Candidate 2011-2022	
1.12	Altaverapaz			Hidro AV-Xela	35	Candidate 2014-2022	
1.13	Altaverapaz			Hidro AV	181	Candidate 2015-2022	
1.14	Altaverapaz			Hidro AV-VI	16	Candidate 2016-2022	
1.15	Altaverapaz			Hidro AV-IV/ Chulac	340	Candidate 2018-2022	
1.16	Altaverapaz			El Naranjo	47		
1.17	Altaverapaz		Cahabon	Samastun	16	Profile studies INDE	
1.18	Altaverapaz			Hidro	20,6		
1.19	Altaverapaz		Matanzas	La Tinta	110	Profile studies INDE	
1.20	Altaverapaz			San Cristobal	39		
1.21	Altaverapaz		Tinajas	Tinajas	10,7	Prefactibility INDE	
1.22	Altaverapaz		Boca Nueva	Boca Nueva	5,3	Prefactibility INDE	
1.23	Altaverapaz		Polochic	Tucurú	14,6	Profile studies INDE	
1.24	Altaverapaz		Canlich	Canlich	10	Profile studies INDE	
1.25	Altaverapaz		Chajmafc	Sebol	31,4	Prefactibility INDE	
					1630		
2.1	San Marcos	San Pablo		Porvenir	2,3	Operating since September 1968	EGEE (State)
2.2	San Marcos	San Rafael Pie de La	Cabúz, Ixpil, Chayen	Los Cerros	1,2	Construction August 2009	Energia Nacional S.A.

		Oesta					
2.3	San Marcos	San Rafael Pie de La Oesta		Finca Lorena	23	Planning phase, soon to be constructed	Agen S.A.
2.4	San Marcos	San Pablo, Tacana, Tajumulco	Cutzulchimá, Canujá, Negro	Tres Rios	50	Planing phase, opposition	Hidroelectrica Tres Rios S.A.
2.5	San Marcos		Salá	Rio Sala	15	Approved EIA?	Hidro Sala S.A. - Generadores HidroelectricosS.A.
2.6	San Marcos			Hidro San Marcos I/ Virginia	50	Candidate 2013-2022	
2.7	San Marcos		Cabuz	Hidro San Marcos II/ Malacatan	16,5	Candidate 2015-2022, Prefactibility studies INDE	
2.8	San Marcos		Coatán	Hidro San Marcos III/ Tacaná Opcion 1	15,7	Candidate 2018-2022, Prefactibility studies INDE	
2.9	San Marcos		Suchiate	Hidro San Marcos IV/ Montecristo	11	Candidate 2018-2022, Prefactibility studies INDE	
2.10	San Marcos		Cutzolchima	Pompeya	97,5	Profile studies INDE	
2.11	San Marcos		Cabuz	San Jose	75,2	Profile studies INDE	
2.12	San Marcos		Suchiate	Petacalapa	31,4	Prefactibility studies INDE	
2.13	San Marcos		Naranjo	El Quetzal	42,7	Profile studies INDE	
2.14	San Marcos		Naranjo, Ixtal, Chisná	El Quetzal II	11,9	Profile studies INDE	
2.15	San Marcos		Cutzulchimá and Salá	Pompeya	8	Profile studies INDE	
2.16	San Marcos		Cutzulchimá	Tajumulco	6,8	Profile studies INDE	
2.17	San Marcos		Suchiate	Salá (INDE)	5,9	Profile studies INDE	
					388		
3.1	Quiche	Chajul	Xaclbal	Xacbal	93	Construction november 2009, operation 2011	Hidro Xacbal S.A
3.2	Quiche	Cotzal	Cotzal, Chipal, El Regadío, El Arroyo Escondido	Palo Viejo	85	Construction April 13	Agricola Cafetelera Palo Viejo
3.3	Quiche	Chajul	Xaclbal	Hidroelectrica San Luis	176	Approved EIA?	Generacion Limpia Guatemala
3.4	Quiche	Santa Maria Nebaj	Suchum	Sumalito	45,6	Approved EIA?	ENEL Guatemala S.A.

