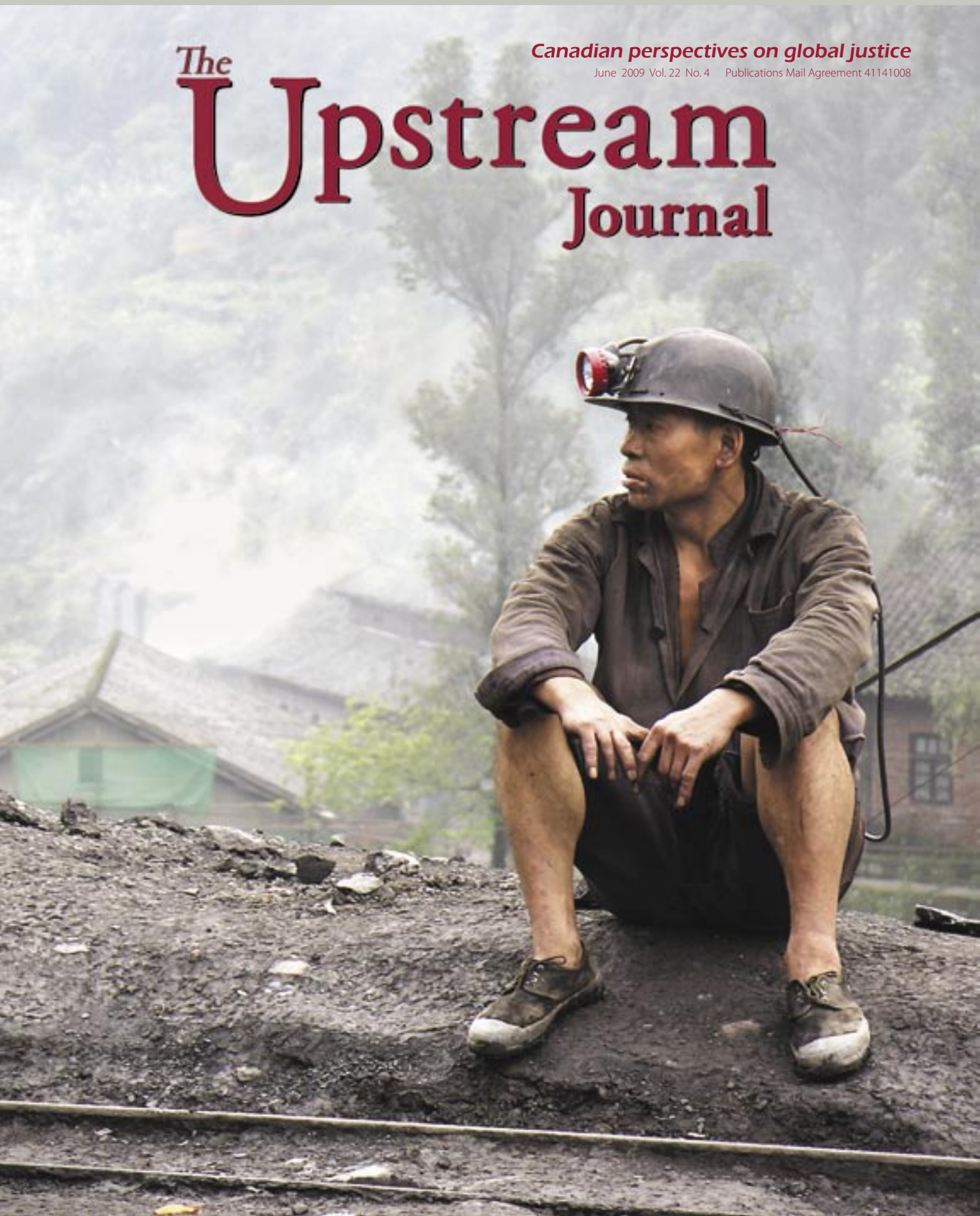
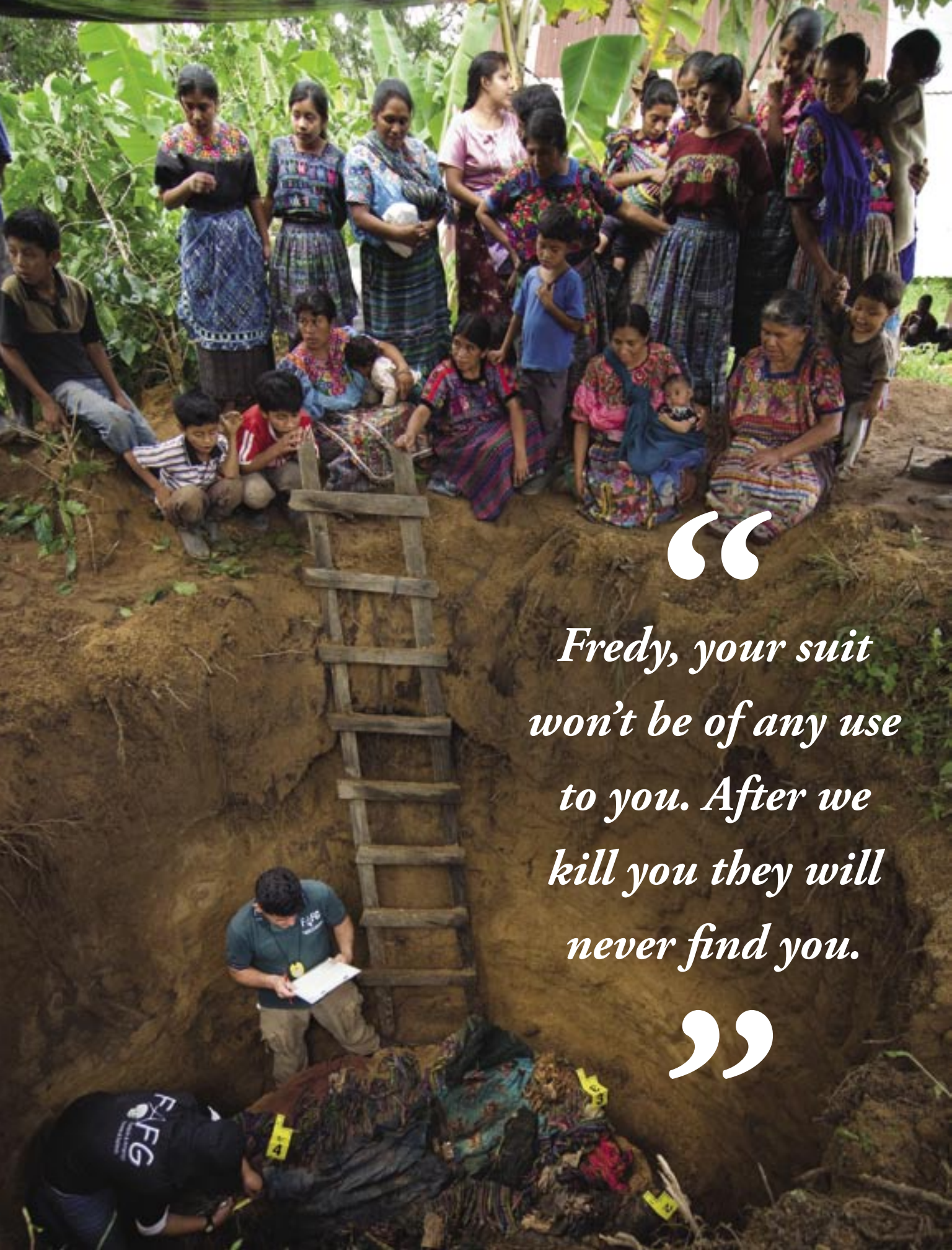
MINING THE COST OF CHINA'S COAL, CONGO'S COLTAN AND THE BAUXITE OF KASHIPUR $2





“Fredy, your suit won’t be of any use to you. After we kill you they will never find you.”

In this issue:

The social impact of mining

5 ***Mining in the Congo***

Plus:

Guatemala Exhumations ***22***

Dear readers,

When large multinational companies set up mining operations in poor communities, tensions between economic and other elements of social welfare often increase substantially. In this issue, our writers explore how these tensions play out in various areas of the world, and what they mean in terms of law and accountability.

We also have a story on an effort to bring some accountability for the genocide in Guatemala, where mechanisms of justice are exceptionally weak.

As many of you know, the Social Justice Committee has been advocating greater levels of accountability in many aspects, including the need to ensure that mining companies operating abroad comply with standards of social responsibility. We continually advocate greater accountability of international financial institutions, like the World Bank and IMF, which have a large impact on people's lives in impoverished countries.

This combination of advocacy and education is central to how the SJC functions. The organization is registered as a charity providing education to Canadians, and we are active in promoting international efforts to combat poverty and oppression with an emphasis on human rights.

In the past couple of years SJC initiatives have taken on another dynamic, which is pretty exciting in itself – the training of people entering the field of international development.

Every day, our office is filled with university students working at computer stations learning the highly transferable skills of writing and graphic design – the essentials of print and electronic communication – as well as public speaking. They learn about human rights issues in depth, and how to deliver information effectively. The results of their efforts are found in this magazine, and in all the activities of the SJC (see page 33 for a description of some of them).

Most of the workshops we do every year (more than 50!) are for other NGOs who want their staff going overseas to have a solid understanding of current global issues. Many others are for local schools, churches and community groups, while the SJC also holds special events for the public at large.

It's our contribution to ensuring that Canadians continue to be well-informed, caring global citizens.

With this issue, we have added a new section that we would like to make a regular feature. "Eye on Ottawa" will focus on the Canadian government and its international engagement as part of our efforts to ensure that our readers get a good, relevant magazine that really does provide "Canadian perspectives on global justice." This time, Sarah Babbage, who has contributed a number of articles on aspects of Canadian policy, takes a look at the shift in aid policy the government has just announced, and why Africa will no longer be the focus of Canada's aid.

Thanks for being an *Upstream Journal* reader. I think this is our best issue yet! But I also know what's in store for the next issue, and that one might be even better... keep your subscription up to date!

Derek MacCuish 1-514-933-6797 editor@upstreamjournal.org

Habimana, a 15 year old boy, displays cassiterite to sell at Koweit mine, June 2006. Unable to pay school, the boy migrated from Kalehe, another mining town, to work at the mines, he collects from scratch minerals like coltan or tin he sells to other miners. He makes about a dollar a day, trying to save to go back to school. His parents live in poverty and are unable to support him.

Digging for their lives - and your electronic needs

Photojournalist Carlos Villalon went to the Democratic Republic of the Congo to tell a story of people trying to survive by digging for coltan, used in modern cell phones, with their bare hands.

BY ROBIN ROTHWEILER

"Warlords control the small mines. They enslave the people and sell what they find, indirectly, through local companies operating in Rwanda and Uganda. These then resell the coltan to bigger companies, until it is finally installed in ordinary laptops and other consumer electronics."

Carlos Villalon, a 43 year old photojournalist, decided in 2006 to explore one of the most uncovered stories in the world – life in the mines of the Democratic Republic of the Congo (DRC). He describes that effort as extremely difficult, and he was arrested several times for taking pictures of people fighting for survival.

