

committee in solidarity with



the people of el salvador

ACTION ALERT

October 12, 2009

Tell Pacific Rim to Drop the \$77 Million Lawsuit Against El Salvador!

In the department of Cabañas, El Salvador, communities have been protesting against a proposed gold mining project by Pacific Rim, a Canadian mining company. Their concern? That **cyanide used to extract gold would poison El Salvador's largest river**, the primary source of drinking water for millions in the country. Their protests were strong enough to shut down the El Dorado gold mining site. In 2007, the Ministry of Environment denied Pacific Rim's permit to start drilling for gold.

But Pacific Rim is not listening. Instead, the company is **suing the Salvadoran government for \$77 million for "lost profit"**. How can they do this?! The U.S. Central American Free Trade Agreement (CAFTA) **protects the "rights" of corporations over national laws** that safeguard workers and the environment. Chapter 10 of CAFTA gives private foreign investors the "right" to sue for "profit infringement" and extort millions of dollars from governments like El Salvador.

Since the U.S. Congress voted to approve CAFTA in 2005—by a mere two votes—the **cross-border resistance** has continued. The Salvadoran people have successfully mobilized to block the privatization of health care and water and other policies tied to this "free" trade agreement.

But **death squad violence in El Salvador has resurfaced** since the passing of CAFTA, specifically targeting trade unionists, resource rights activists and members of the left political party, the FMLN (Farabundo Martí Front for National Liberation). In June 2009, the anti-mining struggle turned deadly when outspoken **community leader Marcelo Rivera was tortured and killed**. The right-wing Attorney General has refused to investigate this as a political assassination, or to investigate numerous death threats, kidnapping and assassination attempts in Cabañas.

Pacific Rim's lawsuit could devastate El Salvador's economy, taking state funds out of necessary social programs like farming, health care and education and putting it in the pockets of corporate shareholders in North America. **Call CEO Thomas Shrake and demand that Pacific Rim withdraw its lawsuit and respect the will of the Salvadoran people by closing the mines!**

CALL Pacific Rim Headquarters today--from the U.S. 1- (888) 775-7097 or from Canada (604) 689-1976--and leave a message with the corporate secretary (see call script on back of page). You can also email Pacific Rim directly: general@pacrim-mining.com.

To learn more about CAFTA, the mining lawsuits and how you can join the struggle, contact us:

CISPES: Committee In Solidarity with the People of El Salvador

www.cispes.org ★ (202) 521-2510 ★ 1525 Newton St NW, Washington DC, 20010

Use the following script to contact Thomas Shrake, CEO and President of Pacific Rim:

To call from the U.S. dial 1- (888) 775-7097, or from Canada (604) 689-1976, then leave a message for the corporate secretary:

1. Hello, I am calling to urge President and CEO Thomas Shrake and the Board of Pacific Rim, to drop the lawsuit you filed against the government of El Salvador. Local and national civic organizations have been actively opposing the El Dorado mine since 2004. Salvadoran environmentalists, economists and social movement leaders have roundly rejected the mine, and now this outrageous lawsuit, on a number of grounds.

2. Choose 1 or 2 of the following points.

- **Environmental:** Salvadoran community activists and environmental organizations have consistently denounced the devastating environmental impacts that would result from the El Dorado mine. The mine would contaminate the river that serves as the primary source of drinking water for the majority of Salvadorans and use over 10,000 gallons of water a day. All this in a country where 30% of the rural population lacks access to potable water.
- **Trade justice:** The Central American Free Trade Agreement (CAFTA), the basis for Pacific Rim's lawsuit, was widely opposed throughout the U.S. and Central America. Citizen advocacy groups in El Salvador charge that CAFTA is unconstitutional and have brought the case before their Supreme Court. As CAFTA's legitimacy itself is in question, Pacific Rim's lawsuit appears even more bogus.
- **Economic:** According to economic experts, the mine provides no long-term economic benefit for El Salvador, only for Pacific Rim. The gold mining industry contributes only 0.04% to El Salvador's GDP while foreign companies like Pacific Rim plan to take away millions in profit.
- **Human rights:** I have heard first-hand accounts of horrible political violence against community members in Cabañas who have actively opposed the El Dorado mine. Even if Pacific Rim did not directly instigate this violence, the murder of Marcelo Rivera, and the attempted assassinations of Father Luis Quintanilla and Ramiro Rivera are undoubtedly a result of Pacific Rim's presence. The fact that people are risking their lives to fight against El Dorado shows just how unwelcome gold mines are and how disgraceful this lawsuit is.
- **Sovereignty:** This lawsuit infringes upon the rights of sovereign governments to protect the interests of their people as they see fit. Each country has the right to determine how its land is used, as well as the fate of its natural resources. Your lawsuit tramples on those rights.

3. It is shameful that Mr. Shrake is willing to wreak profound economic damage on an entire nation for the financial gain of his company. These lawsuits will hit the poorest people in El Salvador the hardest. If Mr. Shrake has his way, much-needed funding for social programs like health care, food and housing will go directly into the pockets of your shareholders.

For these reasons, I again urge you to withdraw the disgraceful lawsuit that Pacific Rim has filed against El Salvador.

For more background information, please visit www.cispes.org:

- Check out recent CISPES Updates and press releases
- Read the CISPES info-sheet "CAFTA's Golden SWINDLE"