3.5	Quiche, Altaverapaz	Chinique, Ixcán, Cobán, Uspantan	Copón, Chixoy	Xalala	180	Candidate - opposition	
3.6	Quiche			Hidro Quiche	140	Candidate 2018-2022	
3.7	Quiche			Bella Vista	53		
3.8	Quiche			Serchil	135		
3.9	Quiche		Moxolá and Cotzal	Vinam	10,1	Prefactibility studies INDE	
3.10	Quiche		Las Cataratas and Azul	Clavellinas	6,5	Prefactibility studies INDE	
3.11	Quiche		Motagua	Chichicastenango	6,2	Prefactibility studies INDE	
3.12	Quiche		El Copón	El Copón	9	Profile studies INDE	
3.13	Quiche			Tracanca	87		
					447		
4.1	Quetzaltenango	Zunil	Salamá	Santa Maria	6	Operating since 1926	EGEE (state)
4.2	Quetzaltenango	Zunil	Samalá	El Canada	48,1	Operating since november 2003	Generadora de Occidente Limitada
4.3	Quetzaltenango	Zunil	Samalá	Monte Cristo	13,5	Operating since May 2006	Generadora Montecristo S.A.
4.4	Quetzaltenango	El Palmar	Samalá	El Recreo	26	Operating since January 2008	Hidrotama S.A.
4.5	Quetzaltenango	El Palmar	Ouache	La Helvetia	2,5	Construction December 2009	Alternativa de Energía Renovable S.A.
4.6	Quetzaltenango	Zunil	Samalá	Oueva Maria	9,3	Prox.construction	Recursos Energéticos Pasac S.A.
					105		
5.1	Esquintla	Palín	Michatoya	El Salto	2	Operating since 1938	EGEE (State)
5.2	Esquintla	Palín		Jurun Marinala	75	Operating since 1970	EGEE (State)
5.3	Esquintla	Guanagazapa	Maria Linda	Aguacapa	90	Operating since 1982	EGEE (State)
5.4	Esquintla	Siquinala		Capulin	3,5	Operating since 1990	Fabrigas S.A.
5.5	Esquintla	Palín		Palín	5,8	Operating since 2005	EGEE (State)
5.6	Esquintla	Esquintla		SDMM	2,15	In construction February 2010	Hydropower SDMM S.A.
5.7	Esquintla		Michatoya	Sinacapa	30,4	Profiles studies INDE	
					209		
6.1	Zacapa	Rio Hondo	Pasabién	Pasabien	12,8	Operating since June 2000	Inversiones Pasabien S.A.
6.2	Zacapa	Rio Hondo	Colorado	Rio Hondo II	32	Opposition	Hidroelectrica Rio Hondo S.A./Hydro West
6.3	Zacapa y Chiquimula	Jocotan	Rio Grande o Jocotan	El Puente	22,9	Prox.construction	Generacion Limpia Guatemala

