

## Nicaragua: struggling for land, territory and autonomy in the face of the Gran Canal Interoceánico

*Nick Middeldorp – 30<sup>th</sup> of December 2015*

The following is an analysis based on a brief fieldwork experience in Nicaragua, realized between the 12<sup>th</sup> and the 22<sup>th</sup> of December 2015 as part of an exploratory research, in which I investigated social and political tensions surrounding the Gran Canal Interoceánico de Nicaragua project. During this visit, I interviewed activists and communal leaders, attended rural community meetings, and gave workshops to indigenous communal governments in the RAAS region about their right to free, prior and informed consent (FPIC) concerning large scale projects affecting their land. I already knew most of the key people due to previous work experience with them, which greatly eased access to the field.

The body of the report is split into three sections: I start by discussing the background of the Canal project and opposition towards it. I move on by discussing the situation in the RIVAS department, and continue by discussing the reality of RAAS. Although affected by the same project, the context of these opposite sides of Nicaragua is extremely different.

### The Interoceanic Canal of Nicaragua: dream of catastrophe?

The 50 billion dollar Canal project, operated by the Chinese company [HKND Group](#), and the related Canal Law (law 840) have spawned opposition from different corners of society. Between 30,000 (government estimates) and 100,000 (opponent estimates) people will be displaced by what would be the largest infrastructural project in mankind's history, and indigenous peoples and peasants fear that they will be kicked from their land without adequate compensation. Some refuse to leave their land regardless of the amount of money paid to them. So far, no single concrete compensation or resettlement proposal has been made. Environmental groups fear for the survival of Lake Cocibolca, with 8,264 km<sup>2</sup> the largest freshwater reserve in Central America (the bottom of the lake itself needs to be excavated) as well as the Mesoamerican biological corridor running through the South Atlantic Autonomous Region (RAAS). Others point at the unconstitutionality of Law 840: national legislation does not apply on the concession– a vast area of 2,780 square kilometers; the company is exempt from paying taxes; the concession lasts for 50 years, renewable by another 50; and nor the State nor the Company can be held liable for environmental damages.

The Environmental and Social Impact Assessment ([ESIA](#)), carried out by the British agency Environmental Resource Management (ERM) ex post project authorization, is criticized by project opponents as lacking independence. Despite these criticisms, the ESIA itself raised concerns about several pending issues, including social license to operate, consultation of indigenous peoples and seismic activity along the canal route. Amongst the recommendations, it calls for further studies and calls for HKND and the Government of Nicaragua to meet international standards (including IFC Performance Standards). Despite many pending issues and questions, the government of Nicaragua has announced that construction of the Canal will commence [in November 2016](#) – after the elections.

However, whoever I spoke in Nicaragua about the canal project, nobody believed that the canal itself is actually feasible due to both technical and financial reasons. It is unclear who would finance the project, and it is considered impossible to blast away 278 km of land and lake, or 5 billion cubic meters of sediment (over ten times the amount of sediment removed for the Panama canal). It is commonly believed that the Canal project is actually a cover up to push through a gigantic land grabbing scheme that would give HKND an enormous swath of fertile and mineral rich land at virtually no cost (this would also be happening if the canal were constructed of course). Some of the proposed side projects (tourist complexes, free trade zones, hydroelectric plants, and ports) are also envisioned. Some of the more imaginative theories include the establishment of a Chinese colony in Nicaragua, or argue that a lost golden city has been found in the jungle of the South Atlantic Region.

### **Rivas Department - for Lake, Land, and Sovereignty**

The Rivas department, located between Lake Cocibolca and the Pacific Ocean, forms one of the main theaters of the construction of the canal project. In this department, the concession occupies a land fringe of approximately 25 kilometers long (from ocean to lake) and 10 kilometers wide (5 km from each side of the canal). Aside from the Canal, a deep water port, hydroelectric plant, and dynamite factory are planned for construction in this region, as well as a tourist complex on the south side of the island of Ometepe. In Rivas, a total of 39 towns and villages are located on the concession, mostly rural areas occupied by peasant and indigenous communities.

