
Congo, R.: Shell's eucalyptus plantations now provide even fewer jobs

Apart from its well-known oil operations, Shell company is also involved in a less known activity: tree plantations. The company has planted --on its own or in joint-ventures-- almost 150,000 hectares of mostly eucalyptus and pine trees in Argentina (10,000), Chile (36,000), Republic of Congo (42,000), New Zealand (23,000), Paraguay (8,000) and Uruguay (28,000).

In the Republic of Congo (Brazzaville), Shell holds 90% of the shares of Eucalyptus du Congo (ECO-SA), while the government owns the remaining 10%. Its plantations are established on state-owned land near the coastal town and port of Pointe Noire. The plantations are composed of clones of Eucalyptus hybrids (Eucalyptus alba x Eucalyptus urophylla and Eucalyptus tereticornis x Eucalyptus grandis). The main market for these clonal plantations is the pulp industry and nearly half a million cubic metres of raw logs are exported each year to Norway, France, Italy, Spain, Portugal and Morocco for the production of pulp and paper.

As usual in this type of plantations, job creation by this company is poor: a mere 400 jobs. This means that --counting only the planted and not the entire area covered by the plantation-- it requires 105 hectares to create just one job. But things have now got even worse. Last month, the company's administration decided to stop cutting and selling eucalyptus wood because of a fall in the international price, allegedly due to overproduction of this type of wood. As usual too, the cost will be borne by the workers. According to the company's manager Mr Perrin, the number of workers will decrease until "the price of wood returns to a correct level". In other words, "the market" will decide the fate of those workers.

This is one of the numerous examples regarding the unsuitability of the large-scale monoculture plantation model as a means for the improvement of local peoples livelihoods. In this case the company, with support and participation of government, has appropriated more than 50,000 hectares of land for an activity that produces very few jobs and generates very little export-incomes because it exports unprocessed logs. While the international price is high the company makes profits that do not "trickle-down" to local workers and communities. When the price is low, workers are dismissed.

Additionally, this situation offers yet another example of the pulp and paper industry's strategy to ensure a cheap and constant supply of raw material: to promote large-scale plantation of eucalyptus in countries that can produce vast amounts of cheap wood. This implies that trees must grow fast, that labour and land must be cheap and that environmental controls must be lax. Those needs of the pulp and paper industry are certainly met by the Republic of Congo. But they are also met by many other countries, which are encouraged, through different mechanisms, to dedicate vast areas of their territories to tree plantations. The result is a worldwide competition to sell the same commodity, which lowers the price --to the benefit of the global industrial and trade actors.

Article based on information from: Panafrican News Agency (Dakar), April 12, 2001:

