

**Mines and Communities as Seen through the 2015  
Encyclical “Laudato Si” by Pope Francis**

**Keynote Speech**

**Presented by Jim Cooney**

**June 6, 2016**

To

The Conference on Mining and Community Solutions  
at the  
University of British Columbia

The first question inspired by the Encyclical is: Why should mining companies give any attention to this Encyclical?

As all of you know, social license is not simply a matter of communicating with a community, to earn its consent for or acceptance of a project.

Social license requires that we engage with the individuals and organizations who ally themselves with communities, or who sometimes side with dissentient factions of a community.

As we have all experienced, a significant voice in protesting mining projects in Latin America, in the Philippines, and in parts of Africa, and even in Canada are organizations associated with the Catholic Church.

This Encyclical, for the first time, provides a comprehensive rationale and set of principles for that Church-based criticism of mining projects.

At the very least, mining project proponents would do well to read the Encyclical with a view to better understand and to more effectively counter the reasoning of their Church-based opponents.

There are also other, more significant, reasons why I think this Encyclical is potentially very useful for mining companies, which will become apparent as I touch on certain salient points. **(SLIDE 2)**

The Encyclical takes its Italian title, which means “Praised Be” from the canticle composed by St. Francis of Assisi in 1225, which contains the following stanzas (Slide 1):

Praised be you...our Sister, Mother Earth, who sustains and governs us....

Brother Sun....Sister Moon and the stars.... Brother Wind....Sister Water.... Brother Fire....

These words of St. Francis describe a world, not of objects that we relate to through observation, analysis, ownership and utilization, but a world of beings, with an inner reality, who should be recognized and respected as fellow creatures.

This mediaeval worldview seems alien to those of us who live within the modern secular worldview. We understand the words of St. Francis as metaphor or poetry, not as a description of reality.

However, many indigenous peoples in the Americas and traditional communities in many rural areas of Africa and Asia do understand and experience the world around them in the manner of Saint Francis.

In their ancient cultural worldview, everything is endowed with spirit, an inner personhood: all animals, plants, rocks, mountains and rivers, thunder and wind, the sun and the moon.

The Encyclical praises and validates this understanding of the world, as being fundamentally consistent with the Christian understanding of what it calls: “the integrity of creation”.

It urges not only Christians but all “people of good will” to let this understanding of the “integrity of creation” influence and guide our decisions and actions within the industrial economy.

What does this mean? Can we imagine a mining engineer holding an ore sample in his hands and saying: “Brother copper will you permit me to disembed you from this rock in which you are sleeping?”

Perhaps a more spiritually inclined or poetic mining engineer....But let's be realistic.

In our modern secular worldview, in which we make decisions about mining: **(SLIDE 3)**

....materialism objectifies everything outside human consciousness....

...technology propels the assertion of human power over nature....

...capitalism drives wealth creation and the accumulation of economic power....

...individual rights are often superior to communal interests....

...possession of property is revered as fundamental to a productive economy and a stable society.

It is not that people living in our modern world lack a sense of community, a feeling for nature or a deep spirituality.

But these are personal values, however broadly shared they may be. They are not dominant themes in the modern secular worldview, within which we make decisions and communicate with communities about mining.

Within our modern secular worldview, business corporations are subject to a set of implicit public expectations that are generally referred to as the “social contract”: **(SLIDE 4)**

Under this social contract, the general expectation of society is that companies will endeavour to generate the maximum possible profit for their shareholders (owners and investors) within the constraints of laws and regulations, public perception and ethical convention.

The tests of compliance with these constraints are: Might a given action subject the company to legal penalties? Or, to reputational cost in media coverage? Or, to moral outrage in certain segments of society?

During the past twenty years, many mining companies have subjected themselves to an additional constraint, namely sustainable development.

The test of compliance with sustainable development is: Will the development, operation and closure of a mine generate sustainable improvements in the quality of life of local communities and a lasting contribution to the well-being of the host country? **(SLIDE 5)**

In 2013 and 2015, leading mining company executives went to see the Pope.

They met with the Pontifical Council on Justice and Peace and the Vatican Working Group on the Integrity of Creation.

They explained how the industry's global sustainable development agenda deserves recognition as supporting the Church's teaching on social justice.

Marc Cutafani, the CEO of Anglo American, who led the mining industry outreach to the Vatican, reflected on this initiative with the following words: **(Slide 6)**

“We quoted the economic numbers, reinforcing our beliefs that we could define the good we do in terms of the economic data....We defended our world.... we explained that our new friends had only seen the bad side of our industry and that we had so many good stories to tell.”

