

Extractive industries and destruction of livelihoods in Africa

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1. Introduction

Extractive industries are part of a broader process of human exploitation of resources from natural environment. Exploitation of natural resources also means that there is a subtraction or depletion, not only of the resources that are taken out, but also of the nature of the environment itself. Put differently, extraction means and includes loss of resources that are extracted, as well as the quality of the environment, from which these resources are extracted.

It is common knowledge that nature is both a resource (source of wealth) and a consumer amenity. In other words, nature not only holds wealth and provides for human beings, it is also a consumer amenity that deserves to be protected, for its intrinsic non-material value, from exhaustion and depletion for the benefit of both the present and future generations. Therefore, human beings who depend on the environment for their survival need to enjoy material goods embedded in the natural environment but at the same time remain mindful of the non material benefits (pleasantness, comfort and sociability) as well as potential losses inextricably associated with material exploitation.

What do these words of caution mean to the people and the African continent? How does one explain the fact that Africa, a continent bestowed with enormous natural resources, has not translated this supposed 'ownership' of natural resources into wealth for its people? Put differently, how is it that many people in the continent continue to live in poverty and deprivation while the benefits of nature, in the form of natural resources has made others in other continents

richer? These are some of the questions that need to be asked for a start as we attempt to grapple with the consequences of historical legacies and seek to contribute to reversing the injustices of the past.

2. Locating extractive industries in historical and theoretical context

Extractive industries need to be located in human exploitation of nature and be understood in both narrow and broad sense. Whereas narrow extraction usually refers to exploitation of gas, oil and gems; in its broad sense extraction includes movement of human beings (in the form of slavery), exploitation of forests products, appropriation of living organisms (like seeds, animals and fish), and extraction of ground water and air. Whereas extraction in its narrow sense is abundant studied, there is very little literature on extraction in the broad sense (see, for example, Shiva 1993, 1997 & 2006, Mushita & Thompson 2007). Yet, a fuller understanding of the history and implications of extractive industries and their consequences to Africa only becomes clearer when both kinds of extractions are examined as part of the same continuum and continuous history.

In his typology of models of nature Frank (1997) enables us to appreciate the extent to which narrow extraction of resources is inextricably linked with its broad counterpart. Frank highlights the precarious relationship between nature and society. He notes that there was a time when nature was considered to be hostile to and against society. Then, nature became subordinated to society and later then, nature has become united with society. For want of time and space, Frank's analysis cannot be rehearsed here save to say that the manner in which humans relate to nature has changed over time and natural resource extraction partly represent the ability of human beings to exploit nature for their necessary needs as well as luxuries and pleasure. Yet, human triumph over nature also has its limit, especially as it relates to natural exhaustion and environmental damage both of which have long term consequences.

2.1 History and combined factors

A fuller understanding of extractive industries must be located in history and context that is informed by an examination of a combination of factors, including political processes of colonisation, technological advances and economic changes, have worked together in a translating extraction of resources from and impoverishment of Africa and its people. In short, human conquest over nature, observed by Frank, also played itself out in the exercise of control over people, their space and resources that happened through colonialism as well. The politically powerful, who also happen to be in charge of sophisticated machinery and, who consequently influenced economic policies, extended these advances to the next level. It is partly for this reason that Africa, like other colonies, became one of the sources of wealth extraction for the benefit of the colonial masters in the North.

One of the important issues relevant to this discussion is the role played by legal rules (property rights regimes) in defining what belongs to whom and who owns what.

2.2 Property/ownership regimes

Western legal systems identify four broad kinds of property rights, namely; private property, state property, communal common property and open access (see Rose 2003). Whereas private property is owned and controlled by private persons or entities; state property on the other hand, is either controlled by (eg national parks) or regulated, by government (eg the right to allocate use to or by others). On the other hand, communal property is property that is available to a particular group but not to outsiders, while open access is that property which is available to all mankind, otherwise known as the commons (eg oceans, water, air). The manner in which these four categories of rights came about is largely historical (Rose 2003). John Locke is credited with liberating land, for example,

from the feudal lords who, for a long time controlled big tracks of land, for the benefit of the capitalist class.

With capitalism and discoveries of technology, mining companies intensified their search and extraction of resources, namely, minerals, gas and oil and forest products, like timber, and fish from land that was either communal common property or open access around the world, and especially from the African continent.

