
[Predatory mining in Venezuela: The Orinoco Mining Arc, enclave economies and the National Mining Plan](#)

The crisis in Venezuela from 2013 to 2021 has caused the collapse of a nation that was built around oil over the last 100 years. This has created a situation characterized by the emergence of mining-dominated predatory extractivism, and it has intensified political violence and the militarization of society.

The collapse of oil-producing Venezuela and the emergence of predatory extractivism

The crisis that has unfolded in Venezuela from 2013 to 2021—the most extraordinary in its history as a republic and perhaps of all Latin America—has caused the collapse of a nation that has been built around oil for the last 100 years. For reasons of space, we cannot elaborate on the causes of how we got here or the responsible parties. However, it is important to mention that precisely in the moment of splendor of the Bolivarian process (2004-2009), the government of Hugo Chávez chose a course that accentuated the oil extraction-rentier pattern. This pattern had already collapsed in the late 1980s and had given way to a huge crisis, from which Chávez himself would emerge in the 1990s. Notwithstanding struggles with the opposition, which received support from the United States-European Union axis, the main factors that determined this course—as well as the subsequent national debacle—were the mistakes, corruption and conservative tendencies within the government.

The death of President Chávez in 2013 and the collapse of international oil prices starting in 2014 were two triggers that, on the one hand, reopened political disputes for control over the oil state; and on the other hand, drove a collapse of both the rentier oil economy and state institutions themselves. This has resulted in a staggering drop in GDP of nearly 70% since 2014, from agricultural and industrial production, and most notably, oil production. Several years ago, oil production averaged 3 million barrels a day, and in late 2020 it barely averaged 350,000 barrels a day—a similar figure to production from the 1940s. This does not count the hyperinflation starting in 2018 (the highest in the world in recent years), public debt surpassing 130 billion dollars, and the aggravating factor of international sanctions—primarily those imposed by the United States since 2017.

This context—which includes an escalating political conflict, mainly between the government and the opposition—has led to an accelerated dissolution of the Venezuelan oil state. This does not imply the disappearance of the State itself. Amidst a fragmented group of private interests and powers, absolute impunity prevails, along with widespread corruption and the use of force to resolve political matters and conflicts. With the ongoing disintegration of the oil-based rentier economy, underground economies will predominate. These range from large networks of speculation, corruption, extraction and smuggling (to a large extent tied to international capital and/or criminal groups), to the extraordinary rise of the informal economy—which is currently the main channel of exchange for the domestic economy. These networks of corruption and illicit economies also feed government factions, including the military sector; this situation has compounded as the oil state has collapsed.

If we look at these dynamics in an international context, Venezuela is more exposed than ever to the

brutal currents of the globalized economy. Multiple forces of dispossession and recolonization are pulling on Venezuela's geography, leading to a greater internalization of the conflict in recent years.

These factors have created a new situation in which new governance and territorialization processes are emerging; in short, it is **predatory extractivism**. This extractivism is characterized by being fragmented and rather feudal. It promotes a multiplication of both extractive operations and the plunder of natural resources, **in which mining**—and not so much oil anymore—**dominates** as an activity that is essential for the reproduction of local and national power structures (there continues to be a connection with central powers in the national government, located in Caracas).

In this context, in spite of the turbulent and fragmented national scene, a state policy operates. In Nicolás Maduro's government, this state policy has evolved towards the establishment of a regime with a dictatorial profile, in which the permanent state of exceptions (legal and de facto) prevails, as well as the widespread use of political violence and the militarization of society. It also involves a continuous neoliberalization process, which—through a series of laws, decrees and concrete ventures—is deregulating and promoting the appropriation of nature and territories for national and international actors engaged in capital accumulation.

The evolution of mining in Venezuela in crisis: The Orinoco Mining Arc and the National Mining Plan 2019-2025

The crisis of the Venezuelan oil economy, which had been developing since the 1980s, led to the opening of new geographic areas for extraction. At first, this was focused on the non-conventional crude oil of the Orinoco Oil Belt, and then increasingly and simultaneously on the expansion of gold mining in the Amazon. Chávez promoted several specific policies in the first five years of his government, but it was in 2011 that he announced the birth of a mining megaproject, unprecedented in Venezuelan history: The Orinoco Mining Arc (A.M.O. by its Spanish acronym) (1).

The A.M.O. project covers a huge polygon of almost 112,000 km² across the entire northern part of the large state of Bolívar; its purpose is to exploit large quantities of gold, bauxite, coltan, and diamonds, among other minerals. This project is also part of a development plan intended to revive and boost all of the country's mining potential—not only in the Amazon, but in the whole northern part of the Orinoco river, where said potential is mostly in non-metallic mining such as coal, sand, feldspar, and others.

