



# Windmills The Face of Dispossession

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## **Windmills: The Face of Dispossession**

by Jimena Martinez & Jorge Llaguno Davila

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## Abstract

In recent years the development of renewable energy projects in Mexico has been widely accepted. During the last 15 years a wind farm mega project located in the Isthmus of Tehuantepec, Oaxaca, has erected more than 430 windmills on communal and ejido lands through lease contracts that have changed agricultural practices in the communities involved. The construction and planning of new wind farms in the area has led to growing resistance as environmental, agrarian and social effects become more evident and malicious political practices deep rooted. The discourse promoting wind industry in Mexico, together with a regulatory framework and generous financing support, suggests two main advantages: environmental benefits and rural/community development. However, as in the case of wind farms in Oaxaca, discourse fails to materialize and deceptive strategies are used by developers in order to access land leaving serious consequences for rural livelihoods. Fake consultation processes, manipulation of information, illegal land titles and false land leases, bribery and corruption, bullying and violence are among best practices of Spanish companies trying to develop wind farms in Oaxaca. As a result, unfair land deals are taking place in regards of clean energy production excluding people from their lands and damaging their environment. To show the contradictions between the discourse and the strategies actually used we analyze the processes through which two Spanish companies secured access to land in Oaxaca in the name of clean energy and against rural communities will.

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## 1 Introduction

Sustainable projects involving land acquisition in the developing world always involve two kinds of participants. On the one side, those who promote and finance the projects – led by a range of domestic and foreign actors; and on the other side, those in control of land where the projects are planned to be developed – which involves both landowners and the state that regulates land tenure and use. The first group must somehow persuade the second group to gain access to land, and they generally do it through a discourse based in the notion of development: sustainable development, rural development, community development, and many different poverty reduction strategies. However, discourse and practice do not always coincide, generating contradictory effects.

During the last 15 years a wind energy mega-project<sup>1</sup> located in the state of Oaxaca, southern Mexico, has erected more than 430 windmills on private, communal and *ejido* lands. All parks are installed, and others are planned to be installed, in the windy region of the Isthmus of Tehuantepec. The discourse promoting wind industry in Mexico, together with a regulatory framework and generous financial support, suggests two main advantages for the country and specifically for the region: environmental benefits and rural/community development. However, as we shall see in the case of wind farms in Oaxaca, discourse fails to materialize and deceptive strategies are used by developers in order to access land, leaving serious consequences for rural livelihoods. To show the contradictions between the discourse and the strategies actually used we analyze here the processes through which two Spanish companies<sup>2</sup> secured access to land in Oaxaca in the name of clean energy and against communities' will.

To understand how Spanish companies are securing land it is important to frame wind industry development in Mexico. Renewable energy has been boosted recently as Mexico is committed to reducing its greenhouse gas emissions up to 30% by 2020 and 50% by 2050 regulation. In addition, the energy market is open to the private sector since Mexico's entry into North American Free Trade Agreement (NAFTA), so private companies can generate the power they consume. Under the self-generation scheme, industries based in Mexico prefer to produce clean energy and to get low emission certificates to be traded in the international carbon credits market. Accordingly, as public and private sectors benefit from renewable energy production, in 2008 a renewable energy law was passed with a clear commitment to private and foreign investors.

Together with a favorable regulatory framework and plentiful financing, wind industry in Mexico is presented with an appealing discourse based on community development and environmental benefits. However, regulation and discourse do not ensure fair practices. Although renewable energy law takes into account community development, as it is not regulated by federal legislation yet, wind farm projects in Oaxaca represent a menace to locals as they are vulnerable and at a disadvantage to foreign companies (backed by the state) which turn to deceptive strategies for securing land. Fake consultation processes, manipulation of information, illegal land titles and false land leases, bribery and corruption, bullying and violence are among best practices of Spanish companies trying to develop wind farms in Oaxaca. As a result, unfair land deals are taking place within a discourse of "clean energy production," excluding people from their lands and damaging their environment as wind farms are not as clean as supposed.