"I wanted to go to the mining areas, and find stories that communicate how people there live," he said. Born and raised in Santiago de Chile, Villalon now lives in Bogota, Colombia.

"Most people are jobless. There is an incredible amount of poverty. They die of starvation and curable illnesses. It's a complete disaster."

What he found was people trying to escape

starvation and a quality of life below any acceptable standard by digging for diamonds and coltan, a material that enables modern communication and electronic gadgets. Even children are forced to work in mines, often to help support their families, because they are small enough to fit in narrow mine shafts.

"Children grab the leftovers of the minerals on the sides of the mines. They take the bad diamonds, the bad coltan and the bad tin. They work ten hours a day and make a couple of dollars a week," he said in an interview for this article. Even local farmers are trying to unearth their own pits where they were growing vegetables before.

"In the DRC you can get the purest coltan on earth. And the companies don't have to pay for any of the things they usually have to," Villalon said. "Most people are jobless. There is an incredible amount of poverty. They die of starvation and curable illnesses. It's a complete disaster."

By 2008, conflict and poverty had killed 5.4 million people. The conflict has also prevented the DRC from becoming a major producer of coltan as manufacturers sought less controversial sources. Coltan is important because it yields tantalum, a heat-resistant material that can hold a high electric charge - a necessary element in modern devices with their tiny electronic insides. 80 per cent of the world resources of coltan are located in the DRC.

Jean de Dieu, a casitterite miner, coming out of the Nkwiro cassiterite mine pit, Kalehe Village, Dr Congo, May 3, 2006.

> ***"This is one of the richest countries in Africa in terms of its natural resources, and they should be able to get out of poverty."***

The boom in coltan in 2000 brought its world market price up to US$400 per kilo, and made running the mines attractive. Although prices have since dropped, militia forces continue to exploit the unstable situation for their own benefit in the eastern part of the country, where it is impossible to monitor the mine conditions.

Now a new major player has arrived in the DRC. China signed a 9 billion dollar contract with the Congolese government in 2008, exchanging infrastructure investment for access to copper and cobalt. China has few strings attached to its investments, and does not require political reform or changes to the human rights situation. 70 percent of resources will continue to come from unregulated mines across the country.

"No one cares about the people," Villalon said. "This is one of the richest countries in Africa in terms of its natural resources, and they should be able to get out of poverty. They need education, food, medicine and clothing. It's very basic."

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Robin Rothweiler was an intern with the Upstream Journal from January to May, when he returned to Germany to continue his studies in journalism. *Please see editor's note p.32.*

Corporate initiatives

Major companies like Nokia, Sony Ericsson and Samsung have policies on coltan from the DRC. For example, Nokia states that after 2001 "we began requiring our suppliers to confirm they do not source this material from this country. This is checked on an ongoing basis." Critics argue that the supply chain of the materials is not observed enough, and demand increased transparency and knowledge about the origin of metals used in mobile phones.

Demand for mined coltan can be reduced by recycling cell phones and other electronic equipment.

Gold miners at Kasunge mine. Miners in this type of operation don't make a salary; they share with the owner of the plot whatever they dig. In this case they would not say what amount of money they make – they often steal from the mine's owner.

Carlos Villalon

Carlos Villalon, 43, is a photojournalist based in Colombia, South America. He spent the 1990s in New York studying photography and working as a freelancer for several publications, travelling to places like Haiti, India, Pakistan and Afghanistan.

In 2004 his work was featured in a cover story for National Geographic Magazine, about Colombian farmers living on the cultivation of coca plants. "Their economy is based on bartering the cocaine base for all goods they need in order to survive".

Born in Santiago de Chile, he has worked for The New York Times, The San Francisco Chronicle, Newsweek Magazine and other publications around the world.

"I'm actually going to Mexico in a couple of weeks. There is all this violence created by the drug traffic there. This is the step before drugs go to the United States and Europe. I'm going to follow the traffic chain".

The Democratic Republic of the Congo

The Democratic Republic of the Congo is one of the poorest countries on the African continent. The average Congolese, one of 65 million inhabitants, lives on less than a dollar a day.

The country suffers a lack of work and limited infrastructure. Thousands of refugees cross the country from the east, where the level of sexual and other violence is described as the worst in the world. The war, which formally ended in 2003, killed 5.4 million people.

A coalmine in the area of Sichuan, central China. Mining work is done with limited equipment. A winch at the top brings up the wagons loaded with spoil. Photo by Adrian Freeman.

The deadliest shafts on earth

by Robin Rothweiler

Xiao Huazhong lives in Northeast China and has spent half his life working in coalmines. Now 61 years old, the lack of security and health standards in the shafts where he dug for coal are taking their toll. He can barely walk, panting for air and coughing up blood. He is retired, without health insurance to treat his black lung or other compensation to keep him from poverty.

"Most miners in China now are unskilled migrant workers who have very little idea of their rights," said Geoffrey Crothall of the China Labour Bulletin (CLB). The CLB is an NGO in Hong Kong that has pushed for workers rights in the People's Republic since 1994.

In 2006, 6000 people died in China's mines. Although the number of deaths is declining, there were still about 3200 casualties in 2008 (the result of the economic slowdown, Colthall believes) and government records show that more than 80 per cent of the mines are illegal, many of them sub-operated and hidden from supervision.

The CLB provides a voice in support of workers claiming their legal rights. Its labour rights litigation program adopts cases like Xiao's, seeking enforcement of new labour laws and informing untrained workers who often don't know about their rights.

Low health and safety standards combine with weak enforcement make the mines some of the world's deadliest work places.

"The government figures only account for reported accidents. A huge number of accidents, particularly small-scale accidents with just a few deaths, go unreported or are covered up. So it is impossible to get a really accurate figure," Crothall said.

"Mine operators and local government officials across China have created an almost impenetrable network of collusion that allows mine bosses to operate outside the law, and prevents the central government's mine safety policies from being enforced."

The CLB argues that a well-trained workforce is needed to play an active part in mine safety.

"In order to improve mine safety the government needs to limit short-term mine sub-contracting and implement a system of long-term mining contracts that would establish a comprehensive and efficient management system, eliminate short-term profit seeking and cost cutting."

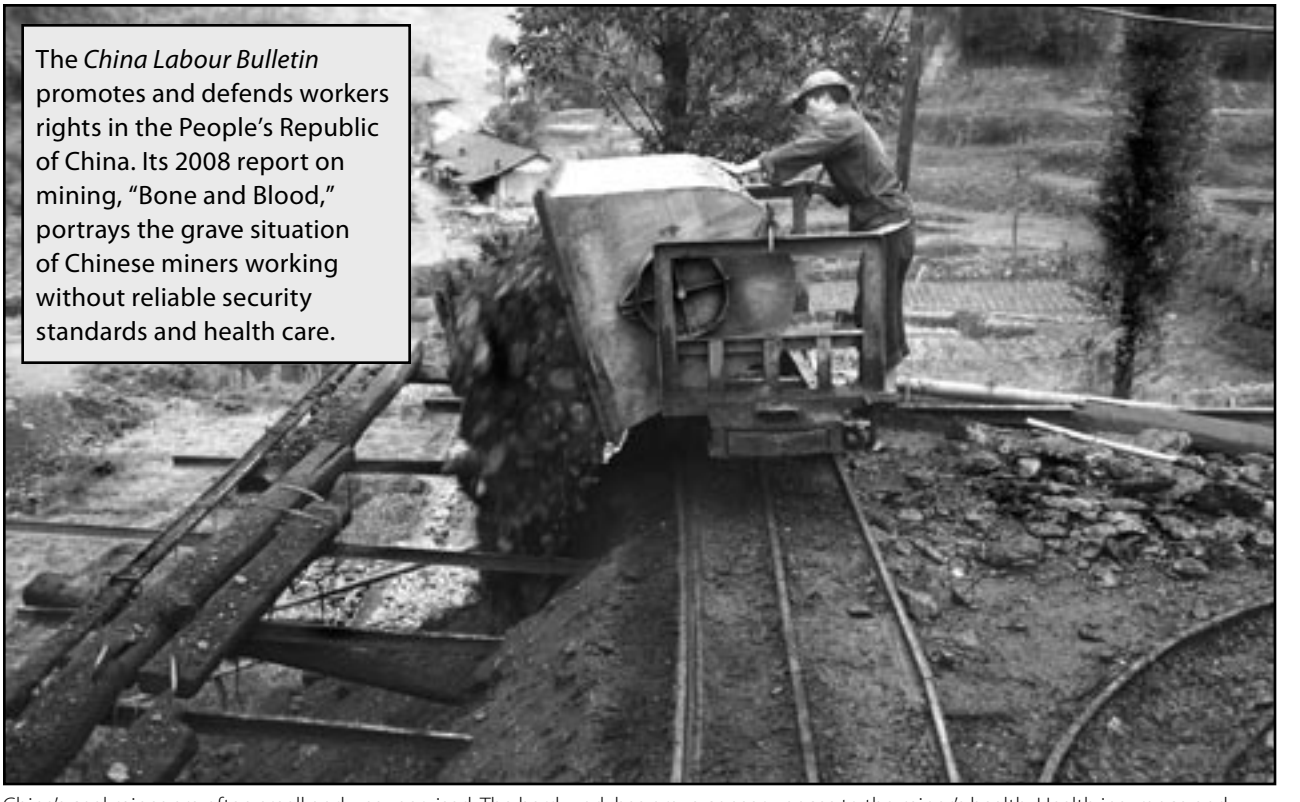
With the support of the CLB, Xiao Huazhong launched a legal claim at the Qu County People's Court in September 2008. He asked for 70,000 Yuan (CDN$12,000) to pay medical costs along with a disability subsidy and living expenses. In January 2009 Xiao Huazhong was advised by administrating judge, Hu Guangjun, to waive his claims.

IN CHINA MORE THAN 10 PEOPLE DIED EACH DAY, ON AVERAGE, IN FLOODED OR COLLAPSED SHAFTS LAST YEAR

2005 blast in the Sunjiawan mine, Liaoning province, was one of the deadliest. 214 Chinese miners died several hundred meters under the ground after a gas blast, the deadliest accident in 15 years. The mine operation was subcontracted to different mining teams. According to the CLB, which is in contact with local miners, contractors paid fixed sums to work sections of the mine, using people they hired themselves.

The February 2009 explosion in the Tunlan mine, Shanxi province killed 73 miners. 400 men were at work at the time. Most of them could escape the collapse, but 110 miners were treated in hospital. Fire in the shafts blocked rescuers, and more than 60 people were still trapped days after the accident. Most of the saved miners suffered carbon monoxide poisoning.

The *China Labour Bulletin* promotes and defends workers rights in the People's Republic of China. Its 2008 report on mining, "Bone and Blood," portrays the grave situation of Chinese miners working without reliable security standards and health care.



China's coal mines are often small and unsupervised. The hard work has grave consequences to the miner's health. Health insurance and other support is usually not provided. Photo by Adrian Freeman

Conflict at Barrick mine in Papua New Guinea - two views

Radio Australia reported May 3 that "a spokesman for the landowners and villagers, Jeffery Simon, told Radio Australia's Pacific Beat program the residents are angry at police for setting fire to around 300 houses."

