I started to become familiar with oil-related conflicts while in graduate school, back in the mid-1990s, when studies about the causes and effects of the mismanagement of natural resources—commonly known as the Resource Curse—were starting to appear. But conflicts linked to the Resource Curse were different from the local disputes now rapidly multiplying in Latin America. Early on, during my preadolescent years, oil conflicts were associated with epic economic meltdowns. Back then, newspapers in my hometown of Buenos Aires were full of stories about Venezuela’s oil boom of 1973–74, when that country became awash with “petrodollars.” The press referred to the country as “Venezuela Saudita.” I don’t think I could fully understand what that term meant then; I simply felt that Venezuela was in a much better economic situation than we were. At the time, Argentina was undergoing yet one more of the dozens of economic, social, and political crises emblematic of my country, and we watched Venezuelans growing richer every day with a touch of envy.

It was not until two decades later, as a graduate student at the Johns Hopkins’ University School of Advanced International Studies in Washington, D.C., that I came across Terry Lynn Karl’s book *The Paradox of Plenty: Oil Booms and Petro-States* (1997). That book opened my eyes to the paradoxical connection between oil wealth and economic busts, of which Venezuela later, sadly, became one of the best examples. That was my first acquaintance with oil-related conflicts. A few years later an expanded view, championed by Paul Collier, among others, added a new twist to conflicts related to the Resource Curse. Civil wars in countries with abundant natural resources, such as oil or gas, were now being linked to the predatory behavior of rebel organizations. The development of armed conflict in resource-rich African countries, the theory states, could be linked in large part to armed groups trying to take advantage of abundant natural resources to fund their existence.

As the head of the Latin America desk at Energy Intelligence, a firm specializing in information and research on energy, my task was to analyze every aspect of the oil and gas industries in the region. But the problems I saw in oil- or
gas-producing countries were far from the civil wars associated with the Resource Curse, with perhaps the exception of Colombia, where it was becoming clear that oil was one of the means of funding used by illegal groups fighting in that country’s decades-old armed conflict. Elsewhere in the region, however, talk about civil war was very far from the reality of the moment. It was a time when one Latin American country after another was shedding the violent military dictatorships of the 1970s and 1980s and adopting well-established democratic governments. No one was talking about civil war in Latin America.

I used to spend hours in my work with experts, both in the United States and in the field, pondering the latest oil and natural gas developments in the region: whether President Evo Morales’s takeover of natural gas fields in Bolivia was a de facto nationalization; if Mexico’s oil industry could survive that country’s constitutional restrictions on private oil investments; if the “Petrobras miracle” would last in Brazil, and whether it could be replicated in other countries; and how and when Venezuela would escape the “paradox of plenty,” to name a few.

But during field visits to oil-producing areas, I was also exposed to different realities. I heard about conflicts due to water contamination in oil-producing areas, disputes over land inhabited by Indigenous populations, and the frustration of locals promised oil jobs that never materialized. People would ask me to expose their reality in the United States on my return. Particularly noteworthy was the multimillion-dollar Chevron case in Ecuador, and I did write about that case many times. I heard of similar conflicts related to the expansion of oil and gas licenses in Peru, Bolivia, Colombia, and Ecuador, but these were not yet as notorious as the Chevron case, so editors probably thought them unworthy of attention.

I witnessed the oil and gas maps of Peru rapidly expanding, particularly in the Amazon region. I was hearing louder Indigenous voices both in Peru and in Ecuador, opposing the expansion of oil and gas projects in what they considered to be their territories. An increasingly active Indigenous movement, whose rights were gradually being recognized both domestically and internationally, was rapidly making public its grievances toward the oil industry. The specific types of oil-related conflicts I started to witness in Latin America were not being reflected in any specialized literature. Rather, the then-evolving theories about the links between civil wars and oil abundance were not relevant in these cases. These were local oil conflicts that involved mainly Indigenous groups who had a different cultural and social identity from the rest of the population. Such factors made these conflicts particularly intricate.
I soon realized that local conflicts were here to stay. I also felt that Latin America’s natural resource–based economic growth of the 2000 decade was being put to the test by these rapidly multiplying hydrocarbons conflicts. So I decided to study them in detail, seeking to understand their dynamics. Thanks to a generous fellowship from the U.S. Institute of Peace, I could put aside my daily work and immerse myself in the study of oil- and gas-related local conflicts. I based my research in three countries: Peru, Ecuador, and Colombia. I had originally planned to include Bolivia, but the scope of the work was intimidating, and my time and resources limited. To my regret, I had to set Bolivia aside, with the hope of picking it up again in other research in the not-too-distant future.

This book is based on fifteen years of work and hundreds of interviews with the various stakeholders involved in these local conflicts. The information I gathered during all those years was double-checked through in-depth desk research. I meticulously analyzed the dynamics that characterized each of the fifty-five local conflicts in the three countries I studied. Instead of developing a new theory of conflict, I seek to contribute analysis that can be useful to governments, investors, corporations, academics, and others involved in the oil and gas industry and to aid their efforts to minimize the risk of local conflicts. The book identifies possible policies and interventions that may help to reduce hydrocarbons-related conflicts, and it does so by analyzing in detail the dynamics, the actors, and the local context in which oil and gas disputes develop. I present this in-depth analysis in the form of an educated discussion of the causes and dynamics of local natural resource conflicts. I hope my findings will shed some light on why and how local oil-related conflicts develop and what can be done to reduce their numbers.

One of the main findings of the book is that while hydrocarbons conflicts ranging across countries and regions have similar causes and effects, each case should be analyzed with attention to its very specific context. Investigations should delve into the particular sociopolitical and economic scenario of each conflict, the nature of the stakeholders involved, and the history of past disputes in the area, among other factors. It is primarily these particular and very contextual dynamics of the dispute that need to be addressed to reduce the risk of violence.

An underlying message of the book is that resolving these local conflicts will require a strong political commitment that goes beyond ensuring that oil and gas revenues are distributed in an equitable way. The society as a whole will
need to find a balance between obtaining the economic benefits of oil and gas development and addressing its social and environmental costs. This is not an easy task, and it will call for a thorough understanding of the triggers of local oil conflicts, particularly when communities with diverse cultures, such as Indigenous Peoples, are involved.

Oftentimes, there is not a visible trigger, but problems arise from the perception by the local community of potential danger associated with the oil project. This perception may originate from a previous negative experience of the affected community or from information about oil-related problems in nearby areas. I have seen government authorities often wonder how communities can reject an oil project even before it starts and why they assume it will be bad for them. Understanding the background behind that rejection and its general context could perhaps help to minimize, or even prevent, a conflict. When Indigenous communities are involved, it is particularly important to understand how perceptions are influenced by particular cultural, historical, and social characteristics.

I am profoundly indebted to the hundreds of Latin Americans in cities and in remote areas across the region who confided their views, feelings, thoughts, and fears to me. It is thanks to them that I was able to start piecing this book together. Thanks are also due to my friends and colleagues who believed in my project even before I did and who helped me get where I wanted to go. I am particularly grateful to Hector Torres, Karen Matusic, and Maurice Walsh for their generous words, which opened up the first doors toward this book.

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OIL SPARKS IN THE AMAZON
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