Sam Walsh, the CEO of Rio Tinto commented on this dialogue with these words:

“I was surprised and personally disappointed to learn of the Church's perception of the mining industry's performance in the social justice arena, compared to our own self-perception ...Social justice, or to use a term we are more familiar with in the mining industry 'sustainable development', is a complex concept and difficult to define....”

Apparently these meetings with leading mining company executives did not convince the members of the Pontifical Council on Justice and Peace.

Here is how the Encyclical sees mining: **(SLIDES 7, 8 and 9)**

Generally, after ceasing their activity and withdrawing, they leave behind great human and environmental liabilities such as unemployment, abandoned towns, the depletion of natural reserves, deforestation, the impoverishment of agriculture and local stock breeding, open pits, riven hills, polluted rivers and a handful of social works which are no longer sustainable. (LS 51)..... A technological and economic development which does not leave in its wake a better world and an integrally higher quality of life cannot be considered progress. Frequently, in fact, people's quality of life actually diminishes – by the deterioration of the environment, the low quality of food or the depletion of resources – in the midst of economic growth. In this context, talk of sustainable growth usually becomes a way of distracting attention and offering excuses. It absorbs the language and values of ecology into the categories of finance and technocracy, and the social and environmental responsibility of businesses often gets reduced to a series of marketing and image-enhancing measures. (LS 194)

The head of the Pontifical Council on Justice and Peace, Cardinal Peter Turkson, who grew up in a small mining community in south western Ghana, said to the mining company leaders following the Vatican meetings: **(SLIDE 10)**

“You have come (here, to the Vatican) out of the honest acceptance that, for your industry to keep on making decisions based merely on geological surveys and balance sheets, is not sustainable. A new breadth and depth to decision-making has become necessary, which encompasses....

- technical and social complexity,
- moral responsibility,
- solidarity both now and inter-generational; and, in order to reach this breadth and this depth,
- spiritual insight and discernment.”

It is clear that, as well-intentioned as many mining companies may be about implementing sustainable development around their operations, the outcome often falls short of the objective.

But in the eyes of the Church, mining companies do not just have a performance gap. The mining industry has a basic understanding gap.

The Encyclical detects fundamental flaws in the modern secular worldview, within which mining companies, as with all business corporations and indeed all public institutions, make decisions, take actions and communicate with one another.

In our modern secular worldview, everything is understood to be technologically and financially..... rational, objective and quantifiable, with little consideration for the integrity of creation, the interconnectedness of all things, and the rights of future generations.

The Encyclical suggests that if mining companies remain locked in the current modern secular worldview, conflict with communities will be unavoidable and potentially disastrous to both.

**(Slide 11)**

The first fundamental flaw in the modern secular worldview is that industry places enormous trust in technology, and routinely underestimates the risk of technical failures and of consequent damage to people's lives and the natural environment.

The Encyclical suggests that the risk of technological failures or of unexpected outcomes requires that a **precautionary approach** should be taken to managing the environmental impacts of mining.

The mining industry is already gradually moving in this direction. An example of the precautionary principle in action would be the Tailings Management Protocol of the Mining Association of Canada, which requires member companies to implement a structured oversight system that goes beyond regulatory compliance to anticipate and prevent any possible adverse impact of tailings on the natural environment and on local communities.

The second fundamental flaw in the modern secular worldview is the pre-eminent priority attached to profit-seeking, which can cause negative effects both on human beings and on the natural environment.

Looking at the world through the lens of profit causes mining companies to take unacceptable risks.

Profit-seeking also inclines companies to externalize some, if not much, of the cost of industrial production onto the natural environment and local communities, to an extent that is not acknowledged, much less calculated.

Moreover, the maximization of profits emphasizes short-term thinking, with no regard for the well-being of future generations.

Decisions made on the basis of discounted cash flow analysis and net present value calculations depreciate the value of everything in the distant future.

Net present value does not, and cannot, equate with inter-generational equity.

The Encyclical contends that decisions driven principally by technology and profit cannot achieve sustainable human development, consisting of balanced levels of production, equitable wealth distribution, social inclusion, respect for human rights, and environmental protection.

It proclaims that mining companies need to change the way we see the world, the way we think, the way we make decisions, and the way we engage and communicate with communities.

It proposes a new frame of reference for decisions about mining projects, which it calls “Integral Ecology”.

Integral Ecology seeks to avoid the objectification of nature and the compartmentalization of issues focus, which is the prevailing analytical and problem solving approach of the modern secular worldview.