The rise and spread of neo-liberalism extended the rich of global companies further into new areas. The extraction of ground water not for the sustenance of livelihood and free benefit of human consumption, but for sale through markets and profit maximization by corporations, is one example. Communities that have been invaded by water extraction companies have witnessed water being pumped out and local wells, from which they drew water for survival, drying up without receiving any compensation and consequently forced to search for water elsewhere (see Bakker 2007, Swengedouw 2003).

Add to this the part played by patenting of life forms in the advent of World Trade Organisation (WTO). Commercial companies took advantage of global economic policies and used science to transform resources which were belonged to a broader society, eg seeds and animal species, into private ownership (see eg Jones 2004, Mushita & Thompson 2007). This is not an appropriate place to explore the issue except to say that life forms, like seeds and animals are part of natural resources. As with gas, oil and minerals, these resources where once publicly owned, and belonged to one individual entity. The appropriation of seed and animal species by multinational corporations, adds to the list of once publicly owned natural resources that are now claimed by a few, to the detriment of the deprived many in the South, including Africa. Put differently,

resources that were once available for use by the general public, and are necessary for the survival of mankind, have been transformed into market goods traded for profit by multinational corporations. This transformation not only threatens the livelihoods of many but also puts the poor at risk and to the mercy of market forces.

2.3 Natural resource extraction as component of broader global looting

Overall, wherever extraction of natural resources takes place local people benefit very little, or not at all, from these extraction processes. In some cases discovery of resources led to violent conflicts that became known as resource wars (for example Algeria, Angola, Democratic Republic of Congo, Chad, Liberia, Nigeria, Sierra Leone, Sudan, to mention but a few) and general social destruction as opposed to community benefits. There is abundant evidence showing how almost all natural resources exploited from the African continent enriches companies, the people and governments of the North more than they benefit people and countries on the continent. Some commentators invented phrases like resource curse (see eg Ross 1999; Davis & Tilton 2003) and the Dutch disease to account for lack of direct benefits in resource rich countries.

One conclusion that emerges from this is that if natural resources do not directly benefit those from whom they are extracted, who, then, is the direct beneficiary? Peg Scott 2006 has shown for example that the seven arguments advanced by the World Bank for funding extraction activities across the globe have, over time, been found wanting (Scott 2006). The direct beneficiaries are no other than extraction companies as well as countries of origin in the north. The recent increase in global oil prices is illustrative. Oil and gas exploitation companies continue to make profits at the expense of local communities from which oil and gas are extracted. The same can be said about diamond, gold, platinum and other mineral resources. Patrick Bond's reference to South Africa's cities of gold and

townships of coal is informative (Bond 2000, see also Rodney 1972 and Bond 2006).

2.4 Human rights violations by extractive industries

Extractive industries, as an integral facet of global players in the market dominated system, have also been accused of human rights violations (see eg Muchlinski 2001; Kirsch 2003). Three factors have to be considered in the link between human rights and market-related operations. First, historically human rights were considered to belong to the public realm (politics) while the private sphere (market) was largely about making money. One of the implications of this separateness was that business enterprises generally, including extractive industries, made no attempt to understand and did not pretend to know what human rights were about and whether there was a place for them in what they did. Partly because of this long history of separateness, massive damage (eg human rights abuses, environmental degradation, etc) has been done, habits formed and attitudes have hardened. Bretton Woods institutions, principal funding bodies of the world economy, for example, were still emphasizing the separateness between the two until the late 1980s. The World Bank and the International Monetary Fund admitted their ignorance and noted that it was the Scandinavians who convinced them on the necessity of convergence between human rights and business. From the 1980s, though, dramatic shift happened and human rights issues became part of discussion in business circles as well.

The second aspect that exposed the damage caused by business enterprises in general, and extractive industries in particular, came from several unfortunate but catastrophic events of the late 1980s and early 1990s, with enormous implications to business (and consequently human rights). Exxon Valdez oil spill, February 1995 Shell Brent Spar Platform and November 1995 execution of Ken Sera Wiwa and 8 other Ogoni activists in Nigeria, are some of the most notorious

and publicised examples (for more case studies, see Frinas & Pegg 2003 collection).