Despite wind farms advance, resistance and opposition have been growing year after year with communities demanding fairer land deals and respect for their human and indigenous rights. Deceitful strategies used by Spanish companies are at the center of social protests, unveiling the

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<sup>1</sup> It is known as a mega-project since it is part of a large-scale development plan called Plan Puebla Panama, also known as the Mesoamerican Integration and Development Project.

<sup>2</sup> Most wind farm developers in Mexico are Spanish companies.

existing gap between wind energy discourse and practices in a developing country with weak land tenure. Claimed by developers to generate community development, wind farm projects are enabling foreign investment to access land markets and locals to lose land control, being part of global land grabbing premised upon climate change and energy crises.

## 2 Wind farms: development and land grabs

Although it can be traced back to a decade ago, it was since 2008 that global land grabbing began to set the pace of agrarian change in different regions of the world, drawing academic attention. Large tracts of arable land in Africa, Southeast Asia and some spots in Latin American are targeted. According to the World Bank, 79 % of global investment in lands (or 'land acquisitions' as they so mildly term it) is led by agricultural projects<sup>3</sup> driven by the growing demand for food – and the consequent rise in prices – and the search for alternative sources of energy through non-food crops (such as rubber, fiber crops and jatropha). Both the food crisis and energy crisis discourses promoted and backed up the acceleration of large-scale land deals. What is more, only about 30% of reported land deals have led to implementation (out of a total of 1,217 agricultural land deals included in The Land Matrix Project), and a great part of the land has not yet been cultivated (Anseeuw, et al., 2011, p. vii).

The tendency of global recorded transactions<sup>4</sup> indicates that land deals are targeting 200 hectares or more, involving domestic and international actors (including investment funds and public-private partnerships, as well as, partnerships between foreign investors and domestic companies, probably as a way of reducing the costs of complex local administration, and for legislative reasons in some contexts), and where the envisioned land use is agricultural. In addition, investors are targeting countries with weak land tenure security, and, at the same time, countries that ensure relatively high levels of investment protection. The rush for land is being driven by long-term trends, as expectations of rising prices, population growth, growing consumption rates and market demand for food, biofuels, raw materials and timber, carbon sequestration, and financial speculation (Anseeuw, et al., 2011, p. viii).

Certainly, the alleged crises of food and energy announced in 2008 (together with the environmental and financial crises) led to a deepening of the land rush. Discourses behind these crises encouraged investments in certain projects that are changing land control. Within this context and upon the need to reduce reliance on fossil fuels, for well-rehearsed geopolitical and environmental reasons, large-scale non-food crops for renewable energy production have expanded rapidly attracting most academic attention. However, the energy crisis has also driven the development of renewable energy projects using solar and wind power, but wind farm projects are hardly included among land conflicts, agrarian change or land grabbing studies despite the fact that they lead to significant shifts in land control.

Although wind farm projects do not represent large-scale land grabs in Mexico (or in other countries), we agree with Nancy Peluso and Christian Lund that there is no one grand land grab, but a series of changing contexts, emergent processes and forces, and contestations that are producing new conditions and facilitating shifts in land control (2011, p. 669), one of which is wind farms

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<sup>3</sup> According to the Land Matrix Project agriculture is the objective of 81% of all reported deals (Anseeuw, et al., 2011, p. 26).

<sup>4</sup> Land Matrix Project is one of the most reliable public database of land deals; however, it includes only deals that "cover an area of 200 hectares or more (each), involve the conversion of land from local community use or important ecosystem service provision to commercial production, and are international in nature" (Anseeuw, et al., 2011, p. 48), leaving out a large number of land deals of lesser magnitude but also part of the recognized land grabbing phenomenon.

development in Oaxaca. Smaller land deals and their impacts on the livelihoods of rural communities cannot be ignored. Long-term land leases accompanying the installation of wind farms in Oaxaca can be considered as an example of small land deals entailing either transfer of rights to use and control land through lease or concession. Then, the installation of wind farms in the region give us a broader picture of the range of cases and strategies used in regard to land grabbing.