Following the escalation of violence in the region, the government deployed 200 security personnel to restore law and order. Tensions have long simmered between the Indigenous population and the mine, and armed violence has threatened both the mine operators and local residents. The mine has been the focus of environmental and social concerns for years. The local area has seen a large growth in population along with lawlessness and violence. The company is concerned with the illegal mining, and police and Barrick's security have made strong efforts to stop trespassing. Efforts to resettle residents are stalled by the lack of agreement on a comprehensive plan.

Amnesty International: Forced evictions and destruction of property by police in Porgera must end (May 11, 2009)

"Amnesty International calls for immediate action to protect more than 1,000 people who have been left homeless after police officials in Papua New Guinea forcibly evicted them by burning down their homes.

On 27 April 2009 police officials burned down 50 houses within the Porgera mining area, owned and operated by Canadian-based Barrick Gold Corporation. More than 200 police had been sent to the area as part of an operation to deal with the law and order situation in Porgera District, Enga Province. The police alleged that people living in these homes were squatters responsible for illegal mining and other criminal activities. A further 300 houses of villagers living near the mine are also reported to have been burnt down as part of the same operations."

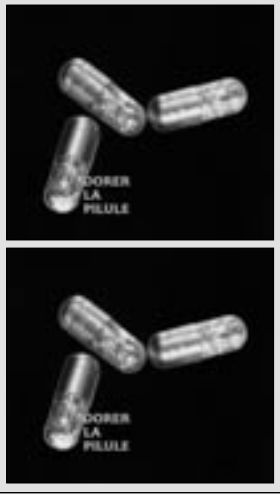
Barrick responds (excerpts from an email to Upstream Journal, May 14)

"We understand that only approximately 30-35 temporary shanties occupied by illegal miners, not legitimate landowners, were removed in full accordance with PNG law. Police have confirmed that proper due process was followed, including obtaining court orders and giving prior public notice in the community, days prior to the action.

As part of the police call out in Enga province, police say this particular area was targeted because it sits at the very edge of the Porgera joint venture open pit and had become a staging ground for illegal miner incursions, as well as prostitution and alcoholism.

Reports from the ground indicate that the following day, a further 12-15 dwellings were burned by their occupants themselves, having removed all valuables from the premises.

Law and order at the mine is the responsibility of the PNG police, who daily are faced with armed men (and some women) illegally invading the mine to steal gold. Virtually everyone injured at the mine site has been associated with such pit invasions by armed illegal miners there to steal gold. The invaders may become the focus of law enforcement action but it is a result of their own action invading the lease area and pit." - Vincent Borg, Executive Vice President, Corporate Communications, Barrick Gold Corporation vborg@barrick.com



THE GOLDEN KIN-NO-UNKO "FOR PEOPLE WHO ALREADY HAVE EVERYTHING"

Gold has its allure, but this magazine ad takes it to a different level. The capsules were advertised as being available at a Montreal shop.

"At the start of the new millennium, when the Japanese economy and morale took a dip, a Kyoto company came up with an original lucky charm: a golden kin-no-unko, or "golden turd," available either as a miniature pendant or in a life-size version to be displayed on a red cushion! Today, Tobias Wong, a young Canadian designer working in New York, has come up with a more sophisticated approach to golden poo. Specializing in transforming everyday items into objects of desire for the people who already have everything, he has created capsules of pure gold, filled with flakes of the same precious metal. When ingested, the 24- carat gold passes through the body and sparkles on exiting the digestive tract. This golden elixir costs TWO HUNDRED AND SEVENTY-FIVE dollars for three pills."

Girls in the Mines

Out of Sight

by Sarah Babbage

Starting at as young as age five, girls in Peru's small-scale mining begin two careers. One is common to girls in poor communities everywhere – domestic work and caring for their families. The other is work in and around mines, and together these two careers take up to 14 hours of the girl's day, according to a 2007 study by the International Labour Organization, "Out of Sight: Girls in Mining."

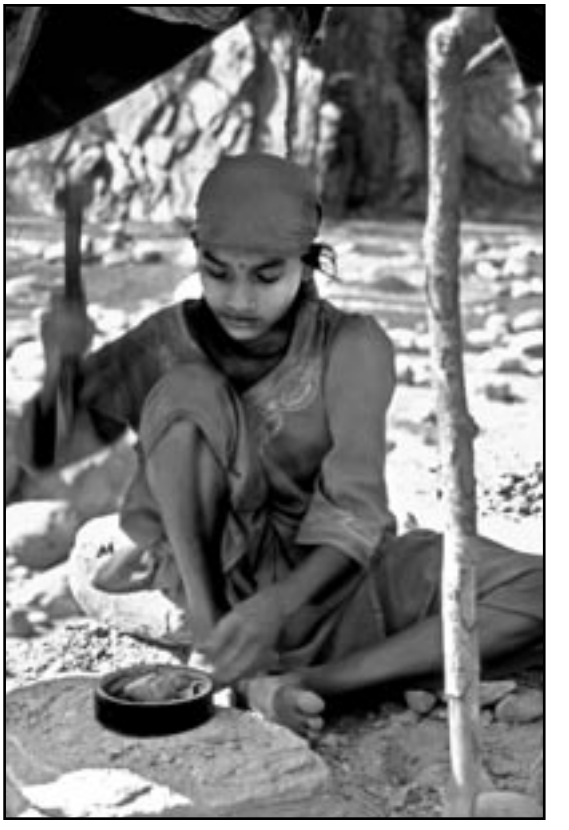
Mining is prevalent in Peru, Bolivia and Ecuador, where minerals are the main export. In Peru, 13% of gold exports comes from small-scale mining worth $120 million a year. 65,000 children work in mining activities in these countries, according to the Child Labor Coalition, an American NGO.

While the materials are usually mined underground by men, women and children provide support at ground level. They haul stones, tools, food and up to 25 litres of water (25 kilograms) three to four times a day, according to the ILO study.

Women and children also process the mined substances, which poses health risks - exposure to mercury and other chemicals, and physical injury.

The communities are often lawless, with high levels of alcoholism, prostitution, drugs and crime. Girls in mining communities might seek another form of employment – jobs in bars, restaurants, retail communications, most of which can result in sexual abuse and exploitation. Business owners hire women with the understanding that they will receive sexual favours in exchange. Unwanted pregnancies and STD transmission levels are high.

However, there are a few benefits for girls and women working in the mines, according to "Out of Sight." ILO researchers found the girls they interviewed to be bright, outgoing and assertive.



Small-scale communities, such as the one this young Nepalese girl works in, are non-mechanized and have little technology, making the mining work highly labour-intensive. Photo: © International Labour Organization/E.Gianotti

With a degree of economic independence, the girls contribute financially to the family and are given a say in how it is run. They learn valuable survival skills working in the mines, but they also develop a tendency to be violent.

The elimination of child labour in mines requires changes in the mining industry itself, and implies the replacement of small family mining initiatives with larger-scale, mechanized enterprises. With the introduction of new technology, many of the dangerous jobs girls do will be eliminated. ◘

Girls digging for precious stones in the midst of poverty

BY NISHA MOORLAH

Sudha was twelve when she begun working as a stone crusher in a mining settlement in Nepal a few years ago. Forced to work to supplement her family's farming income, she spent hours everyday crushing the stone by hand, susceptible to dust inhalation and wrist injuries from the repetitive motion and impact. With no protective gear, she had nothing to shield her eyes from the sharp pieces of rock that flew everywhere.

Sudha dreamed of going to school, but that hope has vanished. "There is no alternative" to the rock crushing, she says.

Sudha dreamed of going to school, but that hope has vanished.

A million children are involved in small-scale traditional mining in countries throughout the world. The number of girls engaged in mining is steadily increasing, yet it is often unrecognized that they often do the same hazardous work and suffer the same dangers as their male counterparts.

A recent International Labour Organization (ILO) study conducted in Ghana, Niger, Peru and Tanzania, however, found that young girls are more subject to exploitation. Susan Gunn, a child labour specialist at the ILO, claims that it is becoming more common to see them working in the interior of the mine, where "gender does not permit any favours."

The most common job for girls is the mining of gemstones and other precious stones. Wet panning requires girls to crouch in the same position for hours, filtering the water for precious stones. As a result, they suffer from spinal injuries, posture misalignment, sun exposure and water diseases.

Inside the mines, girls dig with small tools and shovels and then carry out their heavy loads either on their heads or backs. The interior of a mine is a dangerous place, subject to cave-ins.

In gold mining the girls are typically older, 15 and over. They crush the ore and mix it with mercury to separate the gold. Working without gloves or masks, the girls are at risk of mercury exposure. Their skin becomes irritated and they risk extensive damage to their nervous systems if the vapours are inhaled. In Niger, every girl interviewed said she had at least one of the following symptoms: arm pains, headaches, dizziness, breathing difficulties through the night, irritations and burns on the skin. These girls see mining as a death trap, but they have no way out. The most common affect on children working in mining is the respiratory problems they develop.

Older girls are often engaged in commercial activities such as working in restaurants and bars. In Tanzania, 65% of girls interviewed revealed that they were engaged in commercial sex. Viewing sex as a way of coming out of poverty, the girls often have no family looking out for them and are vulnerable to contracting HIV or becoming pregnant.

Work and home responsibilities leave little room for education

Unlike male miners, girls have to balance school, work and household responsibilities. Before their school day begins, they are up early cooking, cleaning, and caring for their younger siblings. Once their school day finishes, they are expected to put in time at the mines. It is difficult to give girls the education they need. With constant demands at home and in the workplace, girls either miss several days of school or they drop out completely.

As a father from Bolivia says, "Children work to help me support the family. If they do not work, families here won't make it."

A child in La Rinconada, Peru searches for nuggets of gold. Girls interviewed by the ILO in Ghana, Niger, Peru and Tanzania said they worked an average of 6-12 hours a day, 5-7 days a week. Photo: © International Labour Organization/E.Gianotti

If parents are aware of the dangers of mining, how can they force their children to work in such conditions? In Ghana, Niger, Peru and Tanzania, girls work because it is necessary for their family's survival.

"Mining tends to draw those who have no other means of support," Susan Gunn says. "They are desperate. The result is that they take risks that others are able to avoid."

Parents need their kids help to put food on the table, and as a result Gunn says they often "turn a blind eye" to the problems that their children face in mining.

Some situations, however, bring hope that awareness can bring change. Hadiza, a young girl from Niger who migrated with her family to Komabangou, worked with her siblings in gold mining. Unhappy with the situation, she ran away several times and hid at a friend's house. When Hadiza was examined by a nurse, her father was told that if she continued to work in gold mining she would die of suffocation due to her asthma. Her father then took the need for an alternative to the mining seriously, and enrolled his daughter and her siblings in school.

> ***"Mining tends to draw those who have no other means of support."***

Gunn argues that it is possible to end child labour in mines through a combination of approaches. These include enforcing child labour laws but also raising awareness of the dangers, improving work conditions, providing free and quality education, and monitoring children at risk.

Nisha Moorlah is a 22 year old McGill graduate, specializing in International Development Studies and Political Science. See editor's note page 32.