The third set of forces arose from the community front, namely, spirited public vigilance and sophisticated global space and networks that raised issues of human rights violations. Solidarity and cooperation between community groups, working tirelessly together with like-minded people and groups around the globe, exposed human rights violations and general damage caused by business enterprises and sought for ways and means of reducing damages caused, seeking for redress and campaigning to prevent it all together.

The combined effect of these three forces meant that damage to the earth and human rights violations of individuals and communities committed by business enterprises, including extractive industries, became known and exposed worldwide and struggles against these violations began to be coordinated.

3. Destruction of community livelihoods

The operations of extractive industries in their narrow and broad sense are destructive of both the environment generally and particularly to community livelihoods. Put differently, extraction of natural resources is harmful to the environment from which these resources are exploited as well as to the quality of lives of the people in respective areas. This issue has become more urgent and acute in the light of the ongoing world food crisis, for example (see Lloyd 2007; on developments in India, see Nazrul Islam and others 2007). How can one explain the fact that communities that were food sufficient in recent past have lately become food dependent on commercial food sellers and world commercial farmers? In other words, in which way have global food producers contributed to food shortage?

The destruction on nature and biodiversity include, among others, long term effects of chemical pollutants to air and water, land degradation and the depletion of the ozone layer and global warming generally. On the social side extraction leads to induced population displacements from their areas and communities and subsequent resettlements in unfamiliar environments. The implications of these displacements include long term periods of learning and adaptation to rainfall patterns and farming trends. As a consequence, displaced communities experience decline in farming and crop yield, loss of high nutrition food sources, and destruction of community safety nets and deterioration of quality of lives more generally.

On the health front, extractive industries are also associated with many occupational illnesses. Respiratory diseases associated with mining, including silicosis, have enormous long term consequence to human life. There is also a suggestion that mining generally does not create quality jobs as no miner has ever retired at 60. Mining conglomerates, acutely aware of the implications of these diseases, demand that medical examination of mining employees be conducted periodically and those who show signs of the disease are either retired early or are relieved of their duties before the disease becomes obvious.

The disposal of waste generated from extractive industries continues to be pain in the neck for all role players including industrialists, government officials, civil society practitioners and policy makers at all levels. Waste from nuclear industries, is one of the examples of hazardous, high toxic materials with long life span that waste producers in the north have on several occasions attempted to dispose off in countries of the south, especially on the Africa continent. Lack of effective methods of dealing with such hazardous radioactive wastes, and all other dangers associated with nuclear-related materials, compromises any

alleged benefits of continued extraction of uranium and other materials of that kind (see Lakhani & Black 2007).

Overall, therefore, extractive industries do more harm and damage to communities and people, of where resources are located and extracted, than they are beneficial. The totality of long term incalculable damage, to the environment and people, far outweighs any assumed monetary value they might create.

4. Towards an understanding of multiple culprits and policy implications

How did the situation deteriorate this far? What can be done to reverse destructive trends? In order to understand what has been happening overtime and seek for ways of changing it, one needs to identify the diversity of bodies and institutions that have contributed in a milliard of ways and in different degrees to these unfortunate developments. The following categories of institutions have contributed to the destruction of livelihoods and deserve to be labeled culprits in the extraction process (Malone & Nitzschke 2005):

- All multinational corporations that are directly involved in extraction (SHELL, British Petroleum, Chevron, Engen, Exxon-Mobil, Anglo American, DeBeers, et al. to mention but a selected few); see eg Power 2002, Ross 2004;
- Governments of developed countries in which extraction corporations are based (Australia, Belgium, Canada, Germany, United Kingdom, France, United States of America, to mention but a few; (see Publish What You Pay campaign materials)
- International Financial Institutions (WB, IMF, WTO which either promoted and/or supported the global economic system that encourage private property accumulation through market system that reward self interest and greed as oppose to communal ethos); see eg Pegg 2006;