### 3 Renewable energy in Mexico: regulatory framework and financing

Recently, wind power generation in Latin America has been boosted by hydroelectric energy production, positioning the subcontinent with the highest percentage of renewable energy.<sup>5</sup> Along with the interest in developing alternative energy resources through agriculture, renewable energy projects based in the use of solar<sup>6</sup> and wind power have been promoted in Mexico under the discourse of sustainable development. Solar and wind power can be thought as inexhaustible resources of equal access for all. Therefore, it is hard to imagine – not that hard actually – that clean energy projects, and in the name of sustainable development and poverty alleviation, bring about land disputes and exclusion, generating more inequality in its wake. As we will show, there is an important gap between renewable energy projects discourse and practices in Mexico. Actually, it is the discourse, backed by the recent regulatory framework and generous financing, which ensures successful investments without protecting the communities who host wind turbines in their lands.

According to the Constitution of Mexico, the Federal Electricity Commission (*Comision Federal de Electricidad*, CFE) is the only provider of electricity in the country, controlling all development, distribution and sales of electrical energy. Before 1992, private companies could construct and manage power plants but had to sell one hundred percent of the power generated to CFE. Since the amendment of the Electric Energy Public Service Law and the passing of the North American Free Trade Agreement (NAFTA) in 1993, the private sector (power consumers) can participate in power generation through self-generation for particular entities. Hence, self-generation energy projects were identified as advantageous for industries located in Mexico as well as for foreign energy investors.

As Mexico has the pressure of being among the twenty greatest emitters of greenhouse gas, investment in clean energy production has been increasing recently. In late 2008, the Mexican government adopted an energy reform package which includes the Law for the Use of Renewable Energy and for the Financing of Energy Transition, fostering renewable energy development in order to reduce greenhouse gas emissions, to replace fossil fuel dependence, to guarantee energy security, and to provide electrical energy to the poorest populations. The law was the first step within the regulatory framework for private investment in Mexico's renewable energy sector, representing a clear commitment to private investors (Sasse, 2009, p. 2). And, as in the case of wind farms, the opening of renewable energy markets entails increased land access for private and transnational actors.

According to the rights and obligations specified in the law, project developers have the following obligations: “to integrate local and regional communities through public meetings and interviews provided by the municipality, *ejido* or communal councils administrations”; and “to promote social development of community in line with international best practices and meeting standards applicable to sustainable rural development, environmental protection and land rights”. However,

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<sup>5</sup> Renewable energies account for almost 29% of the total supply of primary energy in Latin America, which is relatively high compared to the 5.7% share of renewable energy in OECD countries (International Energy Agency, cited in Canseco, 2010, p.4).

<sup>6</sup> Mexico is already the greatest solar energy producer in Latin America.

these obligations are not enforced, and between rhetoric and practice there is a gap that allows investors to take advantage of local landholders.

With regard to financing, the Mexican government, the World Bank and the Global Environment Fund consolidated a strategic alliance creating a Renewable Energy Fund in order to promote the use of renewable sources and energy efficiency, and to provide financing guarantees and direct support to investors. Wind farm development involves a range of participants, mainly partnerships between foreign investors and developers that finance and install wind farms, and domestic companies that consume wind energy. Broadly, the World Bank and the Inter-American Development Bank are financing wind farms,<sup>7</sup> while transnational companies<sup>8</sup> with technological know-how develop the projects. Then, industries based in Mexico that consume wind power<sup>9</sup> get low emissions certificates traded in the international carbon credits market, and the Mexican government can reach its goal of reducing greenhouse gas emissions. As a result, domestic and international actors (both from public and private sectors) easily benefit from wind farm projects but, what is left for the communities which have the right over the lands where wind farms are installed?

Since 2010, when the basic regulatory framework and financial basis were established, Mexico made its best effort to promote wind energy, especially in the region of the Isthmus of Tehuantepec, Oaxaca, where the wind speed reaches 25 meters per second. The discourse accompanying these initiatives says that wind energy should be encouraged because it does not contribute to global warming; is reliable, affordable, and socially acceptable; makes the country save about 960 thousand barrels of oil; and contributes to poverty reduction due to the generation of new jobs. To officials, wind farms promise job opportunities; investment; technology development; the arrival of new companies and infrastructure; the development of the countryside; and, most important, environmental benefits. To locals, wind farms represent loss of land control over thousands of hectares; land damage; land use change; abuse over land and human rights; unfair contracts; and unfaithful promises. Land conflicts and opposition to wind farms emerge as a consequence of the exclusion locals stand up to. Exclusion not in the sense of being “left out” of wind farm projects, but exclusion understood as being within but not fully there, as locals do not have access to benefits that wind farm developers promise and end up being forced from their lands.