In the city of Rivas I met with [Octavio Ortega](#), head of the Consejo Nacional por la Defensa del Lago, Tierra, y Soberanía (National Council for the Defense of the Lake, Land, and Sovereignty), a grassroots organization created in 2014 with the aim of blocking the canal project, mainly out of fear for mass displacement as well as environmental impacts that would mainly impact the peasant population. After anti-canal protests were violently repressed on the 22<sup>nd</sup> of December 2014, when Octavio [got imprisoned for 8 days](#), he became the face of the Nicaraguan anti-canal movement. I followed Octavio around for a few days, as he attended international journalists and visited rural communities in coordination with the Centro Humboldt- member of the Grupo Cocibolca (a platform of canal-critical organisations) and one of Nicaragua's main environmentalist organizations - to warn them about the impacts of the canal Project. Over the course of the week, I was able to have numerous on-record and off-record conversations with him.



*Octavio Ortega showing a newspaper article in his office. he keeps and plasticizes all newspaper articles from La Prensa published about the anti-canal protests*

Octavio's charisma - his capacity to give public speeches and to mobilize people - has not gone unnoticed, and the opposition liberal party (PLI) has offered him to run for deputy in the upcoming elections in November 2016. But Octavio refuses, staying true to his beliefs in the Movimiento Renovador Sandinista, a Sandinista breakaway party whose legal status has been withdrawn by the ruling Frente Sandinista de Liberación Nacional (FSLN).

Peasants, largely from the affected areas and supported by areas affected by other megaprojects (notably the anti-mining movement in Matagalpa), form the core group of the anti-canal movement. Activists admit that support is weaker in the urban setting, as the people in the cities are less likely to consider themselves to be negatively affected and more likely to view benefits. Furthermore, Nicaraguan universities are not allowed to discuss the topic, the State and the ruling Ortega family own most of the national media, and it argued that the Party has a strong control over youth and urban popular neighbourhoods due to clientelist structures reaching down to the community level.

Octavio told me he read Sun Tzu's 'the art of war'. One of the lessons he learned is that 'alliances may shift according to your interests'. Following this principle he leads the anti-canal movement, which has united former sworn enemies under a single cause: the derogation of Law 840 and the Canal project. Some have fought for the Somoza regime or the Contra's, and see the Chinese canal as proof that Daniel Ortega is a communist dictator. Others have fought for the Sandinista Revolution, but feel disillusioned in a Nicaragua where everything moves for the money. In the deeply conservative rural areas, the prospect that churches and graveyards alike are about to be demolished is a source of anger.



*A community leader from Obrajuelo. 'Never before has any government tried to take our land, but this godless communist sent the military, they told to stop building our church because we have to leave from our land'*

The Rivas department, including the island of Ometepe, is home to several indigenous communities of Chorotega origin. Consultation processes, obligatory and legally binding as established by ILO Convention 169 – have not been held. In the indigenous community of Veracruz, party aligned communal leaders have approved the canal project, although they lacked any further information and did not discuss the issue with their communities. Furthermore, functionaries of the Ministry of Health have held a questionnaire asking 'do you want a job' and asking signatures, which has been used to mimic a consultation process.

Across the country, over 60 protest marches have been organized. But mobilization comes at a cost: people have family members working in the public sector, who risk losing their job if their relatives participate in protests. Motorizados - Sandinista militants equipped with motorcycles, bats and sometimes firearms – are said to have obstructed demonstrations. Communities themselves are divided as community leaders are frequently aligned with the Sandinista party, commonly due to a well functioning clientelist system that provides benefits such as chickens, cows and zinc roofs in exchange for loyalty. A new law recently passed – the [Law of Sovereign Security](#)- which activists fear will be used to criminalize and repress protest marches.

