

Bench Marks defends mining sector report

September 16 2012 at 05:11pm

[Comment on this story](#)

The article in Business Report (September 5, 2012) by Keith Bryer cannot be left unanswered, the more so in that he asks us to reply to certain questions. Bryer's comments are not the first time that mining consultants have attempted to discredit the research of the Bench Marks Foundation.

First, Bryer's assertion that we happened to release our study on platinum mining in the Bojanala District in August as we must have had some prior knowledge of what was to transpire in Marikana, is at best cynical but more likely just mischievous. He also says that it is a money gathering season and hence the timely release of our study and donations must be pouring in. He also indirectly makes as if we must have a foreign agenda because we promote social justice.

"Money gathering" for a body such as ours is Lent, but Bryer's views reflect his lack of knowledge of such a season.

His use of emotional language, demonising the legitimate views of communities, bad-mouthing adversaries and making as if they have foreign agendas, smack of apartheid days.

The Bench Marks Foundation is an independent organisation founded by the churches as part of their call for a more just economy, one that is inclusive and recognises that economic life begins with communities. Its aim is to break corporate dominance towards a more just economy and, thereby, a more integrated approach by corporations to corporate social responsibility. This means putting the community's interests first and integrating social, economic and environmental performance targets into decision-making, and line management responsibility.

In 2007, we warned the government and the platinum mining houses that unless the socio-economic conditions under which the platinum was extracted changed, there would be community up-risings. We also engaged with Anglo and Impala Platinum and met their senior representatives. We are already engaging the platinum mining companies, as well as the government around the latest findings.

In 2007, we spoke of the possibility of violent clashes, xenophobic attacks given the scarce resources, overcrowding of local communities, lack of local employment, housing shortages, pollution of water, air quality, land disputes, an HIV and Aids epidemic, among others.

In March 2011 to March 2012, we reviewed our first study to see if any of the recommendations that we had made had been heeded.

For the record, the Bench Marks Foundation notified all the platinum houses of the date of the release of the study one month prior to August 14 and asked for responses. This invitation is still up on our website. Anglo Platinum and Impala responded, and Lonmin, Aquarius, Royal Bafokeng Holdings and Xstrata did not, although most participated in the study.

Bryer needs to stop developing conspiracy theories as a way to shield the industry. Things are not good around platinum mining, with a large number of community protests and strikes occurring over the last year. It has been developing for many years and, in many ways, our research study is free risk management advice to companies.

Bryer is someone who wants to believe differently. His argument that the mines pay tax, create jobs and wealth is obvious. No-one denies that. But the question has to be asked at what cost to communities, including farmers who find themselves unable to grow healthy crops because of pollution, and in the tragic case of Marikana, to the country's image?

Bryer's arguments ignore Bench Mark's reflection of the views of an important stakeholder in the mining matrix – the communities in which the mines operate. Many of them are there because, ironically, of the living-out allowance the mines pay so that they don't have to provide on-site accommodation. Platinum mines have a responsibility to house their workers and, along with the local government, to develop appropriate infrastructure.

The large amount spent on things like education and health is laudable, but does not negate the problems of the proliferation of informal communities close to the mines, air and respiratory diseases and concomitant loss of livelihoods, to mention a few. In the end, the cost of these maladies is borne not just by the mines but, more importantly, by the communities and the country as a whole.

On employment, the problems begin with the mining houses that promise jobs to local communities and then largely recruit through centralised recruitment systems. This is resented by host communities who have been in the area for more than 100 years. All the Bench Marks Foundation does is point out that there is this problem and, if Bryer had read the actual study, he would see we make a number of concrete recommendations around migrant labour.

It is a sensitive issue and needs sensitivity and understanding, as these workers are very vulnerable and have a right to work where they want. The question of pension funds is a perennial answer proffered as to how workers benefit in the long term. The truth is that these constitute a small proportion of workers' investment in the mining companies.

It needs to be recognised that the existing economic model is partly a structural problem of our economic system, which promotes rampant profiteering at any cost, and what Joel Bakan calls the psychotic nature of corporations.

An in-depth discussion is needed about ownership and control, and how minerals can bring about holistic development; how it can be used in a responsible development manner; and how it can begin to address a greener more responsible economic path.

The ecosystem is another that has been viewed as a sub-system to take from, exploit, save costs and increase profit.

The Bench Marks Foundation looks at internalising all the costs that corporations pass on to society. We point to doing business in a way that considers the broader environment in which they operate. This includes people, the ecosystem, the social crisis of unemployment, deepening poverty and inequality, and the looming crisis of climate change.

What we need is a just, redistributive path, a just economic and democratised system, where the interests of all the people, present and future are considered above all else.

John Capel is the executive director at the Bench Marks Foundation