#### **4 Wind farms in Oaxaca: between discourses and strategies to access land**

In 2010, renewable energy sources accounted for around 27% of Mexico’s total installed power generation capacity, but this was mainly from large hydro plants. Wind energy development has only recently started, and in 2010 Mexico installed 316 megawatts of new wind power capacity, taking the total up to 519 megawatts, which represented a 156% increase over 2009. Then, between 2010 and 2011 investment in wind energy increased 68%, and in 2012 Mexico’s wind power capacity reached 1 gigawatt, 2% of the national installed energy capacity. The Global Wind Energy Council (GWEC) attributes this growth to a more supportive legal and regulatory framework, the availability of new transmission capacity in Oaxaca, significant wind turbine price reductions, and renewed access to financing, which had been extremely limited after the financial crisis. Nowadays, 1,263 megawatts

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<sup>7</sup> Since 2009 the Inter-American Development Bank has approved more than 240 million dollars financing wind farms in Oaxaca. Visit <http://eleconomista.com.mx/industrias/2012/08/29/bid-financia-construccion-parque-eolico-oaxaca>, accessed on 3 August 2012.

<sup>8</sup> In the case of Mexico, wind developers are primarily Spanish companies, including Union FENOSA, Gamesa, Endesa, Acciona, Eoliatec, Renovalia Energy, Preneal and Iberdrola, which provide most of the turbines, engineering work and construction.

<sup>9</sup> The self-supply energy scheme through wind power is used by Femsa (Coca-Cola Mexico) and Cuauhtemoc Moctezuma Brewery (a subsidiary of Heineken International), Cemex and Bimbo (currently fourth among the largest food corporations in the world).



from 15 working wind farms is generated in Oaxaca. The first wind farm was established in 1994 in the *ejido* of La Venta with seven wind turbines, but since 2010 the landscape has been filled with hundreds of spinning windmills, and conflicts, resistance and opposition emerged.

A major concern about wind energy has been that, beyond recent laws encouraging renewable energy investment, the Mexican government has not defined rules and mechanisms for the development and construction of wind farms. This situation leaves communities vulnerable and at a disadvantage to foreign companies which turn to a wide variety of strategies in order to gain access to land for wind farm development. Contradictions between the discourse and the strategies actually used are clear within the processes through which two Spanish companies are securing access to land in Oaxaca in the name of clean energy and against communities' will.

Since 2004, Mareña Renovables, initially an affiliate of the Spanish developer Preneal,<sup>10</sup> has been trying to install the "Parque Eólico Istmeño" on the Tileme bar, over lands belonging to the municipalities of San Dionisio del Mar, San Mateo del Mar and Santa Maria del Mar (see map). The project has an investment fund of \$12 billion pesos (around US\$ 1 billion), composed of more than 15 international banks, including the IDB. The main beneficiary of the project, in addition to the investment group Mareña Renovables, is Femsa who would save up to 879,000 tons of carbon dioxide per year, consuming clean energy produced by the 132 wind turbines about to be installed. At the same time, Desarrollos Eolicos Mexicanos (Demex), a fully owned subsidiary of Renovalia Energy, began negotiations to build "Piedra Larga" wind farm in the municipality of Union Hidalgo (see map). In 2012, its first stage was opened, with 45 turbines producing 90 megawatts of clean energy used by Grupo Bimbo. In this case, Demex contributed between 25% and 30% of the total capital, while the rest was deferred financing through development banking.

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<sup>10</sup> Mareña Renovables is now representing the transnational investors' consortium comprising Mitsubishi, the PGGM Dutch pension fund, and the Australian investment group Macquarie.

## Isthmus of Tehuantepec, Oaxaca, Mexico



Source: Mareña Renovables, 2013.