The interconnectedness of all issues means that

advocates of eliminating poverty,

advocates of protecting biodiversity,

advocates of preventing climate change,

advocates of building mines, and

advocates of advancing human rights, and many other single issue advocates

must find a shared conversational and decision-making space.

The Encyclical is clear about certain principles of Integral Ecology that should form fundamental reference points. **(SLIDE 12)**

The first and foremost reference point of Integral Ecology is the common good, which implies that individual property rights are not absolute.

Consequently, decisions about mining projects should not be based solely on an evaluation of project-specific impacts.

Rather, mining projects must be evaluated with full consideration of all possible cumulative effects of all other industrial projects and resource utilization on communities during mining operations and on future generations after the mines have closed.

The principle of the common good places a constraint on the right of mining investors to maximize the return on their capital.

Mining companies must cease transferring the costs of any negative impacts of mining (such as greenhouse gas emissions) onto the natural environment or onto local communities.

Companies must internalize the costs of all negative externalities.

Flowing from the common good is the principle of solidarity: solidarity with the impoverished and the powerless in host countries, and solidarity with future generations.

Solidarity is demonstrated by collective action towards righting imbalances in decision-making power and the distribution of goods.

The economic and other benefits provided by a mine to local communities should demonstrate a “preferential option for the poor”.

Guided by this norm, mines should reduce not only objective poverty by increasing the overall amount of wealth in local communities but also relative poverty by narrowing the wealth gap in those communities.

The principle of subsidiarity requires that policies and programs to advance the common good should insofar as possible be driven by the lowest competent authorities in the hierarchy of powers in society.

Basically, subsidiarity is bottom-up decision-making. (I might say, as an aside, that the Catholic Church itself rarely if ever demonstrates subsidiarity in its decision-making processes. But let’s leave that aside for the moment.)

You will note that subsidiarity strongly reinforces the concept of social license. Communities that are most directly affected by mining projects, and their allies in civil society, should as a matter of “social justice” drive decisions about mines, and not the higher levels of government.

Subsidiarity means that mining companies should welcome the involvement of community associations and non-governmental organizations allied to community interests in the decision processes related to mining projects.

Moreover, companies should contribute to the strengthening and empowering such institutions, since they constitute the social capital that makes communities cohesive and resilient.

It is probably unrealistic to think that the mining industry can achieve a transformation as extensive as the Encyclical is calling for.

But can we admit that the limitations of our conventional way of seeing things may indeed be one underlying reason for the emergence of tensions and conflicts in communities around mining projects, in spite of the best intentions and sincere efforts of the operating companies, even those firmly committed to practicing sustainable development?

The principles and norms of Integral Ecology may indeed be useful in guiding corporate strategies for building more successful and sustainable relationships with local communities.

The Encyclical is an invitation to dialogue, to step out of our current way of seeing things and explore the possibility of thinking and communicating within the worldview of Integral Ecology.

Through the meetings that have already occurred between mining industry executives and Church representatives at the Vatican, an opening for dialogue has been established. **(SLIDE 13)**

The mining industry has much experience in multipartite dialogues with its critics....

....beginning with Canada's Whitehorse Mining Initiative from 1992 until 1995....

...then the Global Mining Initiative and the Mining, Minerals and Sustainable development (MMSD) project from 1998 until 2002....

....then the World Bank's Extractive Industries Review from 2003 until 2005....

...then Canada's National Roundtables on Corporate Social Responsibility and the Canadian Extractive Sector in developing Countries in 2006 and 2007....

...and many other national and international dialogues on corporate social responsibility, human rights, indigenous peoples, social and environmental performance standards and other, and so forth....

This Encyclical invites the mining industry to undertake yet another global dialogue, and even to collaborate with the Church in addressing issues of social justice and integral ecology.

As Pope Francis said shortly after publishing the Encyclical **(SLIDE 14)**

In the Encyclical *Laudato Si'* I wished to make an urgent appeal for collaboration in the care of our common home, countering the dramatic consequences of environmental degradation in the life of the poorest and the excluded, and advancing toward integral, inclusive and sustainable development. The entire mining sector is decisively called to effect a radical paradigm shift to improve the situation in many countries.

A radical paradigm shift!!? Wasn't that accomplished through all those other dialogues? Didn't we shift our paradigm when we adopted sustainable development in 2002?

When we accepted the concept of "social license", wasn't that a paradigm shift?

What more is needed? To find out, we need to enter into this dialogue, at the community level first and foremost in the spirit of subsidiarity, but also at the national and regional level, and perhaps even globally.

The mining industry has amply demonstrated that we are good at paradigm shifts. Are we ready for another transformative experience?

I look forward to the presentations in this conference to give us clues as to the answer.