6.4	Zacapa y Chiquimula	Jocotan	Rio Grande o Jocotan	El Oregano	120	Prox.construction	Tres Niñas
					188		
7.1	Bajaverapaz	San Jeronimo		San Jeronimo	0,3	Operating since December 1996	Municipalidad de San Jerónimo
7.2	Bajaverapaz	San Jeronimo	Mtanzas	San Isidro/Matanzas	3,9	Operating since July 2002	Tecnoguat S.A.
7.3	Bajaverapaz	Purhulhá	Sulín, Colorado, Cafetal, Panimá	Sulín	19	In construction November 2012	Central Hidroeléctrica Sulín S.A.
7.4	Bajaverapaz			Hidro BV I	19	Candidate 2019-2022	
7.5	Bajaverapaz		Motagua	Concuá	78,3	Profile studies INDE	
7.6	Bajaverapaz		Cucanjá/Polochic	Guaxpón	32	Profile studies INDE	
7.7	Bajaverapaz		Angel Panimá	Panimá	10	Profile studies INDE	
					163		
8.1	Peten		Usumacinta	Usumacinta I	200	Candidate 2016-2022	
8.2	Peten		Usumacinta	Usumacinta II	200	Candidate 2018-2022	
8.3	Peten		Usumacinta	Usumacinta III	200	Candidate 2020-2022	
8.4	Peten		Usumacinta	Usumacinta IV	200	Candidate 2022	
8.5	Peten		Machaquilá	Machaquilá 1	11,5	Prefactibility studies INDE	
8.6	Peten		La Pasión	La Concordia	11,1	Prefactibility studies INDE	
8.7	Peten			Chapayal	16		
					839		
9.1	Guatemala	Chinautla		Cerro Vivo	1,5	Operating since 2001	Central de Compras y Materia Prima
9.2	Guatemala	Chinautla	Las Vacas	Las Vacas	45,7	Operating since May 2002	Hidroelectrica Las Vacas
9.3	Guatemala y Baja Verapaz	Chuarancho and el Chol	Motagua	Sisimite	40	Opposition	Generadora Nacional S.A (Genosa)
					87,2		
10.1	Izabal	Morales	Bobos	Rio Bobos	10	Operating since August 1995	Hidronorte S.A.
10.2	Izabal	Morales	Las Ánimas	Las Ánimas	10	Prox.construction	Grupo Corporativo Catedral S.A.
10.3	Izabal	El Estor	Sauce	El Sauce	25,5	Profile studies INDE	
					45,5		
11.1	Huehuetenango			Hidro Huehue I	198	Candidate 2012-2022	
11.2	Huehuetenango			Hidro Huehue II	114	Candidate 2013-2022	
11.3	Huehuetenango			San Antonio Huista	5,9	Prefactibility studies INDE	
11.4	Huehuetenango		Ixcán/Amelco	San Juan	152	Profile studies INDE	
11.5	Huehuetenango		Tzucancá	Ixcán/Quisil	95,1	Profile studies INDE	
11.6	Huehuetenango		Ixcán/Ibal	El Arco	244	Profile studies INDE	

11.7	Huehuetenango		Ixcán	Siquichum	74,1	Profile studies INDE	
11.8	Heu		Xaclba	El Naranjo	51,7	Profile studies INDE	
11.9	Huehuetenango		Pojom and Negro	Polom I and II	14	Profile studies INDE	
11.10	Huehuetenango		Laguna Yolnabaj	Yolnabaj	13,5	Profile studies INDE	
11.11	Huehuetenango		Chapala and Sosi	Cuilco	12,7	Profile studies INDE	
11.12	Huehuetenango		Seco	Rio Seco	8,3	Profile studies INDE	
11.13	Huehuetenango		Xoxlac	Xoxlac	6,8	Profile studies INDE	
					990		
12.1	Retalhuleu	Nuevo San Carlos		Covadonga	1	In construction August 2009	José Ramón Fernández
12.2	Retalhuleu	Retalhuleu, San Felipe 0.00 Estudio Retalhuleu	Ocosito	Hidroel. Las Fuentes	25	Resolución MEM-2578 22/02/2008 Candidate 2014-2022	
					26		
13.1	Santa Rosa	Ouilapa	Los Esclavos	Hidroel. Los Esclavos	15	Operating since 1966	EGEE (State)
13.2	Santa Rosa	Pueblo Nuevo Viñas	Aguacapa	Poza Verde	12,5	Operatings since 2005	Papeles Elaborados S.A.
13.3	Santa Rosa		Los Esclavos	El Carmen	91,9	Profiles studies INDE	
13.4	Santa Rosa		Tapalapa and Laguna Ayarza	Ayarza	13,7	Profiles studies INDE	
					133		
14.1	Salama	San Jerónimo		Matanzas	12	Operating since 2002	Tecnoguat S.A.
					12		
15.1	Xela			Hidro-Xela	35	Candidate 2014-2022	
					35		
16.1	Chiquimula	Camotán	Rio Grande, Camotan	Tres Niñas Caparjá	57	EIA Approved?	Desarrollo de Generación Eléctrica y Manejo de Recursos Naturales Las Tres Niñas S.A.
16.2	Chiquimula		Grande de Zacapa	Orégano	65,4	EIA approved	Desarrollo de Generación Eléctrica y Manejo de Recursos Naturales Las Tres Niñas S.A.

