## **Credit and liabilities of Mining natural resource in Afghanistan** 1/2 By James C. dabhi

http://www.aopnews.com/opinion/dabhi minerals.shtml

There is a discussion about mining and excavation of minerals especially irons ore and copper in Afghanistan. I would like to look at mining of natural resources (NRs) in Afghanistan from a sociological perspective and highlight possible credit and liabilities.

NRs include air, water and the earth itself, in addition to the gases, minerals and the biomass of wildlife such as fish, animals, birds and all other forms of life. The U.S. Geological Survey estimates that Afghanistan has more than 1.5 billion barrels of oil and 15 trillion cubic feet of natural gas. Two major copper deposits exist near Aynak, and the government is preparing to solicit bids for a lease to develop the Hajigak iron mine, which Minister of Mines Ibrahim Adil said last year, contains an estimated 60 billion tonnes of ore. The untapped mineral deposits in Afghanistan are estimated to be \$1 trillion (without the cost of extracting and transporting them). The reserves include critical industrial metals like lithium and so many other minerals that Afghanistan could eventually be transformed into one of the most important mining centres in the world.

NRs of countries across the world have been slowly snatched away from local communities and ended up in the hands of powerful people and multi-nationals with the help of the local elite and governments. This danger is real in Afghanistan.

The Afghan children, women and men have aspirations and dreams of peace and actualisation of their rights as human beings. Afghanistan needs the finances, technology, human resources, employment, alternative livelihoods, clean environment and sustainable ecological system. The sustainable use and extraction of NRs through mining has the potential to fulfil these needs to some extent. But it requires critical examination of the liabilities and benefits of the mining industry.

Natural resources are at great risk in a country where the governance is weak and public awareness lacking. Without a reasonably well functioning governance, non-corrupt judiciary, vibrant civil society, adequate checks and balances, greater awareness and practice of social inclusion, the excavation and development of mining industry will be beneficial only for the 'haves'. It will further marginalise the 'have-nots'.

James Risen has written in New York Times of 14<sup>th</sup> June, 2010 that the corruption that is already rampant in the present government could also be amplified by the new wealth, particularly if a handful of well-connected oligarchs, some with personal ties to the president, gain control of the resources. Just last year, Afghanistan's minister of mines was accused by American officials of accepting a \$30 million bribe to award China the rights to develop its copper mine. The minister has since been replaced.

Afghanistan seriously lacks vibrant and responsive civil society to demand accountability from the government and the Profit making organisations engaged in mining. This will provide ample opportunity to siphon the earning from NRs to private pockets instead of national treasury.

Security is still a huge problem in Afghanistan and the poor, women and children suffer the most because of this insecurity. Besides the Taliban there are other national and international players who have a role to play in the existing insecurity. Establishing security will hit the pockets of many, especially those who thrive on insecurity and mint money on it. A mining industry would require security and it will not come easy unless the political and economic gains from insecurity are addressed.

The present gender imbalance in employment and the division of labour will mean that women will be kept out of any new mining industry in a substantial way. The kinds of jobs created and the area of work will favour men thus marginalising women. Security concerns and culture-gendered roles will not allow the participation of women and thus deprive them of their right to development, both in the process and the outcome.

Ethnic and religious intolerance and conflict are often reflected in the allocation of ministerial portfolios, recruitment, jobs, trade, development programmes and budget

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allocations. Mining of these resources and the associated bribes, corruption and granting of favours may trigger conflict and escalate already existing violence.

The actors within and from neighbouring countries, as well as other interested external powers with political and economic interest, may have an interest in derailing potential development efforts. If they feel that NRs development is not in their interests they may induce conflict and violence. There are enough actors and agents within the country to do accomplish this for dollars.

Let me highlight some credit, benefits of developing mining industry in Afghanistan.

The women, men and children of Afghanistan have needs, aspirations and dreams of peace, prosperity and their human rights met. The country needs the finances, technology, human resources, employment, livelihood options, clean environment and sustainable ecology to make Afghanistan a sovereign state. The sustainable use and extraction of NRs has the potential to fulfil these needs to some extent.

Afghanistan currently relies on aid for approximately 90 percent of its budget. Thus the project of mining and trading NRs like coal, iron, copper and gas can generate desperately needed revenue through royalties and taxes for Afghanistan and create thousands of desperately needed jobs. Mining development and spinoff industries will encourage investment in Afghanistan and boost the economy.

History has shown that trade and business has the potential for healthy cultural exchanges. Through the human and technological interactions Afghans can learn from other cultures. A healthy and respectful blend of cultures can enhance local cultures, and make them more vibrant and inclusive.

Across the world there are examples of exploitation of people and NRs in the name development Afghanistan can learn from. It can also learn from a few good examples Norway being one of them. Afghanistan will have to learn to promote development which is sustainable, politically, economically, socially inclusive, environmental friendly and gender just.

In the given situation, circumstances and the prevailing state of affairs in Afghanistan, it is hard to believe that Afghanistan is equipped to go ahead with mining and extraction of NRs unless the above concerns are addressed adequately. Left to government and the corporate sector this may not happen. Civil society including the students and academia will have to come forward and exercise their rights and responsibilities as citizens of Afghanistan for access to information. They will have to demand accountability and people's participation in this proposed extraction of NRs development of mining industry.

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