- Governments of developing countries where natural resource extraction takes place with minimal and/or lax regulatory mechanisms (including official corruption); Ross 1999;
- Elected representatives (MPs and councilors) in developing countries who fail to effectively monitor or hold their governments to account for their (in)actions; Bryan & Hoffman Report for National Endowment for Democracy 2007;
- Traditional leaders in areas where natural resources are discovered and extracted who fail to protect the interests of their communities and instead become directly privy to exploitation or indirectly by betraying the interests of their own people; ActionAid 2008 Report on Angloplat in Limpopo, South Africa; Pickering 2007 on Royal Bafokeng and Lonmin Mine;
- Law enforcement agents, eg police or para-military forces, that instead of enforcing the law impartially and without fear or favour, and protecting the people, are used by the powers-that-be against exploited people who could be struggling for legitimate rights and concerns; Lissu 2006 (on the fate of artisanal miners in Tanzania); and
- Other categories including opportunistic peace keepers in conflict areas who engage in part time trading in illicit gems instead of full time protection of vulnerable people; global consumers of luxury items and goods (eg blood diamonds), whose insatiable appetites feed into or encourage and sustain continuation of global exploitative tendencies. BBC Investigative Report on Peace Keepers in DRC; On excessive consumption and affluenza, in the EU, for example, see import of fish from Lake Victoria, East Africa (Darwin's Nightmare film).

In view of the magnitude and long term consequences of the destruction, diversity and enormous powers wielded by culprits identified above, policy

debates and considerations need to be informed by lessons gained and experiences derived from many years of exploitation of natural resources. It does not help any one to assume that the problem will just go away. Policy options need not be overly ambitious but have to be realistic. It is therefore unnecessary and unwise to make radical proposals. Instead, safety-first approach may be one of the appropriate responses in these circumstances. Keep the Oil in the Soil (in Ecuador) and Keep the Coal in the Hole (in New Zealand) are campaigns that have started to sensitise the world about the broader economic and social damage that could be avoided (see also Friends of the Earth 2002). These are in no way radical or ambitious initiatives. They are, however, important initiatives that call for a halt in destructive extraction exercise until the damage caused to mankind and the environment is properly assessed and the cost of repair appropriately allocated. After these assessments are done, the manner of payment for them can then be determined. Overall, these are safety-first initiatives that highlight the damage done by, and dangers of, extraction that need to be supported by progressive social justice campaigners around the globe.

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Alleged human rights abuses within the extractive industry include, violation of the right to a clean environment, arbitrary detention and torture, loss of land and livelihoods without negotiation and with-out adequate compensation, forced resettlement, the destruction of ritually or culturally significant sites without compensation or compensation and labour rights violations. Thus it is not surprising that human rights protection provisions have been used to regulate how mining companies should conduct their business. Mining countries evidently need to protect their citizens against human rights abuses and indeed many African national constitutions contain extensive provisions on human rights that are binding on all natural and legal persons operating within their jurisdiction. Recent papers in Extractive Industry, Natural Resources and Development in Africa. Papers. People. Book Review Natural Resource extraction and Indigenous Livelihoods: Development Challenges in an Era of Globalization. Edited by Emma Gilberthorpe and Gavin Hilson. Save to Library. Download. by Daniela Sanchez. Extractive Industry, Natural Resources and Development in Africa. The unequal exchange of Dutch cheese and Kenyan roses: Introducing and testing an LCA-based methodology for estimating ecologically unequal exchange. Save to Library. Enhancing readers' understanding of the geography, sources and scope of extractive resources in Africa, the book explains how corporations can effectively identify, mitigate and prevent legal and business risks when investing in African extractive industries. Lastly, it discusses the innovative legal strategies and tools needed to achieve a sustainable and rights-based extractive industry. Written in a user-friendly style, the book offers a valuable resource for corporations, investors, environmental and human rights administrators, advocates, policymakers, judges, international negotiators, g See more of Extractive Industries Law in Africa Unit - EILA on Facebook. Log In. These artisanal miners, known as zama-zamas, will be on the agenda at the Alternative Mining Indaba and the Mining Indaba Conference taking place in Cape Town this week. Lucas Toiling deep underground, SA's zama-zamas risk death and injury on a daily basis, and are constantly raided by the police. These artisanal miners, known as zama-zamas, will be on the agenda at the Alternative Mining Indaba and the Mining Indaba Conference taking place in Cape Town this week. Extractive industries are commonly viewed as having unacceptable impacts on the environment. By their very nature, these industries use energy and disturb the land in extracting the resource being developed. Sustainable development of an extracted resource is a paradoxical concept. Further, there appears to be an inherent, economically based conflict between the extraction of virgin materials and the reduction in the amount of use, reuse, or recycling of these same materials. Indeed, reduction, reuse, and recycling can be viewed as competitors to the extractive industries. How are these appear