16.3	Chiquimula		Grande de Zacapa	Camotán	59	Profiles Studies INDE	
61.4	Chiquimula		Grande de Zacapa	Caparjá	8,3	Profiles studies INDE	
					190		
17.1	El Progreso		Motagua	El Guayabo	92,7	Profile studies INDE	
					92,7		
18.1	Jalapa		El Molino	El Silencio	10	Profile studies INDE	
					10		
19.1	Jutiapa			Hidro Paz	70		
					70		
20.1	Unspecified			Distribuidora I	30	Candidate 2012-2022	
20.2	Unspecified			Distribuidora II	30	Candidate 2016-2022	
20.3	Unspecified			Distribuidora III	30	Candidate 2020-2022	
20.4	Unspecified			Distribuidora IV	30	Candidate 2022	
					120		
					5623		

APPENDIX 4: RIVERS

The Pacific

Basin/watershed **Area (m²)**

Coatán	270
Suchiate	1054
Naranjo	1273
Ocosito	2035
Samalá	1510
Sis-Icán	919
Nahualate	1941
Atitlán	541
Madre Vieja	1007
Coyolate	1648
Acomé	706
Achiguate	1291
María Linda	2727

Paso Hondo	512
Los Esclavos	2271
Paz	1732
Ostúa – Güija	2243
Olopa	310
Total	23990

The Atlantic

Basin/watershed **Area (m²)**

Grande de Zacapa	2642
Motagua	12 670
Izabal – Rio Dulce	3435
Polo chic	2811
Cahabon	2459
Sarstun	2109
Vertiente Belice	8159
Total	34 285

The Gulf of Mexico

Basin/watershed **Area (km²)**

Cuilco	2274
Selegua	1535
Nentón	1451
Pojom	813
Ixcán	2085
Xacbal	1366
Chixoy	12150
Pasión	12156
Usumacinta	2638
San Pedro	14335
Total	50803

Source: INSIVUMEH

http://www.insivumeh.gob.gt/hidrologia/rios_de_guatemala.htm

APPENDIX 5: ELECTRICITY COVERAGE

Electricity Coverage by Departments December 2008			
Department	Households	Users	Coverage
Alta Verapaz	171 418	64 115	37.4 %
Baja Verapaz	58 873	37 520	69.6 %
Chimaltenango	109 142	92 829	85.1 %
Chiquimula	73 524	57 534	78.3 %
El Progreso	37 462	34 261	91.5 %
Escuintla	156 199	120 754	77.3 %
Guatemala	761 004	725 815	95.4 %
Huehuetenango	179 705	157 617	87.7 %
Izabal	75 338	55 917	74.2 %
Jalapa	54 672	46 821	85.6 %
Jutiapa	97 882	83 630	85.4 %
Petén	97 451	54 293	55.7 %
Quetzaltenango	162 240	151 590	93.4 %
Quiché	149 089	107 514	72.1 %
Retalhuleu	59 074	49 372	83.6 %
Sacatepéquez	66 076	62 219	94.2 %
San Marcos	175 772	154 416	87.9 %
Santa Rosa	74 915	65 258	87.1 %
Sololá	69 942	64 935	92.8 %
Suchitepéquez	97 996	77 592	79.2 %
Totonicapán	82 523	77 740	94.2 %
Zacapa	52 665	45 327	86.1 %
Nivel Nacional	2 857 961	2 387 069	83.5 %