The 2013-2021 crisis has undermined the country's formal extractive economy. This has led to a situation wherein gold has increasing value, both for the government of Nicolás Maduro, and for the people—as a source of livelihood in the face of internal collapse. This is true even for groups driving illegal economies and corruption networks, which have had exploded significantly in this period.

In this context, President Maduro formalized the creation of the A.M.O. In February 2016, establishing it as a National Strategic Development Zone—which is basically a Special Economic Zone, a kind of geo-economic area with radical flexibilization. At first the Government stated that the A.M.O. would “bring order” to the rampant illegal mining that had been growing dramatically since the 2000s. Using this argument, Maduro and his government tried to legitimize the project. Meanwhile, rather nontransparent agreements with national and international companies were pushed through; the details of these agreements have not been publicly revealed. It should be noted that there are no known environmental impact studies for the project—as provided for in the Constitution—nor free, prior informed consultation processes. Meanwhile, human rights and indigenous organizations, such as Provea and GTAI, have highlighted the indigenous communities'

complaints that their lands have been coopted to enable execution of the project (2).

There has been a growing military presence in the area; and the government also granted special powers to the Armed Forces to guarantee the continuity of mining activities and to block resistance movements that might obstruct operations. Thus, a “Special Military Zone” was established for the A.M.O., and the Anonymous Military Company for Mining, Oil and Gas Industries was created as an adjunct to the the Ministry of Defense (CAMIMPEG, by its Spanish acronym). This company was granted a virtually unlimited amount of capabilities in the processes of natural resource extraction and commercialization—thereby placing the military sector squarely and openly in the extractive business.

Nonetheless, both within the A.M.O. and beyond its borders into the Amazonian region (where there are also gold and diamond deposits), a kind of mining dominated by illicit and criminal logic and local armed forces has prevailed. These armed forces—which are unregulated in nature—end up aligning with state sectors that are in obvious decomposition. The country’s instability has complicated formal mining investment, exploration and exploitation, which is further exacerbated by international sanctions. Additionally, armed groups that are present in numerous A.M.O. territories make ‘clean’ and transparent business operations difficult. Meanwhile, the signing of the Peace Accords in Colombia in 2016 promoted the displacement of armed actors from Colombia’s conflict, several of which became involved in these mining dynamics in the Venezuelan Amazon. Despite this reality, the Maduro government manages to capture part of that gold, justified mainly through state-organized mining brigades; it is announced that they sell the gold to the Central Bank of Venezuela.

The deployment of this predatory mining, which is fundamentally illegal—as it also violates environmental laws and social rights—is most intense in the Cuyuní, Caroní, Paragua, and Caura river basins (in Bolívar state). But it is also present along the Ventuari, Sipapo and Negro rivers and at the headwaters of the Orinoco river, among other locations (in the state of Amazonas). The Amazonian Network of Georeferenced Socio-Environmental Information (RAISG, by its Spanish acronym) has detected nearly 2,000 sites with illegal mining activity, and it is estimated that about 189,000 people work in mines in the Venezuelan Amazon. The government estimates that in 2019 a total of 25.4 tons of gold were extracted from the country, which represents a historically unprecedented figure (3); other analysts closer to opposition parties speak of 80 tons (4).

Beyond the A.M.O. and the Amazon, the government has established mining as an alternative to “get out of the crisis” and “diversify the economy.” It has offered up practically the entire national territory for this purpose. This is clearly laid out in the “National Mining Plan 2019-2025,” which, like never before, systematizes the goal of increasing the country’s production to its maximum capacity. To the north of the Orinoco river, there are also “business opportunities” in mining. Meanwhile, unregulated and arbitrary mines and extractive operations proliferate, and they are plagued by corruption, pillage and illegality. These include: sand mines that keep local people under threat; military officials that extract charcoal for market; ventures that have devastating effects and no regulation—such as the sand mining on the Turbio river (5); and other operations that emerge from the shadows and create conflicts with local populations, such as the well-known case of the lime and feldspar mining initiatives in Cerro La Vieja, in the state of Lara (6).