In general terms, the discourse of wind industry developers in Mexico is structured such that supposed benefits would meet the interests of all participants: federal government, state and municipal authorities, companies consuming energy, and communities where wind turbines would be installed. This is how the Mexican Wind Energy Association (AMDEE)<sup>11</sup> – an association promoting wind energy business in Mexico – describes it:

“Wind power system installation in Mexico will be of benefit to:

1. marginalized sectors outside the scope of the power grid of the Federal Electricity Commission (CFE) allowing the use of wind power for the development of local economies,
2. landowners, *ejidatarios*, and *comuneros* to get additional revenue for the right of use of their lands with high potential for wind resources,
3. the states and municipalities to obtain domestic and foreign investments in wind projects, which impel the integral socio-economic, commercial and industrial development in the windy areas of its territory, and additional income tax payments and property taxes that expand the tax base,
4. the domestic industry in the manufacture of goods, services, and capital required for wind farm projects,
5. the federal government allowing it to meet climate change commitments entered into and ratified by the Kyoto Protocol, avoiding millions of tons of CO<sub>2</sub> emissions into the atmosphere,
6. the Federal Tax System for the additional income as a result of domestic and foreign investment in profitable projects in the national infrastructure.”<sup>12</sup>

<sup>11</sup> In 2005, the Mexican Wind Energy Association (AMDEE) was created with the specific aim of promoting the development of wind energy in Mexico, representing investors and developers of wind projects to the Mexican authorities, economic groups, and society in general. It consists of Mexican companies established for the development of wind farms, and mostly Spanish subsidiaries engaged in the world wind energy industry, including Renovalia Energy, Iberdrola, Acciona, Gamesa, Endesa, Preneal and Iberia Renovables Group.

<sup>12</sup> Own translation. Information available at the Mexican Wind Energy Association website, at <http://amdee.org>; accessed April 2013.

The emphasis placed on the benefits that communities would get from wind farms shows that companies such as Mareña Renovables and Demex need to convince communities of something not so easily accepted. It also explains the difficulties faced by the companies in getting access to land in the area. Mareña Renovables repeatedly states that “the project will bring important benefits, both social and economic, to the different communities related to it as payment of rent for the use of land to *comuneros*, *ejidatarios*, and landowners; payment of municipal taxes to the municipalities where the project is located; support in health and education matters; productive projects that promote technical training and alternative uses to fishing; and promotion of local culture and traditions” (Mareña Renovables, 2013).

Among wind farm projects, it is common the idea that developers work in partnership with communities. For example, Mareña Renovables rhetorically asserts that it “is committed to giving the communities of San Dionisio and Santa Maria del Mar a percentage of income from the generation of energy since the start of operations – such resources will be invested in social projects in favor of the community, and payment of benefits to *comuneros* for the generation of energy” (Mareña Renovables, 2013). However, these claims are risible for locals when it comes to only 1.4% of total revenue for energy production.

Beyond general discourse, the particular thing about wind farms in Mexico is the strategies used by these companies to secure access to land. Unlike wind industry in developed countries, Spanish companies in Oaxaca have turned to specific strategies in order to achieve easy land deals with landowners, *ejidatarios* and *comuneros* who have land rights in the area, despite weak land tenure security. Deceptive strategies have proven that wind farm development in Mexico is not as beneficial as developers affirm it is.

Fake consultation processes and manipulation of information – or misinformation – to obtain the consent of communities is widespread among Spanish companies’ strategies in Oaxaca. Experience shows that most administrative concessions and permits required for wind farms installation were awarded without appropriate consent processes. According to the discourse, companies state that they do engage in public consultations in the communities, contacting municipal authorities, *comuneros* and representatives, fishermen, members and leaders of the community, school principals and teachers, young people and women, and opposition groups. However, villagers demand that they are not informed about the projects and that they are deceived by the companies in these supposed public consultations. Then, while public consultations are presented as a transparency mechanism, they are actually used as a closed and misleading negotiation mechanism.

There are many testimonies of assemblies where the information provided about wind farm projects is bounded or misleading. In some cases, land deals were arranged with government authorities only, without providing full information to all community members. In other cases, *ejidatarios* and fishermen have expressed that even though they were informed about the wind project initially, environmental damage that affects them today was never mentioned. While negotiations with government authorities occur without major mishaps or delays, specific land deals with landowners (in the case of private property), *ejidatarios* and *comuneros* (in the case collectively-owned land) are the main challenges faced by Spanish companies.