In response to the recently approved law, protest marches have been reframed as *peregrinaciones* (pilgrimages), in which religious leaders of both Catholic and Evangelical denomination take part, saints are carried, and the 'Padre Nuestro' (our father) is chanted by Catholics and Evangelicals alike. Also, the results of the recent elections in Venezuela have given hope to the movement that protest marches and elections – scheduled for November 2016 – will end the reign of the FSLN and stop the canal project.



*Grupo Cocibolca provides information to the communities at community meetings*

Others are less optimistic. Octavio Ortega commented to me that ‘the Contras are digging up their weapons’, and have announced to provide support to the peasants who defend their land. Several of his old friends have lost faith in the peaceful struggle and went to the mountains to join an armed group. ‘There are like 10 different armed groups preparing themselves in the mountains’, he comments. In the back of a pickup truck, heading to a community meeting at Veracruz, I spoke with Alfredo, member of the Rivas section of the Consejo Nacional por la Defensa del Lago, Tierra y Soberanía. He has been fighting in the civil war since the age of 14, and has received 5 years of advanced military training in East Germany, the USSR and Cuba. He feels that the FSLN has betrayed its socialist principles, and will not hesitate to join one of the armed groups if peaceful protest fails to bring a halt to the Canal project.

When drinking a few beers with Octavio in a tourist bar in Ometepe, he told me: I have read that environmental activists have an average life expectancy of 4 years. But I am always in the news, followed by international people, and that’s why they cannot take my life. The world would know’.

### **South Atlantic Autonomous Region – invasion and autonomy**

The history of Bluefields and RAAS (South Atlantic Autonomous Region) sets it apart from the rest of Nicaragua. Part of the historical Misquito Kingdom, the region was never under Spanish colonial rule. The settlement of Bluefields itself was largely populated by English Creole speaking afro descendants. The Misquito Kingdom, a British protectorate, came to an end in 1864, when Britain handed over the region to Nicaragua. Nevertheless, the coast’s self-government continued up to 1995, when the Nicaraguan army invaded the Misquito Reserve and deposed the Misquito King. The area remains largely populated by Black Creoles, Misquitos, as well as other indigenous peoples: the Mayanga, the Garifuna, and the Rama. However, the demographic composition of the region is changing due to the influx of Mestizos (or ‘Spaniards’, as said by the creole community) from the Pacific side of Nicaragua.

During the second stage of the Civil War, after the fall of the Somoza regime and establishment of the Sandinista state, many afrodescendants and indigenous joined the ranks of the US backed Contra army, not out of ideological reasons, but to regain territorial

autonomy. Their participation in the civil war ended when the Sandinista Government awarded regional autonomy to the North and South Atlantic Regions, creating RAAN and RAAS. A process of demarcation and titling of communal land was set in motion under law 445 (the Indigenous Law), a process that up to date has been left uncompleted.

In Bluefields I met with Dolene Miller, representative of the [Bluefields Creole community](#) in the communal land demarcation and titling process. She organized the opportunity for me to give a workshop with the Creole and Misquito communal government of Bluefields and Kukra Hill about the right to Free, Prior and Informed Consent. Some of the representatives described themselves as having been ‘freedom fighters’ during the Civil War, and are disillusioned about the war’s results. Separatist sentiments are again growing. In their eyes, the canal project is not something that hands out national sovereignty to a foreign company – instead is a way for the central government to expand its control over the autonomous region and the natural resources it possesses. ‘We fought for autonomy, but it only exists on paper’, comments one man. A Misquito representative argued that ‘the day they bring machinery here to build the canal, we will have a civil war again’.



*Workshop on FPIC with the Bluefields Creole Communal Government*

The state refuses to title the communal lands where megaprojects are being developed, notably the Gran Canal in the Bluefields region and palm oil plantations in Kukra Hill owned by the [Cukra Development Corporation](#) (CDC), a corporation whose stocks are owned by some of Nicaragua’s wealthy families. Furthermore, local communal leaders are no longer recognized by the central government, which created parallel governance structures occupied by people loyal to the regime. Dolene has denounced the case at the [Interamerican Commission of Human Rights](#). However, the situation remains conflictive: local communal leaders in Kukra Hill have faced death threats for denouncing land grabs and environmental pollution by CDC.