La famille de Miniaka Bulka, 70, attend son retour de prison. Un Adivasi (aborigène de l'Inde), il a été arrêté pour avoir protesté projets miniers. Photo: Tamara Herman

La lutte contre l'aluminium au Kashipur

Retour sur plus d'une décennie de lutte contre l'extraction de la bauxite

PAR MARY IVANCHU

En décembre 2008, les villageois du Kashipur ont amorcé un dharna, une manifestation qui prend la forme d'un sit-in devant la porte d'un contrevenant pour obtenir que justice soit faite, notamment pour arrêter le développement du site minier.

Organisateur de la manifestation, Debaranjan Sarangi affirme qu'« en décembre 2008, Aditya Birla Company ne détient toujours pas un permis environnemental ou un permis d'extraction du gouvernement fédéral, mais la compagnie tente quand même de compléter la construction du site minier de la bauxite ».

Sarangi est activement impliqué depuis plusieurs années dans Prakrutik Sampad Surakshaya Parishad (PSSP). Cet organisme lutte avec la population contre l'extraction minière au Kashipur, région située au nord-est de l'Inde dans le district d'Orissa.

Le 15 janvier 2009, la police a brusquement mis fin à cette manifestation.

Hindalco, sous-traitant du géant industriel Aditya Birla Group, continue, malgré la résistance, les travaux en vue de l'extraction de la bauxite. En dépit du cinquième amendement de la Constitution indienne garantissant aux Adivasis le droit à la propriété de leur terre et qui prohibe le transfert de ces terres à qui que ce soit, le gouvernement d'Orissa ne prend pas position sur cette question constitutionnelle.

Le gouvernement d'Orissa collabore avec Aditya Birla Group pour le développement économique de la région. Ainsi, Patnaik, le gouverneur d'Etat d'Orissa poursuit le développement de la région « en respectant les gens qui y vivent ».

Wilfred D'Costa, le Secrétaire de la coordination de l'Indian Social Action Forum, organisme chapeautant plus de 600 organisations communautaires, affirme que « Patnaik promet des emplois aux Dalits et aux Adivasis. Or, les populations locales n'ont rien eu comme compensation ou comme emploi. Les deux communautés se font offrir

une petite somme d'argent pour quitter leur terre». Entre 1999 et 2005, le taux d'emploi a diminué de 20%.

La vision de l'entreprise d'extraction minière est, selon Rajashree Birla, présidente du centre d'Aditya Birla pour les initiatives communautaires et le développement rural, « de contribuer activement au développement économique et social des communautés dans lesquelles nous opérons. Nous voulons offrir une meilleure qualité de vie aux plus vulnérables de la société ».

« Jusqu'à maintenant, je ne crois pas que ce projet minier ait eu des impacts positifs sur la population locale », déclare Sarangi. « La croissance et le profit d'une entreprise ne devraient pas être la priorité numéro un d'une nation. C'est le rôle du gouvernement d'écouter la voix du peuple et de lui donner priorité surtout quand il parle du développement de la nation ».

L'OPPOSITION AU PROJET MINIER

La résistance accrue des Adivasis, des Dalits et des

Photo par Antoine Metivier, qui a fait partie d'un projet, la construction d'un dispensaire pour les Dalits et Adivasis, à Manvi dans le region de Karantaka en Inde.

N'ayant pas un accès aussi facile que le reste de la société aux avantages socioéconomiques, 63% de la population de ces deux communautés vit uniquement de leurs terres, et ce, depuis plusieurs générations.

Les Dalits

- Chaque heure deux Dalits sont victimes d'agressions
- Chaque jour 3 femmes Dalits sont violées, 2 Dalits tués et 2 maisons de Dalits brulées
- Population 166 millions en Inde
- 63% analphabètes
- 80% vivent dans des zones rurales
- 86% n'ont pas de terres pour leur domiciles
- 60% sont dépendants d'emploi temporaire

Les Adivasis

- Représentent plus de 40% des déplacés de ce pays
- Population 67,5 millions
- 461 communautés différentes
- Régions où se retrouve la plus grande concentration: Madhya Pradesh (23,22%), Orissa (14,46%) et Bihar (11,26%)
- Subsistent de ressources naturelles locales
- Langues parlées : Indo-Aryan (35,36%), Dravidian (23,2%), Tibeto-Burman (31, 02%), Austro-Asiatic (6,51%)

Depuis 1947, cette population indigène s'est re-localisée massivement à Orissa (1,4 millions de personne) et ailleurs en Inde (33 millions).

Des garçons à une mine de fer dans la région de Bellary, dans le sud de l'Inde. Photo: Josh Chin

activistes environnementaux et humanitaires, depuis le début de ce projet en 1999, a ralenti les travaux d'extraction de la bauxite.

En 2004, pour faire avancer plus rapidement les opérations, Shri Naveen Patnaik a fait voter une loi qui vise clairement l'opposition au projet minier, ne tolérant aucune résistance et aucune manifestation et restreignant la liberté d'expression quant à cet enjeu minier. Depuis que cette loi est en vigueur, des activistes sont maltraités, incarcérés et même tués.

La police est continuellement sur un pied d'alerte pour faire pression sur la population de la région afin que celle-ci abandonne ses revendications.

Sarangi affirme que plus de 1000 personnes se retrouvent sur une « liste noire » du gouvernement d'Etat. « Ces personnes sont accusées de plus de 150 infractions au code criminel, qui très souvent ne respecte pas la liberté d'expression, le droit à manifester ou le droit à l'information ». Lui-même doit faire face à 12 chefs d'accusation et il peut se faire arrêter à tout moment pour avoir défendu la cause des marginalisés de cette région.

En 2007, une pandémie de choléra éclate au Kashipur et plus de 200 personnes sont mortes en moins de deux mois. Sur place, Sarangi a constaté que « ni le gouvernement ni la compagnie n'ont vérifié la magnitude de cet incident. Durant la période qui a suivi immédiatement la pandémie, Patnaik ne s'est pas penché sur la santé des Adivasis et des Dalits ».

Wilfred D'Costa reste optimiste : il accorde une grande importance à leur lutte qui freine justement l'expansion de ces compagnies dans ces régions de l'Inde touchées par le développement minier.

Par ailleurs, Sarangi croit que le gouvernement devrait, outre aider les familles durement affectées par le développement minier, concentrer ses efforts sur le développement agricole de la région. Et afin que la compagnie respecte ses engagements, notamment en ce qui concerne les emplois offerts à la population locale, l'une des solutions serait de faire pression sur Hidalco.

Sarangi termine en proposant une solution pour la situation du Kashipur : « Je ne veux pas lancer un débat pour savoir si l'on veut ou non l'extraction minière. Au contraire, nous devrions nous engager dans un débat sur ce que l'extraction minière a fait pour nous depuis les dernières années; à savoir, ce que veut la communauté et ce que le gouvernement et la compagnie lui proposent ». U

Mary Ivanchiu est étudiante en dernière session à l'UQAM au baccalauréat en Science Politique et stagiaire au Upstream Journal depuis janvier 2009.

"They need to come out here and walk where I've walked"

Coal ash accident in Tennessee largest in US history

by Robin Rothweiler

After midnight on December 21 2008, Crystell Flinn's house started to shake. Glass broke and objects began to fall. The doors were blocked as the house was torn from its foundation and moved more than ten meters onto the road, hit by a torrent of sludge released when the sides of a pond of wet coal ash collapsed.

Media, local authorities and residents disagree about how much sludge poured out into the Tennessee River near the town of Harriman, Tennessee, but the accident is considered to be the biggest of its kind in American history.

Estimates of the spill volume, initially 1.7 million cubic yards, were revised to 5.4 million cubic yards, or enough to flood more than 3,000 acres one foot deep.

"This TVA plant has supposedly been using clean coal technology, but if this is clean coal technology they have to look at it again," said Rick Cantrell, who lives nearby and watched the cleanup attempts along the river thoughout January. "They need to come out here and walk where I've walked the past month."

Although a broken dike is not usual, there have been more problems recently. A few week after this spill, a TVA dumpsite in Jackson Alabama leaked toxic ash into the river nearby.

"There are coal-burning facilities here in Canada, but they don't pile their ash like that," Jamie Kneen of the NGO Mining Watch said. However, the Sydney tar ponds in Nova Scotia are well known for their impact on local residents. It is costing $400 million to clean up the area, with its coal-based contaminants in the sludge left by the old steel mill. "They are still on the process of figuring out what the best methods are for cleaning it up, because it's permeated the whole area," Kneen said.

Rick Cantrell, 52, a former security worker, holding his 15-month-old granddaughter Zoe. He says he is not connected to any environmental or political group, but became active when the sludge spilled into his community. "This is my community. I love it. So when this disaster happened, I knew it was time to stand up and try to do something." Photo courtesy Rick Cantrell

In Tennessee, Cantrell is worried that the TVA's cleanup will be cosmetic. "They are going to level it off, plant some grass, let wildflowers grow. But in all this mud, there is this coal ash. They have to dig it out completely."

"In the summer, every night I used to sit on a dock down there and fish. The dock's gone now. Nobody comes here anymore. No one will let his children swim in this stuff. I'm not an environmentalist, never has been, never will be. But if it had been behind a concrete dam and the pond had been lined, this sludge would not have devastated the whole area." U

Corporate social responsibility

- a mining industry perspective

By Jodi Hackett

Corporate social responsibility (CSR) is becoming a common theme in corporate culture, throughout global mining conferences, within business models, even in academia via new MBA programs currently being developed, and yet the question still remains, what is the exact definition of CSR?

The international community has been creating sets of standards to define CSR for over a decade. The Canadian government's 2006 National Roundtables on mining and social responsibility defined CSR as "the way firms integrate social, environmental and economic concerns into their values, culture, decision-making, strategy and operations in a transparent and accountable manner and thereby establish better practices within the firm, create wealth and improve society."

"Do the right thing. Aim for 'sustainable profitability' which takes everything into account - good management, good resources, legal compliance, social responsibility."

Another approach was offered by a Director of CSR for a mining company operating in Australia and Canada: "Do the right thing. Aim for 'sustainable profitability' which takes everything into account - good management, good resources, legal compliance, social responsibility, and so on. It certainly is not achieved by only aiming for quick bucks and ignoring the longer term impacts - environmental, legal, social and political acceptability, access to new resources, etc."

CSR is the social responsibility a corporation has in its operations, whether it is directly related to social assistance to communities, protecting and sustaining the environment, or ensuring that employees and investors are treated in a responsible manner.

The challenge to mining companies that wish to act in a responsible manner is that they are unsure of what they are expected or required to do - it is difficult to follow rules when there are no clear expectations set and no definite guidelines to follow. During the 2006 Roundtables, many industry representatives argued that "Canadians need clarity on what is expected of Canadian companies working abroad."

It is not to say there are no guidelines at all. The federal government of Canada recently created an Office of the Extractive Sector CSR Counsellor to facilitate the resolution of disputes. However, it will only have the power to issue reports rather than make binding decisions. On an international level, guidelines can be found at international organizations such as the UN Global Compact, and in the requirements of World Bank Group's International Finance Corporation.