Lack of timely and comprehensive information is the most commonly used strategy, although it violates the ILO-convention 169 which protects the rights of indigenous peoples to receive timely, complete, adequate and appropriate information. Back in 2004, Mareña Renovables engineers arrived at the community assembly in San Dionisio del Mar along with officials from the *Procuraduría Agraria* (a national agrarian agency), who later became part of the wind energy company. As land rights in San Dionisio del Mar and Santa Teresa del Mar are communal, *comuneros* have to decide and agree in assembly about land use. In that occasion, engineers just informed the community

about plans to build a wind farm, but did not mention the environmental impact it would have. Then, they ensured that each *comunero* sign the attendance list (there were 368 attending the assembly), which later was presented by the company as an informed consent document for the wind farm construction. After the assembly, it was the mayor<sup>13</sup> who signed the final usufruct contract for over sixteen hundred hectares without actually consulting his community. That was how Mareña Renovables got the right to use the land and started the feasibility study for wind farm installation.

About seven years later, when the feasibility study was done, Mareña Renovables did not convene a new meeting in order to receive approval for the project. Based on the same usufruct contract of 2004, the company began work on drilling, construction of piers, and new impact studies. As *comuneros* realized the abuses committed by the Spanish company, they demanded breaking the 2004 contract signed by the mayor and the company to stop working in the area. They legally argued that in 2004 the scope and meaning of the wind farm on their territory was not reported.<sup>14</sup>

Another example of manipulation of information is shown by the experience of Demex in Union Hidalgo municipality. In early 2007, Demex contacted the community for the first time expressing its intention to lease land<sup>15</sup> for the development of “Piedra Larga” wind farm. In that meeting, the company did not inform landowners about the magnitude of the project. The initial proposal supposed great benefits as landowners would add an income from leasing their land as they could continue farming and cattle raising under wind turbines. However, later they realized that long-term lease contracts had misinformation and right after construction began, Demex enclosed the fields denying the entrance to landowners and forbidding all kind of crops because they might obstruct wind turbines operation.

It also happened that Spanish companies have come to make illegal individual land titles and fake land leases in order to secure access to land. In Union Hidalgo, Demex and its co-investor First Reserve ignored collective land rights and generated several land leases through false deeds to install “Piedra Larga” wind farm.

Corruption – not entirely new in these communities – has been exacerbated since the arrival of Spanish companies and their deceitful strategies. Along with misleading information and fake public consultations, there are testimonies about bribery and corruption – boats, trucks and money offered as bribes to local authorities and leaders. Bribing officials is how companies achieve most of the support for land deals, as authorities’ consent facilitates the manipulation of information and tricks to access land. Bribes are used for colluding with local authorities, who find themselves pressured by state and national authorities embracing wind farms together with unprecedented foreign investment. Thus, Spanish companies try to weaken opposition and resistance by suborning public officials and community leaders.

Nevertheless, authorities’ consent is not enough to access land in these communities. Therefore, when investors have to negotiate with *ejidatarios* and *comuneros* – with collective land rights – a common strategy used by both Mareña Renovables and Demex is to cause a rift in the community offering “special benefits” to those willing to receive them. Engineers work really hard, visiting home by home, in order to convince each *ejidatario*. Spanish companies manage to get some contracts signed offering more money to those who express doubts about the project or are in need. Then, intra- and inter-community conflicts emerge generating disagreement over wind projects. As in

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<sup>13</sup> San Dionisio del Mar is one of the communities of Oaxaca governed by customary law, and where the mayor is elected by consensus at a public assembly. However, with the advent of national political parties, this practice has been corrupted at its core.

<sup>14</sup> Currently, San Dionisio del Mar *comuneros* have an injunction that allows the suspension of the works, but it does not prevent intimidation and threats.

<sup>15</sup> In Union Hidalgo most of the land is private property.

Machiavelli's classic aphorism, "divide and conquer" is an old strategy used by companies coming to accomplish wind projects. Along with this, Mareña Renovables, in collusion with local authorities, organized a civic organization – that is, an organization that supports and lobbies in the community for the acceptance of the project, increasing tension and conflicts often using shock groups.