I visited the village of Rama Kay, an island community south of Bluefields, to speak with [Becky McCray](#), legal representative of her people. Like Dolene Miller, she brought her [case](#) to the Interamerican Commission of Human Rights. The Rama, people of the panther, numbering no more than 3000 persons, are the indigenous people most strongly affected by the Canal Project. First, it would displace the village of Bankukuk to build a deep water port. Bankukuk is the last settlement where the original Rama language is still spoken by some of

its elders and is the last settlement where Rama traditions have survived up to this day<sup>1</sup>. Second, aside from the displacement of Bankukuk, the Canal project would flood part of the Northern half of the Rama territory to create an artificial lake, and deny the Rama access to the southern half of their communal territory (their settlements are located North of the canal route), where they practice subsistence agriculture (bananas, yucca, maize and beans) hunt, and fish.



*The Canal route and affected regions of the Rama Kriol territory*

Like in the Pacific side of Nicaragua, no true consultation process has been held. Instead, some of the local leaders have been tied to the Party through clientelist practices. Furthermore, the government has tried to buy community members’ approval by offering cows and stone houses, which would replace the traditional wooden houses with palm leaf roofs. ‘They are trying to erase our cultural identify, trying to turn us into peasants’, commented Becky. After holding a workshop with the community leaders about FPIC, Becky told me: ‘some people here will tell the Party what I organized here and what you were speaking about.. I will get into trouble. But I always get into trouble, it is like that’.

<sup>1</sup> One such ritual is the elders drinking cacao with pepper before heading into the woods, to consult with Turmalala, the panther spirit and god of the Rama, who warns them about impending dangers



*traditional houses versus government placed houses in Rama Kay*

As a legal defender of indigenous people in RAAS, Becky also found 2 cases where Rama women were sterilized after giving birth – without having given their consent. When I asked about this matter in other indigenous and afro descendant communities, I heard similar stories: afro descendant and indigenous women, commonly after giving birth to their second child, are being told that they run an increased risk for cancer and that sterilization would save them. This birth-control practice is not applied to the Mestizo settlers from the Pacific side of Nicaragua who, sometimes by the use of force, encroach upon the communal lands of the indigenous and afro-descendant communities. On the long run, this use of bio-politics would severely reduce the autonomy and communal land claim of the original inhabitants of RAAS.

## Conclusions

Both in the Rivas Department and in the RAAS, the Canal project is causing considerable unrest as displacement is eminent and information is kept back. The lack of disclosure on resettlement and compensation is exploited by the anti-canal movement, an alliance of convenience of many different sectors of society of different political beliefs. On both sides of Nicaragua, memories of the civil war are intact and people have expressed willingness to fight to keep their land, if it has to come to that. Whilst it is regarded a matter of national sovereignty in the Pacific, local leadership of the Caribbean consider the Canal project an attempt to further break down regional autonomy.

According to ILO Convention 169 displacement of indigenous peoples from their communal lands can only take place when they give their explicit consent – a legally binding principle that will probably be ignored or its results manipulated. Whilst indigenous leaders in RAAS are well aware of their territorial rights - they fought a war to get autonomy- this is not the case in the Pacific. Two cases related to the canal project have been brought to the Interamerican Human Rights Commission, which clearly expressed its concerns. However, even if the case is passed to the Interamerican Human Rights Court, or if Cautionary Measures are awarded to indigenous communities, these actions will probably be ignored by the State, given the strategic importance of the project.

Nicaragua has not yet experienced the levels of political and natural resource related violence seen in neighbouring countries such as Guatemala and Honduras. However, political tensions are already building, with the canal project at its epicentre. Although I am in no position to confirm that armed groups are really forming, this is a risk that needs to be taken seriously. If elections do not bring an end to the canal project, consultations do not take place or are manipulated, and resettlement and compensation plans remain absent, the canal project dispute has all the ingredients to escalate toward violent proportions.