Companies such as Barrick Gold have also taken the lead. It has followed a CSR model for years and has set the bar quite high for others. Barrick lists 75 awards since 2004 in environmental responsibility, health, safety and community performance, thanks to the initiative of founder and current Chairman, Peter Munk, who ensured that this model became a part of company culture.

This year, Corporate Social Responsibility was the main theme of the main gathering of industry professionals, the Mining Indaba conference in Cape Town, South Africa. Indeed, the entire first day was devoted to CSR. Many participants commented that CSR seems to have gained extensive importance in day-to-day business, but they did not realize how much until they saw presentation after presentation with titles like "Mining, Reset-

tlement and Development Challenges" and "The Business Case for CSR."

Yet as widespread and international as it has become, some mining executives still asked "What is CSR? What does it stand for?"

Canadian companies find themselves exploring and developing mines worldwide, yet Canada has not enforced a standard set of rules for them when operating abroad, or at home for that matter, to follow and to be held accountable for. This comes back to the original question: What is CSR? If you can't define it, how are you meant to enforce it? One common definition would seem to help solve this problem, but so many factors make that difficult and so industry has not yet received a concrete definition.

For example, at Mining Indaba people considered what might happen if Canada had a standard set of rules. One of them would surely be equal rights opportunities. But if a company wanted to operate in a country where women are not allowed to work, what now? Should the company give up its land stake and leave? Or should it proceed under the laws of that country? Wouldn't this go against human rights?

Another major challenge is financial. Strict standards in foreign countries, or even foreign regions of Canada, may discourage companies from operating in these areas, due to either the cost of CSR or a lack of understanding by those involved.

"Finding how to do the right thing is often very difficult. There may be conflicts and various options to consider, and the long term answer may be obscured by the short term issues," the CSR Director said. "It may be difficult to demonstrate in the short term, and may be seen to be discretionary when things are financially tough, but management must recognize and acknowledge the value of investment in CSR." U

Jodi is the Marketing Director for "Global Mining Finance," a yearly publication on the industry. Involved in the mining industry from a media perspective for five years, her passion lies with the CSR side of mining, and she plans to earn a Natural Resources MBA at Dalhousie University.

The World Bank's standards of corporate social responsibility

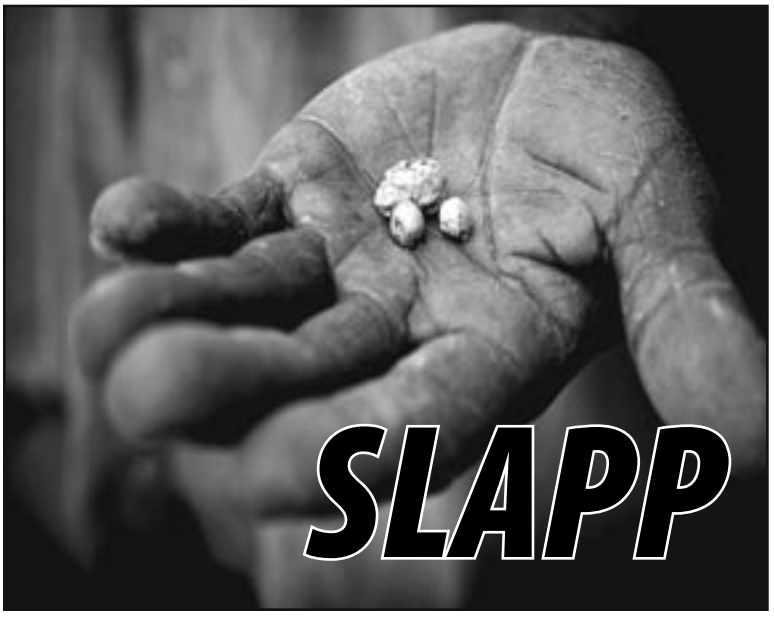
The Canadian government's new policy on corporate social responsibility refers to World Bank standards as the international point of reference on CSR:

"The [World Bank's] International Finance Corporation **Performance Standards on Social & Environmental Sustainability** address the specific challenges facing extractive sector companies operating in developing countries. They are the de facto performance benchmark for projects in developing countries that require substantial financial investment." - *Bulding the Canadian Advantage*, Dept. of Foreign Affairs and International Trade, March 2009

There are eight Performance Standards of the World Bank's International Finance Corporation (IFC):

1: Social and Environmental Assessment and Management System
2: Labor and Working Conditions
3: Pollution Prevention and Abatement
4: Community Health, Safety and Security
5: Land Acquisition and Involuntary Resettlement
6: Biodiversity Conservation and Sustainable Natural Resource Management
7: Indigenous Peoples
8: Cultural Heritage

"These are intended to **identify the social and environmental impacts, risks, and opportunities** of projects, to establish effective **community engagement** through information disclosure and consultation with local communities, to **avoid, reduce, mitigate or compensate for impacts** on people and the environment, and to improve conditions where appropriate." - *IFC Performance Standards*, April 2006



SLAPP ou action justifiable?

par Mary Ivanchiu

« Quand on est victime d'une poursuite bâillon de cette envergure, la vie change du tout au tout. La poursuite devient le principal objet d'attention, alors forcément elle nuit à la vie professionnelle, privée et financière », déclare Alain Deneault, co-auteur de Noir Canada : pillage, corruption et criminalité en Afrique.

Alain Deneault, les deux autres co-auteurs, ainsi que Écosociété, une maison d'édition à but non lucratif, sont touchés par ce qu'ils considèrent être une poursuite bâillon. Ils disent que c'est une action communément appelée par son acronyme anglais SLAPP - "Strategic Lawsuit Against Public Participation" (poursuite stratégique contre la mobilisation publique).

Docteur en philosophie, Alain Deneault enseigne au département de sociologie à l'Université du Québec à Montréal. Il est poursuivi pour 6 millions de dollars par Barrick Gold, une entreprise aurifère au Canada. Barrick Gold accuse les auteurs de Noir Canada de fausses allégations contre la compagnie telles que le pillage, l'homicide, la corruption et le trafic d'armes dont il est mention dans le livre.

Les Éditions Écosociété déclarent quant à elles qu'« un tel montant représente 25 fois le chiffre d'affaires annuel d'Écosociété, ce qui rend cette demande totalement absurde, à fortiori pour un organisme à but non lucratif, et pour des auteurs sans fortune ».

Le livre représente une compilation de documents déjà parus publiquement. La compagnie Barrick Gold soutient néanmoins que les auteurs n'ont jamais tenté de la contacter pour avoir des informations.

Vincent Borg, vice-président et responsable des médias à Barrick Gold, a référé aux documents de la Cour Supérieure du Québec pour plus de renseignements. Selon Barrick Gold, Noir Canada ne peut être considéré comme une œuvre scientifique apportant des preuves légales, à cause du manque de rigueur, d'équité et d'intégrité dans le travail de recherche de Alain Deneault, de Delphine Abadie et de William Sacher.

Avec un bénéfice net de 1,66 milliards de dollars US en 2008, Barrick Gold est la plus grosse compagnie aurifère au monde. Présente, entre autres, en Tanzanie, en Australie et en Papouasie-Nouvelle-Guinée, Barrick Gold se retrouve au cœur de plusieurs polémiques entourant ses activités d'extraction d'or.

Alain Deneault considère que « si l'appareil judiciaire devient une arme pour ceux qui ont les moyens de la manier à l'encontre des citoyens et des petites coopératives qui n'ont pas les moyens de se défendre, à ce moment- là, l'on peut dire du

HAUT: Deogratios est un sorcier traditionnelle. Il a été parmi les milliers de personnes qui ont été expulsées pour faire place à la mine d'or Bulynhulu. Il a dit qu'ils ont été chassés de leurs foyers par les forces paramilitaires fortement armés seulement un jour après que le gouvernement a donné les habitants un mois de quitter la région. Deogratios et sa famille, puis a vécu dans la brousse. Sa femme est tombée malade, mais avec leur maison détruite et sans accès à ses médicaments, il ne peut rien faire comme elle est morte.

BAS: Melania aîné des deux fils, Jonathan et Ernest ont été parmi les cinquante-deux mineurs qui auraient été enterrés vivants pendant les expulsions en 1996. Les agents de police ont pris toutes les photos de Melania de Jonathan et Ernest. Les photos sont dans ses mains de son jeune fils Mushobozi.

système judiciaire qu'il est perverti ».

Un SLAPP est le plus souvent une poursuite civile pour libelle diffamatoire, intentée contre un individu ou un organisme ayant pris parti dans le cadre d'un enjeu public. Ce genre de poursuite vise à limiter la liberté d'expression de ces individus ou de ces organismes et à neutraliser leurs actions par le recours aux tribunaux, ce qui a comme effet de les intimider, voire de les ruiner et de les détourner de leurs objectifs.

Deneault explique qu'« actuellement, le simple fait de devoir se défendre en Cour lorsqu'on est poursuivi est de nature à nous entraîner à la faillite financière avant même qu'on ait pu parler à un juge. C'est plusieurs dizaines de milliers de dollars! »

Les conséquences d'une poursuite sur la vie d'un simple citoyen sont lourdes : des congés sans soldes, des interrogatoires qui durent plusieurs jours, des honoraires d'avocats élevés et des dossiers judiciaires volumineux à préparer.

La nouvelle ministre de la Justice du Québec, Madame Kathleen Weil, s'est engagée à réinscrire ce que M. Jacques P. Dupuis, l'ancien ministre de la Justice avait entrepris : un projet de loi anti-SLAPP. Elle s'engage à déposer ce projet de loi d'ici juin 2009. Alain Deneault affirme que « l'important au niveau de cette loi, c'est que les conditions mêmes du débat public soit défendues par la loi, de sorte que des citoyens puissent se prononcer publiquement sur des enjeux de société sans risquer des poursuites à tout moment ».

Après un an de procès avec Barrick Gold, Alain Deneault constate que c'est très exigeant en matière de temps et d'argent. Il affirme qu' « il faut espérer qu'on entende aussi dans notre société que les multinationales canadiennes soient pointées du doigt à l'échelle internationale pour des méfaits, des abus, voire des crimes commis en Afrique. » U

Mary Ivanchiu est étudiante en dernière session à l'UQAM au baccalauréat en Science Politique et stagiaire au Upstream Journal de janvier à avril 2009.

Learning forensic anthropology at the Guatemalan Forensic Anthropology Foundation. Photo courtesy FAFG.

Justice for the dead

An anthropologist gives identity to victims of the Guatemala genocide

BY MARY IVANCHU

"I thought to myself, they will kill me. It's as simple as that. It wasn't that they might kill me; they will kill me. For me, Guatemala was the most horrible place that existed. But I never imagined that there was so much work to be done, and when I saw what they were doing there, I thought hey, I can do that."

Fredy Peccerelli was introduced to the world of forensic anthropology in 1994 at a conference in Atlanta, where there was a workshop about the exhumations of clandestine mass graves in Guatemala. As a result of that introduction, he returned to the land of his birth, and today he heads the team exhuming the bodies of victims of the civil war.

His family was forced to leave Guatemala because of death threats against his father when Peccerelli was only nine years old, and moved to Brooklyn, NY.