APPENDIX 6: INTERVIEW GUIDES

INTERVIEW GUIDE

NGOs

1. How do you view the current development of hydropower projects in Guatemala
 - benefits?
 - the social impacts?
 - the environmental impacts?
2. What are the contestations between the different actors involved in the sector?
(the state, the municipalities, the local development councils, the communities, and the environmental organizations)
3. How can local communities influence the processes?
4. How do you see indigenous rights related to the projects?
5. How do you analyse the current opposition in the communities?
6. How do you regard local referendums and consultation processes?
7. How do you see the actors in the sector, and their responsibility?
 - the role of the state?
 - the role of the companies?
 - the role of the communities?
 - the role of the organizations?
8. How do you see the criminalization of the local leaders and activists?
9. What is your development vision?

Organizations with special insight in the processes were also asked:

- What kind of mechanisms for monitoring and follow up exist?
 - How are the Environmental Impact Assessments, who realize them and what are the requirements?
 - How have you experienced access to information about the projects
-

State institutions

1. How do you view the current development of hydropower projects in Guatemala
 - benefits?
 - the social impacts?
 - the environmental impacts?
2. How do you see the role of the state in the hydropower sector?
3. How do you regard local referendums and consultation processes?

To MARN, special questions about:

- Requirements and processes for the EIAs
 - The work of the ministry
 - Do you undertake assessments of the accumulated effect of the projects?
 - How are risk analysis undertaken?
 - What are the channels for distributing information?
 - Are you planning hydropower projects in protected areas?
 - How do you calculate the environmental flow in a project?
-

COMMUNITIES:

I am here to see and learn how you live and listen to what you think about the hydropower projects.

(not all of the questions were asked, and the communication with the communities were more as conversations)

1. How do you view hydropower projects? (Como ven ustedes las hidroelectricas?)
 2. Are there any projects nearby your community? / Do you know about any project nearby?
 3. What kind of information have you received about the project? The company? Size? Impacts?
 4. Have anyone come to the community to talk about the project?
 5. Have anyone from the community negotiated with the company?
 6. Who will benefit from the hydropower projects?
 7. How do the project impact the communities?
 8. Do you have access to electricity here?
 9. How do you use the river?
 10. How is ownership to land here? Do you have titles to your land?
 11. How do people get organized to get information about the projects?
 12. How, where and to whom can you express your opinion about the projects?
 13. What kind of organizations exist in your community?
 14. What organizations do you collaborate with? Are there any of the national peasant and indigenous organizations present in your community?
 15. How is your relationship with the municipalities?
 16. What do you think the state should do?
 17. What is development for you?
-

COMPANIES

How do you view the current hydropower development in Guatemala? Its benefits and impacts?

How do you experience the process of gaining the necessary authorizations?

How do you approach the communities?

The municipalities?

How do you view the role of the state?

How do you distribute information about the project?

How do you acquire the land needed for the projects?

How do you analyse the opposition in certain communities?

How do you undertake EIAs?

How do you view the local referendums?

How do you view the role of NGOs?

What is your vision of development?

APPENDIX 7: RECOMMENDATIONS from the FIVAS study “Energia para el Pueblo”.

Hirsch, C. and Utreras, M. (2010)

The study was presented in Guatemala in June 2010, and will be published in English in September 2010. These are the recommendations from the study:

To the Guatemalan state, the judiciary and companies:

1. Modify the legal and institutional framework for the energy sector so that it protects the rights of citizens, especially the rights of indigenous peoples and their territories. Modify the General Law of Electricity to incorporate the duties of the state in relation to the protection of the rights of indigenous peoples and local communities.
2. Put in place a legal framework that prioritizes access to electricity for the country’s inhabitants and assures benefits for the municipalities, local communities and the people of Guatemala.
3. Realize the implementation of ILO Convention 169. The obligation to consult is recognized in ILO Convention 169, ratified by Guatemala in 1996; in the Declaration on the Rights of

Indigenous Peoples, approved by Guatemala in 2009; as well as in other documents, such as the International Convention on the Elimination of All Forms of Racial Discrimination (ICERD), human rights covenants and the American Convention on Human Rights.