But given the ineffectiveness of the strategies mentioned, Spanish companies' tactics have been even crueler in Oaxaca. Bullying and violence is another common strategy to achieve access to land for wind farm projects. Persecution, death threats and arrests have become regular occurrences since the arrival of foreign companies and the emergence of land disputes. For over two years, communities have been reporting serious cases of violence by paramilitary groups and governmental authorities, who chase grassroots leaders responding to the demands of the private sector.

In November 2012, during the Day of the Dead<sup>16</sup> celebrations, Oaxacan police beat and arrested several villagers so Mareña Renovables technicians could enter the disputed territories in Santa Maria del Mar. Because of these attacks and clashes, locals camped day and night, armed with sticks, as it was the only way they could prevent police and Mareña Renovables' technicians from entering and installing start wind turbines without their consent. Later, two groups from the same community clashed in San Dionisio del Mar. One group of people carrying supplies for villagers camping at the entrance of the community in resistance to wind farms was intercepted by another group (led by Mareña Renovables workers) which stopped the convoy and made an attempt on the life of one of the resistance leaders, Isaul Celaya. Something similar happened in the disputed fields of Union Hidalgo when Demex workers installed wind turbines protected by a group of armed thugs, despite an agreement to stop working in the fields where landowners opposed and rejected false contracts.

## 5 Wind farms advance, exclusion and resistance

Discourse and strategies adopted by Spanish companies developing wind industry in Oaxaca have been quite effective, as land access was secured. Demex managed to install 90 wind turbines in "Piedra Larga" wind farm. Mareña Renovables has been working in the area preparing the terrain since 2004 and is still trying to install wind turbines for the "Parque Eolico Istmeño". However, wind farms have led to widespread repudiation in the area as their impact is exclusionary in terms of exclusion from land use and from the benefits of land use.

As shown, Spanish companies achieved land access through deception and lies while conflicts and opposition grow year after year, delaying the installation of new wind farms and demanding fairer land deals. Villagers are disappointed by the low price offered for land leases, environmental impacts, and health hazards for people and animals due to noise, oil leaks produced by wind turbines, but especially by the strategies used by Spanish companies trying to access land.

Although fraudulent contracts made by Mareña Renovables and Demex only comprise the right to use the land, villagers cannot access their fields nor can they mortgage their land, which they still own (in the case of privately owned fields). During public meetings Spanish developers asserted that leased land could still be cultivated when wind farms were operating, but as soon as installation works were started, wind farms were enclosed and villagers could no longer access their own land. This situation led to serious clashes between locals and companies' shock groups, and to a decrease in agricultural production and work.

Another concern is the environmental impact that the 130 wind turbines will have once located in the Tileme Bar, between Cape Santa Teresa and Santa María del Mar. Despite there being no wind

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<sup>16</sup> *Día de los Muertos* (Day of the Dead), one of Mexico's most traditional holidays, is a combination of Aztec, Mayan and Catholic beliefs. In Oaxaca, this is the most important traditional celebration in the year.

turbine installed yet, environmental damage during feasibility studies and construction of piers have already been observed by fishermen and locals. In 2011 during Mareña Renovables' first explorations, villagers witnessed how the installation of concrete foundations and turbine tubes killed thousands of fish. These early explorations were enough for the communities to realize the negative ecological impact that the operation of these wind turbines would produce in such a fragile environment as protected mangroves are. Locals directly depend on fish for their livelihoods, so the reduction of fishery resources affects not just the environment, but also their living. Thus, wind projects have demonstrated the power of exclusion, since the destruction of the environment would dispossess these fishing communities who have been established around the lagoons for many generations.

Locals conclusively assert that Mareña Renovables' discourse only represents investors and government interests, and that they themselves know best what the environmental impact is. For them, this kind of investment for the development of the region cannot be a positive change because they would be forced to leave their place, their land, their sea, and their customs as there are no alternative activities they can take advantage of for their living. Therefore, the arrival of wind farm projects to the Isthmus of Tehuantepec becomes a dispute over productive territory, raising the question of who benefits from what.