"We didn't leave because we wanted to. I was young and it was traumatic for me, because I had to leave all my friends and most of my family behind. But I just rejected Guatemala and decided to become a New Yorker".

Eventually, as Peccerelli studied anthropology at New York State University, the past resurfaced and he started reading about Guatemala and the atrocities of the civil war.

"I was slowly entering a process of coming back to my home country."

He attended the 1994 conference of the American Foundation of Anthropology while in his last semester in anthropology. One of the topics explored was the role of anthropology in international human rights investigations, and there was a workshop on the human rights situation in Guatemala and the role of forensic anthropology.

"It was something that motivated me more than I expected," Pec-

"There were 200,000 victims, each of them with a family of five. That's a million people affected - almost 10% of the population."

Grave being exhumed in Palima Comalapa, Guatemala. Photo: FAFG.

cerelli said.

Within months he was off to exhume graves with the Guatemalan Forensic Anthropology Team, later called the Guatemalan Forensic Anthropology Foundation (Fundacion de Antropologia Forense de Guatemala - FAFG).

The Guatemalan Forensic Anthropology Foundation

Established in 1992, the FAFG is a non-governmental organization that contributes to empowering and respecting the human rights in Guatemala. Specifically, it investigates crimes committed during the internal conflict between 1960 and 1996. Social anthropologists, forensic archeologists and forensic anthropologists contribute to the process of exhumation. The FAFG has carried out hundreds of exhumations of mass grave sites, searching for the remains of some of the estimated 200,000 people killed.

Peccerelli is now its Executive Director.

Over the years, he and others at the FAFG have been the target of repeated death threats. What pushes Peccerelli to continue?

"People have fought longer than I have for this cause. People of this nation continue grieving and surrendering to what the militaries did. For me, giving up would be a difficult thing to do. I already had to leave when I was nine, because of the threats. I won't be forced to leave like that again. If I leave Guatemala one day, it's going to be when I choose and on my terms."

Peccerelli and the FAFG are on a mission - to identify the victims of the bloodiest civil war in

Latin America's recent history.

"They were 200,000 victims, each of them with a family of five. That's a million people affected - almost 10% of the population," Peccerelli said.

More than 90% of the atrocities are attributed to the Guatemalan army, which was supported and trained by the U.S. and had control of the country. General Rios Montt, who took control of the country during the most violent years, 1982 and 1983, is accused of responsibility for many of the massacres of civilians, mostly indigenous people.

And so the FAFG finds and digs for the unmarked graves, and analyzes the bones to find out who they were, how they died, and perhaps who did the killing.

"We don't just put it into a current social context, but into an individual personal context," Peccerelli said. "We think about the victims and their families."

Once all the information is put into place and the FAFG does its report, however, there is no process for accountability. "Of 1000 cases, maybe five have gone to court. That's just unacceptable," Peccerelli said.

"Guatemala is changing, but slowly, very slowly. That's one of the reasons there's so much crime today. Why there's so much impunity, and so much racism. Most of the victims were indigenous, and there has never been a real effort to change. I understand the power of the work we do and what it means in people's lives. I think it contributes to healing the survivors and eventually, hopefully, the nation." U

A political science student at UQAM, Mary was an Upstream Journal intern from January to April 2009.

"I hope that one day we follow the lead of Argentina, and bring to trial all of those high government and military officials that gave the orders to kill 200,000 people.

But even if it doesn't happen, the work in itself does bring other things if not justice. It finds the truth. The truth is very important for the families and for the whole country. It identifies the victims, which dignifies their memory."

Photo of Fredy Peccerelli courtesy FAFG.

Death threats to Fredy Peccereli and Omar Bertoni Girón, head of the FAFG forensic anthropology laboratory, are frequent. One sent by email in January, 2009, reads:

"OK you bastards, you haven't taken us seriously. This will show you. Omar your wife* looks very good in red with your daughter. We saw them today in front of the FAFG. You fucking revolutionaries won't stop until we kill you. Fredy your suit won't be of any use to you, after we kill you they will never find you. You have little time left you bastard, first your siblings then you revolutionary anthropologists. Death."

*Omar is married to Bianka Peccerelli, Fredy's sister.

The FAFG has received threats since 2002, and the State of Guatemala has been ordered to provide security for the FAFG and its staff by the Inter-American Court of Human Rights. Last year, the FAFG received threats on several occasions. Fredy and Omar receive security protection, including armed police officers at work and home.

New Canadian law requires human rights component in foreign aid

What does this mean for Canadian funds that go to the World Bank, which has no comprehensive human rights policy?

10% of Canadian foreign aid goes to the World Bank. The Department of Finance is responsible for these funds, so from December 5 to 31, 2008, it invited input on whether the funding meets the three conditions.

The Official Development Assistance Accountability Act came into force in June, 2008, requiring that aid 1) contributes to poverty reduction; 2) takes into account the perspectives of the poor; and 3) is consistent with international human rights standards.

The Social Justice Committee communicated to the Department of Finance the concern that it is impossible to gauge the extent to which World Bank projects that Canadian ODA supports are consistent with international human rights standards, taking into consideration:

1. The World Bank's past and ongoing funding of projects around which human rights violations occur;

2. The World Bank's continued unwillingness to incorporate human rights into its official policy to the acceptable international standards;

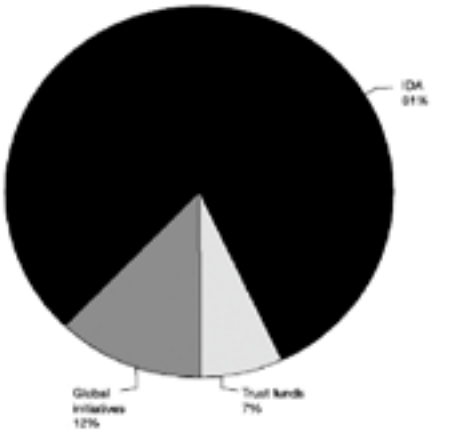
3. The Department of Finance's incapacity to assess whether Bank projects effectively satisfy human rights criteria under the new Act.

The SJC made two recommendations about how the Department of Finance might try to ensure that World Bank programs which are supported by ODA take human rights into account:

1. Seek World Bank reform, such that it formally and demonstratively adheres to international human rights standards.

2. Develop a departmental policy and capacity for assessing the human rights implications of World Bank projects and reporting the extent to which the World Bank promotes international human rights standards.

Canada's financial contributions to World Bank programs in 2008
% share of $913 million



Canada is the seventh largest shareholder at the World Bank, having contributed a total of US$5.5 billion in capital subscriptions and US$6.4 billion in contributions. Payments in 2008 to the International Development Association, the World Bank agency that provides loans and grants to low-income countries, included $318 million in January and $34 million in February. Canada commited to paying $384 million in April 2009.

- "Canada at the IMF and World Bank 2008," Dept of Finance.

Canada promises $10 billion more to the IMF

Money well spent? Not without substantial changes in how IMF operates

BY DEREK MACCUISH

The financial crisis has given the world's currency cop a boost in terms of relevance and power, but given its failure to see the current crisis coming, the IMF's ability to monitor the world's economies is questionable. The IMF assessment of the US economy in 2007 considered the mortgage crisis at an end and predicted a "soft landing" for the economy.

"Financial innovation and stability have underpinned U.S. economic success and funding of the current account deficit," the IMF report said. "The system has been highly resilient, including to recent difficulties in the subprime mortgage market."

The assessment did mention that any crisis in the US economy would have a strong damaging effect on other countries, but considered the risk too low to be of concern.

"The reform of the IMF is not going to happen overnight, but it has become a very expensive institution."

Its record elsewhere is worse. Impoverished countries like Senegal have been on non-stop IMF programs for decades with nothing to show for it. Forced to integrate into global trade rather than build strong local production, they rely on exports of raw material with no say in the selling price.

The number of people without enough to eat increased by 150 million in 2008. 200 million people are expected to fall into absolute poverty because of the economic crisis.

The poorest people in the world are hostage to a market system in crisis, and will pay a dear price for a crisis they did not create.

$50 billion of the $1,100 billion in extra money the G20 countries promised the IMF is supposed to go to support poor countries.

Maybe it will help, but we need to make sure of it. How? Actually, what is needed is pretty straightforward. The IMF has to stop trying to manage the economies of poor countries. Policies forced on them rarely work.

Well-intentioned governments need support, not instruction. Corrupt, unrepresentative or repressive regimes should not be rewarded.

The impacts of IMF policies on poverty and human rights need to be properly assessed before they are implemented. IMF demands for spending cuts, currency devaluation, removal of food subsidies, privatization of public services and reduction in public sector employment are most strongly felt by the poor, but these impacts are not adequately considered.

IMF programs have to be monitored more closely. The establishment of an Independent Evaluation Office in 2001 was a good step, and it should be strengthened and expanded to enable it to have the impact that is needed.

Small and poor countries need to have a bigger say. The IMF has been promising reforms to give them a stronger voice for years, with no significant results.

Fortunately for Canadians, we can get a reasonable idea of what the priorities for Canada have been at the IMF. The Department of Finance provides an annual report to Parliament and in recent years has made a commendable effort to make the report more detailed and relevant.

Also helpful is the new Official Development Assistance Accountability Act, an effort to ensure that foreign aid goes to poverty reduction efforts and promotion of human rights (see page 25).

It is impossible to asses the extent to which Canadian money sent to the IMF and other agencies like its sister institution, the World Bank, meets these criteria. For starters, neither the IMF nor the World Bank has a policy on human rights, and neither has a mechanism to assess programs for poverty outcomes or social impacts consistently and adequately. As it is, 10% of our foreign aid money already goes to the World Bank.

The reform of the IMF is not going to happen overnight, but it has become a very expensive institution. If Canadians are going to fork over an extra $10 billion, it is reasonable to expect a higher level of accountability and effectiveness than we have seen in the past. ■

The financial crisis & poor countries

World Bank comes up short, IMF pushes austerity

The spring meetings of the IMF and World Bank broke no new ground relative to commitments made by G20 heads of state at their 2 April summit in London. The IFI meetings were perhaps more notable for the predictions of huge finance sector losses and negative global economic growth issued earlier in the week by the IMF.

G20 leaders agreed to a huge expansion of the IMF's resources "to support growth in emerging and developing countries by helping to finance counter-cyclical spending." Most of the recent IMF emergency loans have in fact obliged developing-country governments to adopt various type of austerity measures in the interests of "fiscal discipline", at the same time that the Fund has encouraged massive stimulus spending by industrialized-country governments.

Neither organization picked up the message in the G20 statement that it is important not only to restore growth in the short term, "but to lay the foundation for a fair and sustainable world economy", including through employment and fair labour market policies.

The World Bank, perceived by many analysts as the big loser at the London G20 summit, received no promises of new financial resources. The final communiqué of the ministerial Development Committee does not even mention one the Bank president's pet ideas, the creation of a global "vulnerability fund" to which rich-country governments would allocate 0.7 per cent of their stimulus budgets. The communiqué does no more than invite donor countries "to consider further support" to some of the Bank's new initiatives.