During the COVID-19 pandemic, greater impunity and highly unstable economic dynamics have prevailed. The government has discovered strategies to take advantage of the pandemic and promote its mining agenda. One example is the government’s enactment of Resolution No 0010 in April 2020, which authorized the mining of gold, diamonds and other strategic minerals from important rivers of the Venezuelan Amazon—such as the Cuchivero, Caura, Aro, Caroní, Yuruari and Cuyuní rivers. The resolution signifies a dramatic expansion in both the areas and modes of

exploitation—such as river exploitation using industrial rafts—within the framework of the devastating A.M.O. project. To mention some examples north of the Orinoco river: Inhabitants of Sarare (Lara) have denounced attempts to install mining in the area—which would require expropriating, invading and expelling peasants and farmers from their plots. There is also the case of Morros de Macaira (Guárico), where limestone and gypsum extraction continues. (7)

Resistance and territorial disputes

High levels of conflict have characterized this predatory mining. Multiple socio-environmental conflicts of varying degrees have become apparent in numerous territories around the A.M.O. But this predatory mining has also created a national and international socio-environmental conflict—arguably the most important one in the country's contemporary history. This has led to the organization of numerous actors—such as indigenous organizations, academic sectors, environmental groups, human rights collectives, artists and political representatives, among others—who have challenged Maduro's government and the extractive model in the country. This has involved campaigns, demonstrations, and judicial resources—such as the presentation of an appeal for annulment at the Supreme Court—which have had a great impact. The complaint has even reached international spaces, such as the United Nations Commission on Human Rights.

At the territory level, several indigenous groups have resisted the advance of both illegal miners and military groups benefitting from this business. Pemón indigenous communities in the Gran Sabana [great savannah] have staged different kinds of resistance; Uwottuja communities from the state of Amazonas have been forced to implement self-defense mechanisms to face the armed groups that break into their territories (8); the same has occurred with indigenous Ye'kwana and Sanema communities in the Cuara and Erebató river basins. They are demanding demarcation of their territories—as provided for in the country's constitution—as a way to defend themselves and protect their territories.

It is also worth highlighting the mobilizations that indigenous and Creole peoples carried out in the lower Caura basin (state of Bolívar). They have opposed the installation of new platforms (industrial rafts) for mining exploitation on the river, despite the precarious situation of public services in the area (9). Working classes from Maripa who rejected mining were involved in these protests, despite the fact that this activity has become a refuge from poverty. Their persistence in 2020 succeeded in stopping the mining rafts, and Resolution 0010 was overturned.

To the north of the Orinoco river, interesting demonstrations against mining have also taken place. The demonstrations to defend El Cerro La Vieja in Lara state stand out, as they had a good impact at the local and national levels. The historic resistance against coal mining in the state of Zulia is ongoing, although the crisis and the violence in the area have weakened the struggle. Meanwhile, other demonstrations in the central and plains regions were organized to defend national parks, natural monuments and sensitive areas; these mobilizations have gotten some media coverage, which has contributed to the environmental cause.

In general, the groups who have mobilized suffer greatly, not only from a deterioration of their living conditions, but also from the collapse of institutions and social rights in the country. This makes it an uphill battle to voice their demands through the normal channels. The situation in Venezuela is characterized by constant and numerous protests, even though these protests tend to be fragmented and localized. In this situation, resistance movements continue to grow, in attempts to further highlight the ecological/environmental link to demands for social justice.

- (1) WRM Bulletin, [Crisis and oil depletion in Venezuela: Mega-mining and new frontiers of extraction](#), 2017
- (2) [Derechos humanos en el contexto del proyecto “Arco Minero del Orinoco” en Venezuela](#), Hearing before the Inter-American Commission on Human Rights (CIDH), November 2016
- (3) Tweet from Ecological Mining Development division of Ministry of People’s Power, [Venezuela will produce 80 tons of gold starting in 2025](#)
- (4) VOA, [Al menos 80 toneladas de oro salen de Venezuela por contrabando al año, según expertos](#), 2019
- (5) El Impulso, [Militares estarían implicados en extracción de arena del Turbio](#), 2017
- (6) Venezuelan Observatory of Political Ecology, [La lucha contra la minería y la defensa del cerro La Vieja continúa](#), 2019
- (7) Venezuelan Observatory of Political Ecology, [Denuncian minería en el Monumento Natural Morros de Macaira en Guárico](#), 2019
- (8) Venezuelan Observatory of Political Ecology, [Pronunciamiento del Pueblo Uwottüja \(«piaroa»\) ante la presencia de grupos armados y actividad minera en su territorio](#), 2020
- (9) Venezuelan Observatory of Political Ecology, [En Bolívar comunidades protestan en contra de instalación de balsas mineras en Río Caura y por falta de combustible](#), 2020