

**December 13, 2011**  
**Press Release**

***On National and International Development of Mining in the context of Globalization***

Large-scale mining industries in the country, mostly are foreign-owned, have become more ferocious in their plunder of our natural resources in this era of globalization. These industries have the support of our own government through the policies that it enforces to further impoverish and exploit its people.

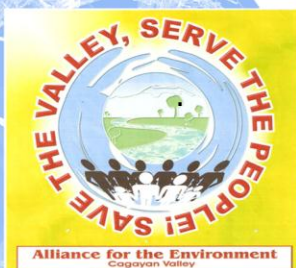
Neoliberal globalization, for years, has used the rhetoric of development for the people. However, the policies that it employ namely liberalization, privatization and deregulation, among others, only serve to do the opposite. The increasing liberalization of the mining industry in the country only deepened its historical backwardness through extractive activities for export of raw minerals.

According to Rose Guzman of IBON foundation, the mining industry under President Benigno Aquino's administration relied on three features: public-private partnerships (PPPs), conditional cash transfer (CCT), and its counter-insurgency program Operation Plan Bayanihan.

**"Mining money without drilling holes"**

Public-private partnerships (PPPs) is one of Aquino's flagship policies to supposedly bring forth development in the country but only means using taxpayer's money to create "good business climate" through liberalization. In this context, his administration considered the liberalization of the mining sector as a "top economic priority" to supposedly generate more revenues. The PPP in the mining sector is fueled by changes in the international political and economic arena through globalization. But while the Aquino administration claimed to develop the mining sector in the name of national industrialization, what happened in reality is that it only enrich big foreign-owned mining companies by exploiting the Filipino people and plundering our natural resources.

After the 2008 financial crisis, we notice how the gap between the rich and the poor skyrocketed. According to IBON, there was a record high in commodity prices, including metals, by the end of 2010; the revenue of global mining industry increased by 32 % but the effective tax rate charged against them was reduced to 26 %. As a result, their net profit was up by 156 %. However, mergers and acquisitions continue to dominate the mining sector mostly US-led in coal and iron ore sectors, raw metals that are extracted by foreign mining firms in the country. According to IBON, "the global mining industry, just like the major drivers of monopoly capitalism, relies on fictitious capital to surmount the crisis, and at the lowest technology and labor costs possible." US foreign direct investments in the country's mining sector are used for predatory acquisitions of mining corporations close to bankruptcy. They used these corporations primarily for mineral exploration activities to create more money and revenue through speculation in the financial market.



In the Philippines, the mining industry does not contribute to employment and the gross domestic product (GDP). The national data gathered by IBON showed that it has the third lowest value-added among major 14 sectors in the country. However, it has the highest profit margin. Thus, where the international global mining industry showed increases in profits, so was the large-scale mining firms in the country at the expense of the people. The increasing human rights violations of mining communities and environmental destruction in the country could attest to this situation. Furthermore, IBON said that the Mining Act of 1995 signified the unbridled liberalization of the mining sector in the country – 100 % ownership of mining companies in the country by foreign countries, investment guarantees, incentives such as tax holidays, and privileges such as easement rights and military protection.

### Large-scale mining and increasing HRVs

Conditional cash transfer (CCT) of the Aquino administration claimed to help the poor population of the country, such as the *Payapa at Masaganang Pamayanan* (PAMANA). But according to the Cordillera Human Rights Alliance (CHRA)-Karapatan 2011 Year-end Report, these are just being used to sugarcoat the government's internal security plan Oplan Bayanihan. It is the responsibility of the State to provide these much needed community development programs but channeling them through the military legitimizes their presence in the communities and strips off the responsibility from the civilian bureaucracy who is the primary responsible. Moreover, a rough surmise of all the beneficiary communities around the country would show that most of these dole-outs are being released in mining communities.

The Aquino administration also approved the AFP proposal to allow mining firms in the country to organize and fund militias for their security. But according to the statement of Kalikasan-PNE last October, this would only serve to increase the string of HRVs committed against anti-mining activists and advocates. Under the Aquino regime, five (5) anti-mining activists became victims of extrajudicial killings.

### Continuing resistance

Indeed, large-scale mining industries have become more ferocious in its plunder of our natural resources. Worse, the Aquino regime is no different from the previous administrations in its treatment of these mining firms. It deepened the historic backwardness of the country's mining industry, which is largely extractive and export-oriented. It is in this context that the struggle of the Filipino against these ferocious mining activities is continued. The past years saw various gains and lessons for the mass movement in its resistance against these rapacious mining firms. Thus, continuing the legacy of the anti-mining struggle of the peoples of Northern Luzon, various organizations and alliances will be forming a network of anti-mining activists and advocates. Furthermore, the mass movement have been clamoring to scrap the Mining Act of 1995 that led to countless atrocities against the people. On the other hand, the House Bill 4315 or the People's Mining Act was already filed in Congress.

Only through militant and persistent struggle of the people against large-scale mining and the historical injustice of US imperialism and State fascism will define the path towards a national development for people. #