World Bank support for health care in decline

The World Bank's Independent Evaluation Group (IEG) questions the overall commitment of the WB to achieving vital improvements in global health in its report on the Bank's programmes in the health care sector over the past decade.

"Nearly three-quarters of developing countries are off track ... for achieving the MDG of reducing under-five mortality," one of the primary global health goals, the report says. Despite this, the World Bank supports a far smaller proportion of overall spending for international health, nutrition and family planning programmes than it did a decade ago: 6 per cent now, down from 18 per cent in the 1990s.

The IEG report finds that project monitoring and evaluation in the health sector are weak or nonexistent. It notes that the IFC, the Bank's private sector arm, has made "support to private investment in health one its strategic priorities" but has had limited social impact.

"IFC's investments in hospitals have targeted middle- and upper-income groups" despite the Bank's claim to give priority to pro-poor investments.

- Policy summaries by Peter Bakvis, Washington representative of the International Trade Union Confederation.

"The strong smell of hydrogen sulfide"

World Bank claims relocating sick villagers not its responsibility

The *Upstream Journal* recently published a story about the World Bank's investment in one of the world's largest oil-gas-condensate reservoirs, Karachaganak, in Kazakhstan. People of the nearby village of Berezovka complained of ill health to the World Bank division that helped fund the project, the International Finance Corporation (IFC), asking to be relocated. The IFC maintained that it complies with environmental regulations and has no responsibility to assist the villagers.

"Regardless of the World Bank's claims that is working on improving the situation, colleagues in the village report widespread air pollution," Kate Watters, Executive Director of Crude Accountability, said, adding that the IFC has a responsibility to assist with relocation under World Bank operations policies.

In 2004 villagers complained of high levels of cancer, upper respiratory illnesses, high blood pressure and children with gray hair and headaches. The Compliance Advisor Ombudsman office of the IFC did an assessment in response to complaints, and in 2008 found that the IFC was not in compliance with requirements.

The *Upstream Journal* asked for follow-up from the office of the Canadian Executive Director, which sought more information from the IFC. The IFC responded that "with regard to the sizing of the Sanitary Protection Zone around the project, and any possible resettlement, this is a matter entirely up to the government." Concerning the pollution from toxic gases, IFC said that it will increase air sampling and seek improved emissions.

Local environmental group Green Salvation said that IFC investment in the project "is accompanied by the strong smell of hydrogen sulfide." *- Robin Rothweiler*

CIDA DROPS EIGHT AFRICAN COUNTRIES, SHIFTS AID FOCUS TO THE AMERICAS

BY SARAH BABBAGE

In late February, CIDA announced plans to concentrate its bilateral development aid in twenty countries. The announcement was widely expected, but the countries selected were not.

CIDA, NGOs and members of government have long criticized Canadian aid for being too dispersed and ineffective. In 2005, Paul Martin announced that 66% of development aid was going to be concentrated in 25 countries, including 14 in Africa, six in Asia, four in the Americas, and the Ukraine. Now the number has been reduced to 20 and the countries have changed.

"The idea of focusing aid has been around for a long time," said Gerry Barr, President of the Canadian Council for International Cooperation, "but the recent list is less about concentration than it is about direction."

In 2007-2008, Canada gave $1.5 billion in bilateral development assistance. 80% of that money will now be concentrated into 20 countries, with a heavy emphasis on Latin America. Colombia, Peru, Nicaragua, Haiti and the Caribbean region, Gaza and the West Bank, Afghanistan and Sudan/Darfur are new areas of concentration. Cambodia, Sri Lanka, and eight African countries will no longer be targeted.

The shift ends a long tradition of focus on Africa, especially under the last Liberal government.

"It's difficult to see the arrangements we set up in the past end, particularly in cases like Rwanda," said Glen Pearson, the Liberal International Cooperation Critic, who argues that the policy change is disconnected from the wishes of Canadian citizens. "Africa resonates in Canadians' minds. Everyone is a member of a rotary club or a school group wanting to go to Africa or supporting Africa, and yet the government is moving away from supporting it."

John Rafferty, the NDP International Cooperation and CIDA Critic, agrees.

"It looks like the government is abandoning our core beliefs and values which are the eradication of poverty and human rights," he said. These priorities are identified in the Official Development Accountability Act adopted last June.

Canada will spend $4.4 billion on aid this year, and Africa will still be eligible for the portion of that money which will be allocated to disaster relief. "That's very different from aid money," said Raf-

ferty. "While disaster relief funding is still important, we shouldn't be abandoning the development focus of aid to Africa."

The change in focus may be linked to the government's goal of increasing trade with Latin America.

"Trade is the only logical explanation I can come up with," Rafferty said. "The Caribbean and Colombia are trade priorities for Canada and they're getting more aid."

Although Latin America faces major development challenges, most of its countries are higher on the UN's Human Development Index than those in Africa. Pearson is concerned this will limit Canada's ability to help the neediest. "You don't take money from people who live on a dollar a day to move it to places where people live on ten dollars a day," he said.

CIDA Focus Countries

Afghanistan*
Bangladesh
Bolivia
Caribbean**
Colombia*
Ethiopia
Ghana
Haiti*
Honduras
Indonesia
Mali
Mozambique
Pakistan
Peru*
Senegal
Sudan/Darfur*
Tanzania
Ukraine
Vietnam
West Bank and Gaza*

OUT

Benin
Burkina Faso
Cambodia
Cameroon
Guyana**
Kenya
Malawi
Nicaragua
Niger
Rwanda
Sri Lanka
Zambia

*New focus countries

**The whole of the Caribbean is being considered one partner. Previously, only Guyana was a development partner.

Barr sees it as a shift from low to medium income countries. "In the 2005 priority list, 55% of countries were low on the Human Development Index. Now only 33% are."

> *"You don't take money from people who live on a dollar a day to move it to places where people live on ten dollars a day"*

Rafferty is concerned about the lack of follow-through on current projects. "We haven't looked at where work has gone on in the last 10 to 20 years. It's our responsibility and our duty to follow up on our work."

Officials in recipient countries and NGOs were not notified of the announcement ahead of time. "The Rwandan ambassador heard about it in the newspaper. The NGOs did too," Pearson said. "These are the people we're supposed to be dialoguing with and I fear we've cut them off." ◘

Opinion

NEARSIGHTED and WRONG-HEADED

Self-interest the priority for Canadian government

BY DOUG MILLER

The elderly matriarch of her village of Chilanga, Malawi, 80 year old Agogo Beriya Saka has seen the country develop as a working democracy. Malawians like her can talk freely, fewer of her children and grandchildren die prematurely of AIDS, and free primary education replaced the burden of school fees. Once dependent on food aid, Malawi is now a net exporter and a regional breadbasket.

Canada has supported many of these transformations, but that is about to change.

The government has cut Malawi and several other countries in Africa from the list of 20 priority countries that receive almost 80% of Canada's bilateral assistance.

In a press release in February, Minister of International Cooperation Bev Oda said that the purpose was to make Canada's international assistance more effective.

"Focusing our bilateral assistance will make our aid dollars

go further and make a greater difference for those we help."

The revised priority list of countries for Canadian bilateral aid accomplishes none of the declared goals Minister Oda set out.

This government and this prime minister have shown a disinterest in Africa that is remarkable for its near-sightedness. Harper's real checklist is economic returns and none of the African countries dropped represent any great trading possibilities for Canada. Early in his period in office, Prime Minister Harper called for a re-engagement with Latin America as a way of providing more lucrative returns for Canadian aid dollars.

Even as the IMF calls for more bilateral assistance to the countries it considers "highly vulnerable" states, the Conservative government is moving wrong-headedly in the opposite direction.

I think we all applaud efforts to make aid more effective - to prevent development funds from being used for vain, prestige projects, and to avoid supporting venal, abusive governments. However, by any criteria, Malawi and the other poorest countries of Africa should still be on the list.

CIDA AID HAS WORKED, SO WHY STOP IT?

More than 80% of Malawians still live on less than $2 per day. Malawi finally rid itself of a repressive dictator in 1994, but spent the first ten years of the democratic dispensation suffering under a venal, avaricious and corrupt leader. Real change finally began under the new president, Bingu wa Mutharika, five years ago, and CIDA money has been part of the process.

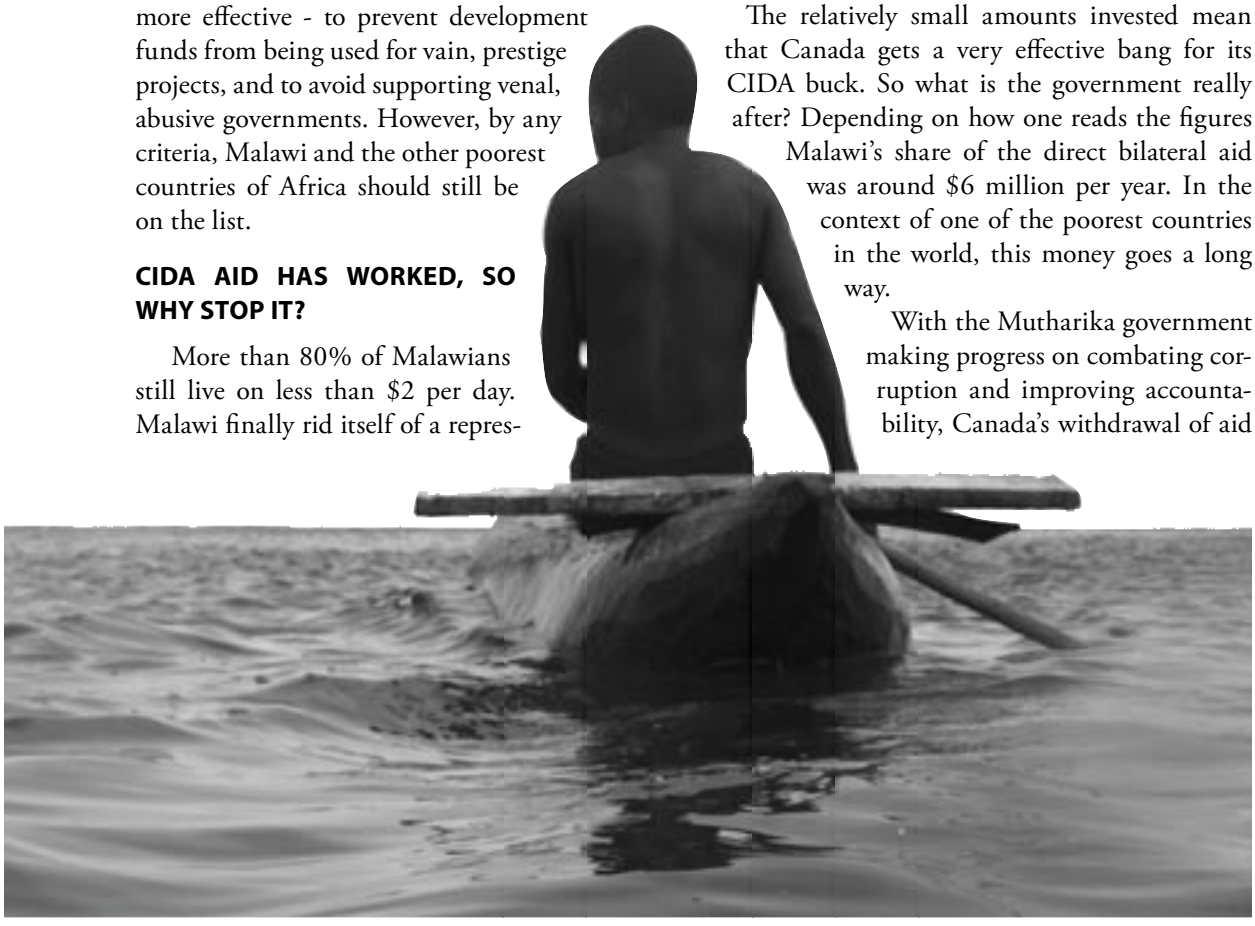
The Canadian High Commission in Malawi is staffed by CIDA officers and does little or no visa or consular work. The projects they deal with are critical to priority areas such as education (especially for girls), HIV/AIDS and gender representation.