## 6 Conclusions

This work has analyzed the contradictory effects of wind farms in Mexico. Showing the existing gap between the discourse employed by investors and the processes through which specific companies have secured access to land, we unveiled a form of land dispossession behind wind energy projects. Land grabbing can take on different shapes and forms, but the acquisition of disputed lands through deceit and lies, and in the name of sustainable development, is clearly a significant form of land grabbing. The strategies used by wind developers in Mexico are seen by locals as an insidious form of land dispossession, as the projects do not truly include them. As the main trend in global land grabbing, changes in land control are taking place in Oaxaca from vulnerable and unprotected communities to transnational companies backed by the state and supported by generous financing.

Sustainable development discourse and renewable energy regulatory frameworks facilitate an outrageous wind energy industry serving as a source of capital accumulation for investors. Beyond clean energy, wind farms represent a threat to communities with weak land tenure security. As resistance emerged, Spanish companies turned to deceitful strategies in order to gain land access. Despite wind farms' advance, communities are demanding foreign companies to ensure their human and land rights, encouraging truly sustainable and inclusive development. However, as Mexico is trying to reduce its greenhouse gas emissions, renewable energy regulation is still weak, and then investors are protected. Proper regulation can force private foreign investors to meet standards applicable to sustainable rural development and environmental and land rights protection, as in developed countries.

Conflict and opposition will remain until better practices are promoted for the development of wind farm projects in Oaxaca. Current exclusion and environmental damaged caused by installed wind farms have alerted locals to leasing processes, making foreign companies turn to rougher strategies to gain land access. To conclude, we suggest that land grabbing is not only related to land transactions, but especially to the way these transactions occur.

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## LDPI Working Paper Series

A convergence of factors has been driving a revaluation of land by powerful economic and political actors. This is occurring across the world, but especially in the global South. As a result, we see unfolding worldwide a dramatic rise in the extent of cross-border, transnational corporation-driven and, in some cases, foreign government-driven, large-scale land deals. The phrase 'global land grab' has become a catch-all phrase to describe this explosion of (trans)national commercial land transactions revolving around the production and sale of food and biofuels, conservation and mining activities.

The Land Deal Politics Initiative launched in 2010 as an 'engaged research' initiative, taking the side of the rural poor, but based on solid evidence and detailed, field-based research. The LDPI promotes in-depth and systematic enquiry to inform deeper, meaningful and productive debates about the global trends and local manifestations. The LDPI aims for a broad framework encompassing the political economy, political ecology and political sociology of land deals centred on food, biofuels, minerals and conservation. Working within the broad analytical lenses of these three fields, the LDPI uses as a general framework the four key questions in agrarian political economy: (i) who owns what? (ii) who does what? (iii) who gets what? and (iv) what do they do with the surplus wealth created? Two additional key questions highlight political dynamics between groups and social classes: 'what do they do to each other?', and 'how do changes in politics get shaped by dynamic ecologies, and vice versa?' The LDPI network explores a range of big picture questions through detailed in-depth case studies in several sites globally, focusing on the politics of land deals.

## Windmills: The Face of Dispossession

In recent years the development of renewable energy projects in Mexico has been widely accepted. During the last 15 years a wind farm mega project located in the Isthmus of Tehuantepec, Oaxaca, has erected more than 430 windmills on communal and ejido lands through lease contracts that have changed agricultural practices in the communities involved. The construction and planning of new wind farms in the area has led to growing resistance as environmental, agrarian and social effects become more evident and malicious political practices deep rooted. The discourse promoting wind industry in Mexico, together with a regulatory framework and generous financing support, suggests two main advantages: environmental benefits and rural/community development. However, as in the case of wind farms in Oaxaca, discourse fails to materialize and deceptive strategies are used by developers in order to access land leaving serious consequences for rural livelihoods. Fake consultation processes, manipulation of information, illegal land titles and false land leases, bribery and corruption, bullying and violence are among best practices of Spanish companies trying to develop wind farms in Oaxaca. As a result, unfair land deals are taking place in regards of clean energy production excluding people from their lands and damaging their environment. To show the contradictions between the discourse and the strategies actually used we analyze the processes through which two Spanish companies secured access to land in Oaxaca in the name of clean energy and against rural communities will.



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