
The role of “artisanal” mining for transnational mining companies

To dedicate another monthly bulletin to the issue of mining is justified by the fact that our allies in the forest regions of Latin America, Africa and Asia inform us with great concern about the continued and strong expansion of mining activities in their regions over the past 10 to 15 years. This activity is pushing into more remote areas in search of mineral deposits that are increasingly hard to get at. During this period, the number of concessions granted by national governments to mining companies has increased almost ten times in several countries. At the same time, the number of bilateral agreements between the countries in the North and South has also increased to ensure privileged access of companies from the North to certain minerals.

Alongside the advance of the corporate mining sector, another form of mining is also growing, especially in countries of the global South. Curiously, it's called “artisanal”. The contribution of the “artisanal” sector is not small; in gold mining, for example, this sector contributes 12% of the total gold mined annually (1). It has nothing to do with artisanal in the sense of creating something, like the work of craftspeople. “Artisanal” mining is an activity that involves tens of millions of people who are for the large part scrambling for survival. They put at risk their health, safety, and sometimes even their own lives, because of the high accident rate and violent conflicts.

It is necessary to reflect on how the mining business sector and financial institutions supporting and investing in the sector, such as the World Bank, view “artisanal” mining. For instance, according to a website sponsored by the Canadian Mining Industry (2) - one of the largest in the world – “artisanal” mining often takes place near or inside corporate mining concessions. “Artisanal” mining is described as an “informal” or “illegal” activity, those involved not paying taxes or royalties; inefficient in terms of productivity; carried out without protection of worker's health; causing environmental degradation; and negatively affecting local communities by creating conflicts with the arrival of many foreign workers. The impression you get from this description, which also states that “artisanal” mining can damage the “reputation” of the corporate mining sector, is that the problem is “artisanal” mining and not corporate mining.

In this bulletin we do not want to leave any doubt that the real problem are the big mining companies, transnational and state enterprises, and others trading in mining products. Despite their “corporate social responsibility” policies aimed at justifying their activities, they contribute to ever more destruction. Most articles in this issue reflect on the devastating destruction left by large companies. For example, the destruction caused by the Brazilian transnational company Vale, in Brazil and in more than 30 countries in the world, led to communities and workers affected coordinating their resistance internationally (see article on the company Vale). Other articles talk about the expansion of the mining industry in Africa, in the Congo Basin and Ghana, and the mining industry in Indonesia. An article on mining in Latin America describes the increasing criminalization in the region - caused by companies and with backing from national governments; another shows how community leaders, social movements and support organizations oppose mining, and a third one speaks of the impact of

the industry on women and children. Another article explores the recent trend where big companies, in this era of “the green economy”, voluntarily invest in so-called biodiversity “compensation”. These new instruments enable mining to enter and destroy areas of high value in terms of biodiversity – and most of the time, communities living there – based on the argument that they will preserve another area with a value considered as “equivalent” or “bigger” in terms of biodiversity.

The website of the Canadian mining industry refers to a trend of greater “commitment” of the corporate mining sector towards the “artisanal” sector. The site talks about how the corporate mining sector “helps manage”, is concerned about “minimizing risks” and aims to “help in exploration activities,” also noting that this “commitment” may be part of the strategies currently adopted by many companies with their “Corporate Social Responsibility”. However, as in other sectors, the corporate sector has an interest in “artisanal” mining activities being integrated into their own activities of extraction. Even more so because the contribution of “artisanal” mining in terms of production, despite being called “inefficient”, is by no means negligible. The outsourcing of production is a global trend, which generates more benefits for the companies than financial losses. In practice, corporate “commitment” to “artisanal” mining translates into the corporate mining sector taking advantage of the entry of the “artisanal” mining in mineral-rich areas to “prepare the ground”, which in turn facilitates “legalized” entry of the large mining corporation. This phenomenon can be seen in Brazil and Colombia for example. Looking at the process reveals that behind the “illegal” exploitation, there is a demand in the market and a whole business chain – including the corporate mining sector - that benefits.

The truth is that the entry of so many people in “artisanal” mining is just one more of the serious impacts of a model of production and consumption that encourages mining expansion worldwide. Many who have to make a living from “artisanal” mining have no other options to survive or were expelled from their own territories by the same model that benefits the corporate mining sector. This model, increasingly dominated by large corporations, results in the loss of communal lands, the destruction of forests, an exorbitant water consumption and pollution that is without comparison. This model stimulated by the mining industry and other large projects continues promising “development” but ends up generating more poverty for local communities.

It seems that nothing can stop the pace of expansion of mining activities except for a temporary price drop, as happened with coal and iron ore. But overall, for the past 10 to 15 years, prices and the increasing demand were sufficiently attractive for companies to promote a huge expansion. This, within a globalized economy which focuses on encouraging consumption. For years, the sale of mobile phones has been beating records and new “not-to-be-missed” products are on sale all the time, promising more “happiness”. Nevertheless, to build a mobile phone, a computer or a television screen, it takes between 40 and 60 raw materials, such as lithium, tantalum, cobalt and antimony, most of which are found in countries in the global South and are increasingly more difficult to acquire (see WRM’s [Bulletin 188](#), March 2013). And their extraction always has severe impacts, social, cultural, ecological and economic, for those living around the mining site. But it seems that the perverse reality created in the race for these commodities, which also destroys forests, takes away lands that communities use and destroys lives of workers in the “artisanal” and industrial activities, does not create awareness in consumers, much less in shareholders and investors of mining companies which benefit from it.

In our view, all of this calls for another bulletin issue focussing on mining, to disseminate information about the serious impacts of mining, and in particular, corporate mining. We hope to contribute to creating more awareness about the need to change the destructive production and colonizing model that characterizes the mining sector. We find that it is impossible to “humanize” this model, to make

it compliant with environmental rules or to reform it somehow. It is important to prioritize the fight against this model and show solidarity with the communities and the millions of people who are in the “artisanal” mining as their only way of survival.

It is also crucial to think about another world where it is not necessary to extract dozens of substances in the most remote and isolated places in the world, cover large areas of land with monocultures and further expand mega-infrastructure projects that drain the wealth from the global South and facilitate export of products to the centers of consumption. A world which gives priority to the welfare of all, and not to the “happiness” of limitless consumption.

1. https://en.wikipedia.org/wiki/Artisanal_mining
2. www.miningfacts.org