They have had an impact on the people in Agogo Saka's little village.

The governance focus of the CIDA Malawi programme has dealt with financial accountability to prevent a return to the bad days under the corrupt Muluzi government, when development funds disappeared and politicians and their friends fattened on sweetheart deals.

The relatively small amounts invested mean that Canada gets a very effective bang for its CIDA buck. So what is the government really after? Depending on how one reads the figures Malawi's share of the direct bilateral aid was around $6 million per year. In the context of one of the poorest countries in the world, this money goes a long way.

With the Mutharika government making progress on combating corruption and improving accountability, Canada's withdrawal of aid



Fisherman on Lake Malawi, in canoe of hollowed-out tree trunk. Fisheries supply about 75 percent of the nation's dietary animal protein and employ approximately 250,000 people in catching, processing and marketing. In the past decade, the total catch decreased from 70,000 tons a year to 45,000 tons largely because of over-exploitation of tilapia (chambo). CIDA has funded fishery sustainability projects in Malawi. Photo by Lars Plougman

might even come as a reproach to Malawians for actually making progress.

Discussions with CIDA contacts reveal that they are equally disturbed by the process as well as the decision. The change was engineered from the top and even high-level CIDA staff persons were not consulted.

I am a critic of international aid and for good cause. In the 40 years I have been involved in development and activism, the countries I know in sub-Saharan Africa have dropped down the development ladder despite foreign aid. But I do not share the bureaucratic and Western condemnation of the failure of Africans to seize the opportunities aid money offered and convert it into real development, a critique that too often is self-serving.

In my view, the essential need is for an equitable trading system to allow the poorest countries a chance to enter the world stage as partners, not as dependent chattel enslaved by rich country trading policies.

For decades now Canada has promised to fulfil the promise of Lester B. Pearson to commit 0.7% of GNP to development assistance. Canada is barely over the halfway mark. The equally compelling promise to eradicate poverty through the Millennium Development Goals is also becoming less and less possible.

"The change was engineered from the top and even high-level CIDA staff persons were not consulted."

After eight decades, Agogo Saka is able to see that the quality of life for her great-grandchildren is improving. A retrograde move like dropping Malawi and the other poor countries of Africa should cause great concern among Canadians.

Doug Miller was a CUSO teacher in Malawi in 1968 and later the CUSO Field Staff Officer there. Agogo Saka is the mother of his wife, Nellie. A regular contributor to "Amandla" a weekly radio show about Africa on CKUT 90.3 FM, he recently retired as a CEGEP educator to help form an organisation to educate Canadians about Malawi and to improve the quality of life in Chilanga. He would like you to write to Bev Oda, Minister of International Development, Lawrence Cannon, Minster of Foreign Affairs and International Trade and Margaret Biggs, President of CIDA, to protest the change in development policy.

New government policy on corporate social responsibility comes up short

In March, the government announced a major policy direction in a paper entitled Building the Canadian Advantage: A Corporate Social Responsibility Strategy for the Canadian International Extractive Sector. If you've heard nothing about it, you are not alone. The press paid little attention to it.

I sent the paper to Vinicio Lopez, who works the Catholic Church in San Marcos, Guatemala, for comment.

"These initiatives are much more focused on the interests of Canadian mining companies," he said. "Clearly, your government is doing everything it can to continue enriching Canada by exploiting the natural resources of other countries."

Indeed, the title says it all: Building the Canadian Advantage.

Three years ago, the federal government held public hearings across the country about the corporate social responsibility (CSR) of Canadian mining companies working overseas. Witnesses came from a number of countries in which Canadian mining companies work. Mining companies, academics, labour organizations, NGOs (including the SJC) and individuals presented oral and written briefs.

The Advisory Committee, composed of representatives from a wide spectrum of the Canadian public, deliberated on what it had seen and heard. On March 26, 2007, it submitted a list of recommendations to the government - an accomplishment in itself, given the composition of the Committee.

Most NGOs, including the SJC, expressed cautious approval of the recommendations although some things we thought important were not included. The requirement of "free, prior and informed consent" on the part of indigenous peoples affected by mining projects, obviously important to many people, was omitted. Overall, though, we believed that the recommendations represented a good first step to future work.

Our hope was strengthened several months later, when Prime Minister Harper told the 2007 G-8 meetings that "the implementation of the recommendations from this process will place Canada among the most active G8 countries in advancing international guidelines and principles on corporate social responsibility in this sector."

We waited. And we waited. Even as the mining companies continued their operations and indigenous groups in countries like Guatemala protested, one year and then another passed with no word from the government.

Finally, after two years, Building the Canadian Advantage was issued, proposing two new entities:

1) An "Extractive Sector Corporate Responsibility Counsellor" to assist in "resolving social and environmental issues related to Canadian companies working abroad," and

2) A "Centre of Excellence" to provide "a one-stop shop to provide information for companies, non-governmental organizations, and others."

The "Counsellor" might appear to be another name for the "ombudsman" called for in the Advisory Council's recommendations. It's not. The Counsellor's mandate is much more restricted and requires the consent of involved parties. The Counsellor cannot act on his or her own initiative.

The Counsellor's role is to review the social responsibility practices of Canadian extractive sector companies operating outside Canada and to advise stakeholders on the implementation of endorsed CSR performance guidelines.

In addition, the government states that it has signed or will sign a number of international accords dealing with reporting procedures and the like. Well and good, but "voluntary" is the key word. They carry no penalty if ignored and so are suggestions at best. Companies that ignore guidelines could still receive government help and finance.

As my friend in Guatemala wrote, "This leaves everything to the 'good will' of the mining companies."

Undoubtedly, there are some good Canadian mining companies but as we have learned in recent years, there are those that aren't so good. Unfortunately, Canada's new policy makes little differentiation between the two. Meanwhile, people around the world will continue to suffer damage to their health and the destruction of their land.

Ernie Schibli is a founding member of the SJC, and one of our most popular workshop animators. Contact: ernie@s-j-c.net

Social Justice Committee

The *Upstream Journal* is a publication of the Social Justice Committee of Montreal. It is one of several educational materials we offer on human rights and development.

Donations to the SJC are welcome, and go to support a range of human rights & development education activities.

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*Editor's note: Some articles are produced in the SJC office by volunteers and interns who are in training in journalism, with guidance and content input from the editor.

The Upstream Journal is published by the Social Justice Committee of Montreal. Here are some recent SJC activities.

Advocacy on international finance. Derek MacCuish, the SJC Director and Upstream Journal Editor, attended the April IMF/World Bank meetings in Washington, and is preparing a journal of his activities for the Upstream. There were once again three days of workshops and meetings, including with the Canadian representatives who agreed "in spirit" with the need for a process for **odious debt**.

The SJC launched a campaign for a **freeze on debt payments** from low income countries during the financial crisis. This would save these countries $1.6 billion a year.

We also issued a bulletin urging people to contact Finance Minister Jim Flaherty and ask him to propose an international arbitration mechanism to rule on whether debts incurred by certain impoverished countries are odious and thus non- binding.

Education programs

The **"1000 Peacewomen Across the Globe" exhibition** from March 29th to April 3rd at Queen of Angels Academy, with guest speaker Julia Morton Marr, a Canadian PeaceWoman, connected with hundreds of the students and was open to the public.

The May 9 **presentation and wine and cheese** with Chilean lawyer and activist on behalf of indigenous people Nancy Yáñez Fuenzalida drew a large group in Pierrefonds.

The Dictatorship of Debt. The theatre troupe performed at three separate venues for more than 200 people.

SJC presenters gave **workshops** to an Amnesty International group, and at Vanier College, Dawson College, St. Thomas High School, the St Laurent YMCA, and CIRST, Département de philosophie, Université de Montréal.

Coming up:

A **photo exhibit** on mining, coming to Montreal area venues throughout summer. It can also be booked by local groups – contact the SJC office at 514 933 6797 for more information.

Workshops: "SJC Summer Forum: Responses to the global economic crisis and how it affects third world countries."

Stay up to date on activities – sign up for our email updates (we only send out one or two a month) at our web site: www.sjc-cjs.org

We thank interns Kelly Stock and Erina Morgan for their work on the design and layout of this issue, our volunteer and intern writers, and the photographers who contributed their work.

Cover photo courtesy Adrian Freeman. Shibanxi Huangcunjing mine. China's mineworkers are often unskilled migrants. Rubber shoes and ordinary clothing provide little protection. Last year 3200 miners died in mining accidents.

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The Social Justice Committee of Montreal has been working to raise awareness of the root causes of hunger, poverty and repression in the world through our education programs since 1975. We work in solidarity with organizations in a number of Third World countries in the search for a more just and sustainable global socio-economic system.

The Social Justice Committee depends on financial support from its members and the general public. It is a registered charitable organization; donations are tax deductible.

We invite you to donate today, and become a member by supporting the mission of the Social Justice Committee to:

- Analyze the underlying structural and global causes of poverty, human rights violations and other social injustices.
- Contribute to informed popular participation in eliminating these injustices.
- Work in solidarity, and through education, to transform our world into a just society.

The Social Justice Committee believes that social and economic change is essential for the creation of a sustainable world, and that each person has the right and the responsibility to participate in the process.

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Subscription to the *Upstream Journal* is only $5 a year. It is published five times a year, at irregular intervals.

Views expressed in the *Upstream Journal* are the writers' own and do not necessarily reflect those of the Social Justice Committee. We welcome the submission of illustrations and articles on aspects of international development and human rights.

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Children in bed at the Cadeo orphanage in Goma. 61 children live in this orphanage run by Mrs. Bahati Nyaba. There are three rooms in which to sleep, and even the hallways, kitchen and main office serve as bedrooms. The center has no support from either foreign NGOs or local government. Bahati says that she trades coffee in order to support the orphanage, doing this because she herself was an orphan who grew up on the streets.

Photo: Carlos Villalon

Nabaj, Quiche, Guatemala. The grave of a father, mother and wife of a man who buried them at night, hiding from soldiers who had killed them as they fled into the mountains. The exhumation of clandestine cemetaries is a challenge to some people in positions of power in Guatemala, because it brings back a violent past for which there has been no accountability. Photo: Jonathan Moller. To see other photos visit www.jonathanmoller.org. Story page 25.

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