4. Proceed with the proposals and acknowledge the efforts to elaborate a law of consultation with indigenous peoples and other proposed laws on indigenous rights.
5. Declare a moratorium on new licences and authorizations on the use of rivers until a law of consultation is in place and adequate information can be provided.
6. Create open and participatory spaces for dialogue with indigenous peoples and local communities to receive complete and objective information, resolve any doubts and concerns, and listen to inputs and local experiences.
7. Acknowledge, respect and strengthen the local consultation processes that are taking place.
8. Ensure that high-quality environmental impacts assessments (EIAs) are prepared by qualified consultants, with clear criteria and open participatory processes. Elaborate a plan to improve EIAs in line with land-use planning and integrated water resource management, in collaboration with local communities, and improve the terms of reference for preparing assessments. Robust and enforceable guidelines for relocation and compensation according to the unique community context must be included in any proposed project.
9. Draw up a water law that incorporates the rights of communities, the human right to water, and the rights of indigenous peoples.
10. View local communities as a potential partner in projects. Instead of buying their lands, the land should be rented (*usufructo*), giving the communities a share in the benefits and income from the projects.
11. Ensure open processes, access to and distribution of information to all the affected and involved actors. The 20-day limit for providing comments on EIAs must be extended. Information should be actively distributed, at no cost, to all affected parties.
12. Follow the recommendations of the World Commission on Dams.

To Norwegian and other foreign/international actors:

1. Norwegian aid policy should take as its starting point the energy needs of the poor and their use of and access to natural resources, rather than adopting an approach focused on ‘what we’re good at’. Norway should support comprehensive needs and options assessments – not only in connection with hydropower – that take into account the environmental and social dimensions as much as the financial and technical aspects. Furthermore, Norway should endorse the principle of free, prior and informed consent in hydropower development projects.
2. Norwegian and other foreign actors should be more critical of their partnerships with local companies. They should ascertain that the government has consulted with the communities in question, and that companies have done their part to make available all the necessary information; further, that the local communities have been heard, and their needs and inputs have been taken into account.
3. Norwegian and other foreign actors should be particularly vigilant on the question of how the local company has acquired land, and make use of different sources, not just the company, to ascertain how land and property have been obtained. There should be higher standards in terms of required local knowledge, to avoid the recurrence of earlier unfortunate incidents.
4. Local communities should be viewed as possible partners in projects. Instead of buying their lands, the land should be leased, giving the communities a share in the benefits and income from the project.
5. An evaluation of how indigenous rights are to be respected and protected in projects should be included in the preliminary studies financed by NORAD and other international development institutions.
6. Companies requesting support to work in areas with indigenous populations should be required to prove their competence in the area or present a plan for how they intend to handle related indigenous issues, with independent monitoring of the process.
7. Investigations related to the criminalization and persecution of human rights defenders should be promoted and supported. There is also a need to strengthen the monitoring of the situation of human rights defenders, especially those defending economic, social and cultural rights.
8. The governments of the country of origin of international companies should make sure that the companies promote and respect human rights also beyond their own national borders.

9. International pressure should be applied to ensure that the agreed Plan of Reparation in the case of the Chixoy dam is signed and implemented by the national government.

10. All investments made by Norwegian actors in indigenous territories should be thoroughly reviewed to establish clearly the impacts and potential benefits these investments might have on the legal, social, political, economic, and cultural situation of the indigenous peoples.

11. All hydropower projects should adhere to the recommendations of the 2000 Report of the World Commission on Dams.